



Building with conscience.

Sto SE & Co. KGaA, Stühlingen/Germany

# Half-year financial report

in accordance with Section 115 of the German Securities  
Trading Act (WpHG)

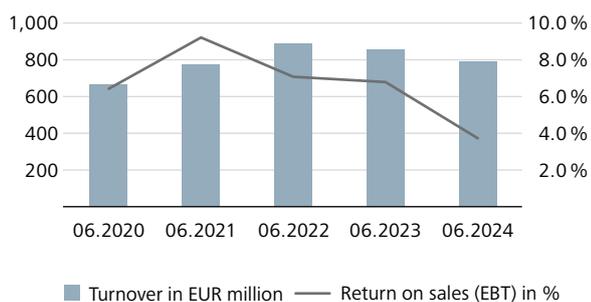
For the period from 1 January to 30 June 2024



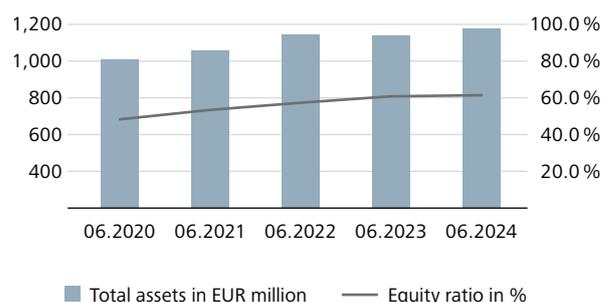
Overview of the Group	01 January 2024– 30 June 2024	01 January 2023– 30 June 2023	Changes in %
<b>Turnover</b>	795.7	856.3	–7.1
Germany	322.1	356.9	–9.8
Outside of Germany	473.6	499.4	–5.2
<b>Turnover by segment</b>			
Western Europe	617.3	674.0	–8.4
Northern/Eastern Europe	76.0	82.1	–7.4
America/Asia/Pacific	102.4	100.2	2.2
<b>Investments</b> (without: financial assets and IFRS 16)	15.8	14.1	12.1
<b>EBITDA</b>	61.6	88.7	–30.6
<b>EBIT</b>	29.3	58.2	–49.7
<b>EBT</b>	30.3	57.9	–47.7
<b>Return on sales</b> (EBT) (%)	3.8	6.8	
<b>ROCE</b> (%)*	3.5	7.2	
<b>Cash flow from operating activities</b>	–4.9	33.1	–114.8
<b>Employees</b>	5,784	5,801	–0.3
Germany	3,131	3,125	0.2
Outside of Germany	2,653	2,676	–0.9

(Figures in EUR million unless otherwise indicated)

### Development of P&L data



### Development of balance sheet data



\* ROCE = EBIT divided by average capital employed.

Capital employed = balance sheet values are determined on the basis of an arithmetic average of the respective reference date values at month end for the respective period. Capital employed = Intangible assets + Property, plant, and equipment + Rights of use + Inventories + Trade receivables ./. Trade payables

Rounding of amounts may lead to minor deviations in totals and in the calculation of percentages in this report.

Cover picture: Library building of the Karl-Franzens-University/Graz, AT  
Photo: Christian Schellander, AT

## Overview of the first half of 2024

- Consolidated turnover falls by 7.1 % to EUR 795.7 million in the first half of 2024
- Negative general conditions and unfavourable weather conditions have a significant impact on business development in Germany and outside of Germany
- Consolidated EBIT decreases by 49.7 % to EUR 29.3 million and EBT by 47.7 % to EUR 30.3 million
- EBT return on sales decreases from 6.8 % to 3.8 %
- 5,784 employees across the Group at the end of June
- Forecast for 2024 as a whole adjusted significantly downwards: turnover expected to be EUR 1.66 billion, EBIT in the range of EUR 62 to 82 million and EBT between EUR 63 and 83 million

# Consolidated interim management report for the first half of 2024

## Business and general conditions

### The company

The Sto Group is a major international manufacturer of products and systems for building coatings. The product range is divided into four product groups: the core business of facade systems comprises a wide range of external wall insulation systems (EWIS), in which Sto holds a leading position, and ventilated rainscreen cladding systems (RSC). The product group, which accounted for 46.6 % of consolidated turnover in the first half of 2024, makes a significant contribution to the energy efficiency of buildings and therefore to sustainability. The product group of facade coatings, which contributed 23.7 % of consolidated turnover in the reporting period, includes exterior render and paint systems. The third product group of interior products with its turnover share of 15.7 % includes plaster and paint systems, for example for living and office spaces, decorative coatings, interior claddings and acoustic systems for regulating room sound. In addition, Sto produces and sells high-quality floor coatings, products for concrete repair and further items which are allocated to Other product groups. These accounted for 14.0 % of consolidated turnover.

Sto's Group structure, strategy and management system did not change between January and the end of June 2024. Details can be found in the 2023 Annual Report, which is available for download at [www.sto.de](http://www.sto.de) in the section 'Investor Relations'. It can also be requested from Sto SE & Co. KGaA.

### Business development in the first half of 2024

The Sto Group's turnover and earnings development in 2024 to date has been significantly impacted by various factors and remained well below expectations.

One of the negative factors was the weak construction industry, which has been in decline for months, particularly in Germany, by far our most important market, but also in several markets outside of Germany. In Germany, approvals for residential construction continued to fall significantly in the first half of the year, which particularly affected the Sto Group's product areas focussing on new construction. The market is not expected to recover in the remainder of 2024 either. The main reason for the reluctance of potential developers is the mix of significantly higher construction costs, deteriorating financing conditions, and above all the considerable uncertainty among investors as a result of the uncertain legal framework and subsidy conditions. In the sector of construction project development, there were numerous restructurings and insolvencies with a corresponding impact on the project volume. Markets outside of Germany that are relevant to Sto,

such as Italy and France, also saw changes to state subsidies for energy-related measures, which led to a noticeable drop in demand.

Furthermore, the Sto Group's business development in the first half of 2024 was significantly influenced by unfavourable weather conditions. The application of Sto products used in exteriors was hampered by frequent rainfall in several of the Group's key markets, particularly in the months of May and June, which are usually characterised by strong turnover.

In net terms, turnover at Group level decreased by 7.1 % to EUR 795.7 million by the end of June 2024. EBIT also fell by 49.7 % to EUR 29.3 million as a result of the lower turnover volume, which was significantly below the previous year's level and expectations, particularly in June, although the gross margin rate improved from 52.8 % to 54.1 %. Group EBT decreased by 47.7 % to EUR 30.3 million compared to the first half of the previous year, resulting in a return on sales of 3.8 %.

### Economic conditions

#### Overall economy

The International Monetary Fund (IMF) has confirmed its forecast for global economic growth in the current year: according to the latest July update, researchers expect global economic output to increase by 3.2 % in 2024 (previous year: 3.3 %). An increase of 4.3 % (previous year: 4.4 %) is expected in the developing and emerging countries, while the IMF is forecasting unchanged year-on-year overall growth of 1.7 % in the industrialised nations. In the USA, growth forecasts were revised slightly downwards to 2.6 %, reflecting the weaker than expected start to the year. The economic trough appears to have been reached in the eurozone, where a slight increase of 0.9 % is forecast for 2024 (previous year: 0.5 %).

For Germany, the IMF continues to forecast weak GDP growth of 0.2 %. According to an analysis by the Monetary Fund, the fact that the German economy is not gaining momentum after the electricity and gas price shock in 2022 is primarily due to the persistently weak demand in the manufacturing sector. The sector plays a much greater role in Germany than in other, more service-orientated economies such as the USA. Large European industrialised countries such as Spain with 2.4 % and France with 0.9 % are also expected to perform better than Germany.

In its report, the IMF emphasises the considerable risks to which the global economy and therefore also the German economy are exposed. Among other things, experts are

warning of an escalation in trade conflicts between the USA, China and Europe.

### International construction industry

According to calculations by the Federal Statistical Office (Destatis), turnover in the **German construction industry** decreased by 1.3 % in price-adjusted terms in the first five months of 2024 compared to the same period of the previous year, while real incoming orders increased slightly by 1.6 %. Building permits for flats remained well below the already low level of the previous year, falling by a total of 21.5 % by the end of May. The biggest slump was recorded for single-family houses (-31.5 %), but approvals also fell significantly in the two-family house sector (-15.7 %) and in multi-family house construction (-21.7 %). The Hauptverband der Deutschen Bauindustrie e.V. (Main Association of the German Construction Industry) revised its expectations for 2024 as a whole slightly downwards in June and now anticipates a real decline in turnover of 4 % (previous forecast: -3.5 %; previous year: -3.3 %). The decisive factor is the drastic weakness in the new residential construction sector, where the association estimates that turnover (in real terms) will fall by 12 %. A decline of 0.5 % is expected in public construction, while commercial construction is expected to achieve turnover growth of 1.5 %.

Further volume declines are expected in the **architectural coatings** segment in 2024. However, according to the latest market report from the Verband der deutschen Lack- und Druckfarbenindustrie e.V. (Association of the German Paint and Printing Ink Industry), the decline slowed from 3.9 % in the previous year to 3.3 %. Turnover is expected to decrease by around 2 % due to price effects. Turnover in the **EWIS market** is also likely to weaken slightly less than in the previous period: the market research institute B+L Marktdaten GmbH expects a decline of 5.2 % following the significant drop of 15.3 % in 2023.

According to EUROCONSTRUCT estimates, construction output in **Europe** will also continue to decline in 2024 as a whole. Following a decline of 1.4 % in the previous year, the network expects a decrease of 2.7 %, mainly due to residential construction, with new construction expected to decline more than the renovation sector. The dampening factors include the moderate economic performance in the member states, the high interest rates, which make it difficult to finance construction projects, and the national budget deficits, which could have a negative impact on tax relief or the provision of subsidy programmes as well as the demand for construction from the public sector. In addition, higher labour and material costs are driving up construction prices, resulting in lower volumes. According to Eurostat calculations, EU-wide production in the construction industry fell by 2.5 % in May 2024 compared to the same month of the previous year; in April, the decline was 1.4 %, in March 1.0 % and in February 1.7 %, with almost all of the decline coming from building construction. A slight increase of 0.1 % had been recorded in January.

The **US construction industry** expects solid growth in 2024. According to GTAI (Germany Trade & Invest), the value of new residential construction projects could increase by 11 % in 2024. Growth rates in commercial building construction and the infrastructure sector are expected to weaken compared to the previous year, but remain at a high level thanks to government subsidy programmes.

The general conditions in the **Chinese construction industry** remain tense. Although the country's GDP grew by 5 % in the first half of 2024 compared to the same period of the previous year, the GTAI estimates that the increase has not reached the economy. In the property sector, which accounts for around a quarter of China's economic output, not only did the expected stabilisation fail to materialise, but the situation continued to deteriorate despite various government measures. The World Bank expects GDP in China to increase by 4.5 % in real terms in 2024 as a whole, with the fragmentation of global trade, higher debt and demographic trends in particular slowing growth.

## Income, financial and asset situation of the Sto Group

### Turnover development of the Sto Group

The Sto Group's **turnover** decreased by 7.1 % to EUR 795.7 million in the first half of 2024 (previous year: EUR 856.3 million). This includes negative currency translation effects totalling EUR 1.4 million net. Depreciations resulted primarily from hyperinflation in Turkey and the weaker exchange rate of the Chilean currency, while the Swiss franc and the Polish zloty, among others, significantly gained in value. The first-time consolidation of the New Zealand company Stoanz Ltd, Wellington, which was acquired by Sto SE & Co. KGaA on 1 April 2024, had a positive effect of EUR 1.2 million in the reporting period. Adjusted for all currency and first-time consolidation effects, the decline in turnover also totalled 7.1 %.

In **July 2024**, consolidated turnover slightly exceeded the previous year's value but remained below the initial expectations.

### Turnover trend across the segments

In the largest segment of **Western Europe** – including Germany – business development in the first half of 2024 was characterised by unfavourable weather conditions with a lot of cold and rain in almost all of Sto's markets. Together with various changes to state subsidy programmes, they led to considerable losses, particularly in the facade business. In Italy, for example, demand fell significantly as a government decree was issued in the first half of the year that severely restricts the previous incentives in the construction sector. In France, government funding initiatives were also cut and the business development of the Sto subsidiaries based there was below plan. Overall, segment turnover fell by 8.4 % to EUR 617.3 million in the reporting period (previous year: EUR 674.0 million).

The weather was also a key factor in the segment of **Northern/Eastern Europe**, where turnover decreased by 7.4 % to EUR 76.0 million by the end of June 2024 (previous year: EUR 82.1 million). In Sweden in particular, application was slowed down by the many cold and wet days. In addition, turnover development was negatively impacted by currency translation effects, with only the Polish zloty gaining in value during the reporting period. Business development in Eastern Europe was largely stable.

In the segment of **Americas/Asia/Pacific**, there was a strongly contrasting trend: while the subsidiaries in America largely achieved pleasing growth, some of the Asian companies recorded significant declines. In China in particular, market pressure increased further and the expected stabilisation of demand failed to materialise. There was slight growth in the Pacific region, partly due to the first-time consolidation of the New Zealand company. On balance, segment turnover increased by 2.2 % to EUR 102.4 million compared to the same period of the previous year (previous year: EUR 100.2 million).

Overall, the Sto Group's **turnover generated outside of Germany** decreased by 5.2 % to EUR 473.6 million in the first half of 2024 (previous year: EUR 499.4 million). At EUR 322.1 million (previous year: EUR 356.9 million), turnover in Germany was 9.8 % below the previous year's figure. The percentage of Group turnover generated outside of Germany increased slightly from 58.3 % to 59.5 % compared to the same period of the previous year.

### Consolidated earnings

The Sto Group's earnings were significantly down on the previous year as a result of the declining sales volume, coupled with a still high price level in procurement. The **cost of materials** fell by 9.0 % to EUR 366.9 million (previous year: EUR 403.1 million) and therefore more sharply than **total operating performance**, which fell by 6.4 % to EUR 799.9 million (previous year: EUR 854.9 million). Gross profit totalled EUR 432.9 million (previous year: EUR 451.8 million), resulting in an improved **gross profit ratio** of 54.1 % (previous year: 52.8 %).

**Personnel expenses** totalled EUR 222.3 million in the reporting period (previous year: EUR 216.1 million) and were therefore 2.9 % higher than the comparable figure. This was mainly due to tariff effects.

The balance of **other operating expenses and income** totalled EUR -147.6 million (previous year: EUR -143.8 million). **Expenses** increased slightly from EUR 155.7 million to EUR 156.0 million, while **income** fell from EUR 11.9 million to EUR 8.4 million, mainly due to lower income from exchange rate fluctuations.

**EBITDA** after six months totalled EUR 61.6 million (previous year: EUR 88.7 million). After deducting **depreciation and amortisation**, which at EUR 32.3 million was around 5.9 % higher than in the previous year (previous year:

EUR 30.5 million), **EBIT** amounted to EUR 29.3 million (previous year: EUR 58.2 million). **EBT** decreased by 47.7 % to EUR 30.3 million (previous year: EUR 57.9 million), whereby the financial result improved from EUR -0.4 million to EUR 1.0 million as a result of the more favourable market interest rate level. The **return on sales** based on EBT totalled 3.8 % (previous year: 6.8 %). **EAT** fell to EUR 20.4 million (previous year: EUR 40.2 million), meaning that earnings per Sto limited preference share totalled EUR 3.21 (previous year: EUR 6.33) and per limited ordinary share EUR 3.15 (previous year: EUR 6.27).

The **ROCE** ratio as at 30 June 2024 was 3.5 % (previous year: 7.2 %).

### Development of earnings across the segments

In the **Western Europe** segment, EBIT fell from EUR 51.4 million to EUR 22.0 million and in **Northern/Eastern Europe** from EUR 3.5 million to EUR 2.1 million, while EBIT in the **Americas/Asia/Pacific** segment improved from EUR 3.9 million to EUR 5.6 million.

### Investments

Group-wide investments in property, plant, and equipment and intangible assets totalled EUR 15.8 million in the first six months of 2024 (previous year: EUR 14.1 million). In Mexico, the ground-breaking ceremony was held for the construction of a new wet production plant in the north-east of the country. Investments were also made in additional production equipment at the subsidiary in Australia, which moved into a new location at the end of 2023, as well as in measures as part of the 'Retrofit' programme, with which the Sto Group's production facilities are continuously modernised or renewed.

### Development of liquidity

**Cash flow from operating activities** in the first half of 2024 totalled EUR -4.9 million after an inflow of EUR 33.1 million in the same period of the previous year. This was mainly due to the lower result, the increase in funds tied up in net current assets and higher income tax payments.

After six months, **cash flow from investment activities** stood at EUR 10.8 million (previous year: EUR -9.9 million). Adjusted for deposits from and disbursements for financial investments, the figure was EUR -11.9 million (previous year: EUR -11.5 million). Payments fell from EUR 93.0 million to EUR 47.7 million and the corresponding incoming payments from EUR 94.6 million to EUR 70.5 million. The acquisition of consolidated companies and other business units (less acquired cash and cash equivalents) resulted in an outflow of EUR 1.9 million as part of the acquisition of Stoanz Ltd in New Zealand.

**Cash flow from financing activities** totalled EUR -46.1 million in the first half of the year (previous year: EUR -44.8 million) and thus remained largely stable. As in the same period of the previous year, EUR 31.9 million was attributable to dividend payouts.

After taking into account changes in cash and cash equivalents due to change in the exchange rate and impairments due to expected losses on cash and cash equivalents in accordance with IFRS 9, which amounted to EUR -0.2 million (previous year: EUR -1.8 million), financial resources of EUR 81.9 million (previous year: EUR 96.1 million) were reported as at 30 June 2024. Compared to the end of 2023, cash decreased by EUR 40.4 million (previous year: EUR 23.3 million).

### Assets and liabilities situation

The Sto Group's total assets increased from EUR 1,164.8 million to EUR 1,181.0 million in the first half of 2024 (30 June 2023: EUR 1,143.3 million). The majority of the changes compared to the 2023 year end are due to the seasonal nature of business activities.

Total **non-current assets** amounted to EUR 541.8 million at the end of June (31 December 2023: EUR 568.1 million; 30 June 2023: EUR 506.8 million). Fixed assets decreased slightly compared to 31 December 2023 from EUR 457.2 million to EUR 456.9 million (30 June 2023: EUR 426.7 million), while other non-current assets fell from EUR 110.9 million to EUR 85.0 million (30 June 2023: EUR 80.1 million).

**Current assets** rose to EUR 639.1 million in the first half of the year (31 December 2023: EUR 596.7 million; 30 June 2023: EUR 636.5 million), mainly due to seasonal factors, with inventories increasing to EUR 173.3 million (31 December 2023: EUR 161.3 million; 30 June 2023: EUR 180.3 million). Current trade receivables amounted to EUR 238.1 million (31 December 2023: EUR 166.1 million; 30 June 2023: EUR 260.2 million), while current other assets fell from EUR 26.1 million to EUR 14.8 million (30 June 2023: EUR 12.9 million). Cash and cash equivalents decreased from EUR 122.3 million to EUR 81.9 million (30 June 2023: EUR 96.1 million).

**Group equity**, which amounted to EUR 718.6 million at mid-year (31 December 2023: EUR 729.3 million; 30 June 2023: EUR 690.5 million), results in a continued very solid **equity ratio** of 60.9 % (31 December 2023: 62.6 %; 30 June 2023: 60.4 %).

Total **non-current provisions and liabilities** amounted to EUR 196.1 million on the reporting date, compared to EUR 194.7 million on 31 December 2023 (30 June 2023: EUR 168.0 million). Deferred tax liabilities increased from EUR 0.8 million to EUR 2.3 million in the first half of the year (30 June 2023: EUR 4.9 million).

Under **current provisions and liabilities**, which increased from EUR 240.8 million to EUR 266.2 million in the half year under review (30 June 2023: EUR 284.9 million), trade payables increased from EUR 67.8 million to EUR 90.9 million (30 June 2023: EUR 97.9 million) due to seasonal factors. Other current liabilities increased from EUR 60.2 million to EUR 88.6 million (30 June 2023: EUR 101.4 million), while other current financial liabilities decreased from EUR 45.3 million to EUR 19.6 million (30 June 2023: EUR 17.9 million).

The total of current and non-current borrowings in the Sto Group amounted to EUR 3.6 million as at 30 June 2024 (31 December 2023: EUR 2.6 million ; 30 June 2023: EUR 4.7 million). Taking into account cash stocks, the **net financial assets** at mid-year amounted to EUR 78.3 million (31 December 2023: EUR 119.7 million; 30 June 2023: EUR 91.4 million).

### Employees

At the end of June 2024, the Sto Group employed 5,784 people worldwide (31 December 2023: 5,783; 30 June 2023: 5,801). Compared to the end of 2023, this corresponds to a minimal increase of one person; compared to the same day of the previous year, the workforce was reduced by 17 people. A slight increase of 6 employees in **Germany** compared to the middle of 2023 to 3,131 employees (30 June 2023: 3,125) was offset by a reduction of 23 employees **outside of Germany** to 2,653 (30 June 2023: 2,676). Across the Group, the workforce was reduced in individual national companies, while the number of employees was increased slightly in some regions with short and medium-term growth prospects. Stoanz Ltd in New Zealand, which was consolidated for the first time, had 23 employees on the reference date. The Group-wide number of personnel outside of Germany decreased slightly to 45.9 % (30 June 2023: 46.1 %).

At mid-year, the Sto Group employed 4,471 people in the Western Europe segment (30 June 2023: 4,465) and 600 in the Northern/Eastern Europe segment (30 June 2023: 614). In the Americas/Asia/Pacific segment, the number of employees fell from 722 to 713 despite the first-time consolidation of the New Zealand company.

### Sustainability Report

Sto is committed to sustainable and responsible corporate governance that meets the needs of all stakeholders affected by our actions. Detailed information on this topic and comments on the EU Taxonomy can be found in our current Sustainability Report for 2023, which can be downloaded from our website [www.sto.de](http://www.sto.de) in the Sustainability & CSR category (Nachhaltigkeit & CSR) under 'Investor Relations'.

### Risks and opportunities report

There are various opportunities and risks for the future business development of the Sto Group in 2024, which are described in detail in the 2023 management report. This report also explains the structure of the risk management and internal control system (ICS) in detail.

The greatest uncertainties at present include the consequences of geopolitical conflicts, which still cannot be reliably assessed, and the considerable risks from sales and weather conditions described above.

Medium-term opportunities for growth for the Sto Group exist in the core business of facade systems in particular, as the politically enshrined climate action targets can only be achieved through a significant improvement in energy efficiency in the construction sector. Sto facilitates the energy

efficiency of buildings through the products and services that it offers. Both EWIS and RSC make a significant contribution to reducing CO<sub>2</sub> emissions and energy costs, resulting in great potential for sales for Sto worldwide. However, the increasing uncertainty among investors, particularly in Germany, resulting from unclear political conditions may lead to further declines in new construction and a lack of the expected growth in the refurbishment sector.

At present, no assessable risks are apparent that could have a permanent and significant adverse effect on the income, financial situation and assets and liabilities situation of the Sto Group.

## Outlook report

### Outlook for the Sto Group

In light of the business development to date and the current assessment of future developments, the Executive Board of STO Management SE adjusted its turnover forecast for 2024 as a whole. Accordingly, the Sto Group is expected to generate turnover of around EUR 1.66 billion (previous forecast: EUR 1.79 billion; 2023: EUR 1.72 billion). A range of EUR 62 million to EUR 82 million is forecast for EBIT (previous forecast: EUR 113 million to EUR 138 million; 2023: EUR 126.5 million) and a range of EUR 63 million to EUR 83 million is forecast for earnings before taxes (EBT) (previous forecast: EUR 113 million to EUR 138 million; 2023: EUR 127.4 million). The return on sales in relation to EBT should therefore be between 3.8 % and 5.0 % (previous forecast: 6.3 % to 7.8 %; 2023: 7.4 %). The ROCE ratio is expected to reach a value of 8.1 % to 10.9 % (previous forecast: 14.5 % to 17.8 %; 2023: 17.1 %).

From today's perspective, the volume of investments of EUR 50 million originally planned for 2024 as a whole will not be utilised. This is due in particular to delays in various major projects. As things currently stand, an investment volume of approximately EUR 40 million is expected for the current year.

Based on the weaker development in 2024, the communicated target for the 2025 financial year of consolidated turnover of around EUR 1.9 billion and a return on sales in relation to EBT in the range of 7.6 % to 9.2 % will not be achieved from today's perspective.

In principle, there are considerable opportunities for Sto, which are currently overshadowed by the difficult market situation in several important core markets, which is likely to continue. For this reason, the existing potential for growth, particularly in terms of energy efficiency, in both construction of new buildings and the renovation and refurbishment of buildings, can't be utilised for the time being. Against this backdrop, the medium-term targets for 2027 (turnover: EUR 2.1 billion; return on sales in relation to EBT: 10 %) are also unlikely to be achieved.

An updated and more specific estimate for 2025 and the medium-term forecast for 2027 will be published with the finalisation of a new medium-term plan for the period up to 2029 in April 2025 at the latest.

Stühlingen/Germany, August 2024

Sto SE & Co. KGaA  
represented by STO Management SE  
Executive Board



## Sto SE & Co. KGaA, Stühlingen/Germany

### Consolidated statement of profit or loss for the period from 1 January to 30 June 2024

in EUR K	30/06/2024	30/06/2023
1. Revenue	795,656	856,320
2. Changes in product inventories	4,026	-1,372
3. Other internally generated assets capitalised	210	0
<b>Total revenues</b>	<b>799,892</b>	<b>854,948</b>
4. Other operating income	8,402	11,854
5. Cost of material	-366,947	-403,130
6. Personnel expenses	-222,323	-216,063
7. Other operating expenses	-156,043	-155,690
8. Impairment (net) of financial assets	-1,395	-3,174
<b>EBITDA (earnings before taxes, net financial income/expense, depreciation and amortisation)</b>	<b>61,586</b>	<b>88,745</b>
9. Depreciation/amortisation of Intangible assets, Property, plant, and equipment as well as Rights of use	-32,292	-30,508
<b>EBIT</b>	<b>29,294</b>	<b>58,237</b>
10. Net financial income/expense	1,034	-372
<b>EBT</b>	<b>30,328</b>	<b>57,865</b>
11. Taxes on income and earnings	-9,917	-17,706
<b>EAT</b>	<b>20,411</b>	<b>40,159</b>
<b>of which:</b>		
Share of minority interests	3	-312
Share of earnings attributable to the shareholders of Sto SE & Co. KGaA	20,408	40,471
<b>Earnings per share basic/diluted in EUR</b>		
Limited ordinary share	3.15	6.27
Limited preference share	3.21	6.33

Sto SE & Co. KGaA, Stühlingen/Germany

## Consolidated statement of comprehensive income for the period from 1 January to 30 June 2024

in EUR K	30/06/2024	30/06/2023
<b>EAT</b>	<b>20,411</b>	<b>40,159</b>
<b>Currency translation</b>		
Currency translation differences	1,038	-2,621
<b>FVOCI valuation</b>		
Valuation changes recognised in equity	-287	-277
Deferred taxes	94	85
<b>FVOCI valuation after taxes</b>	<b>-193</b>	<b>-192</b>
<b>Earnings to be reclassified in the statement of profit or loss in future periods</b>	<b>845</b>	<b>-2,813</b>
<b>Revaluation of pension obligations</b>		
Profits/losses from the revaluation of defined benefit plans	0	0
Deferred taxes	0	0
<b>Earnings not to be reclassified in the statement of profit or loss in future periods</b>	<b>0</b>	<b>0</b>
<b>Other earnings after taxes</b>	<b>845</b>	<b>-2,813</b>
<b>Total comprehensive earnings after taxes</b>	<b>21,256</b>	<b>37,346</b>
<b>of which:</b>		
Share of minority interests	3	-312
Share of earnings attributable to the shareholders of Sto SE & Co. KGaA	21,253	37,658

## Sto SE & Co. KGaA, Stühlingen/Germany

### Consolidated statement of financial position as at 30 June 2024

in EUR K	30/06/2024	31/12/2023	30/06/2023
<b>Assets</b>			
<b>A. Non-current assets</b>			
I. Intangible assets	55,930	53,984	55,315
II. Property, plant, and equipment	297,991	301,743	291,653
III. Rights of use	100,426	99,049	77,439
IV. Financial assets accounted for using the equity method	2,523	2,416	2,292
<b>Fixed assets</b>	<b>456,870</b>	<b>457,192</b>	<b>426,699</b>
V. Non-current trade receivables	789	873	672
VI. Non-current other financial assets	65,153	90,673	59,901
VII. Non-current other assets	763	1,303	1,027
VIII. Deferred tax assets	18,276	18,014	18,528
<b>Other non-current assets</b>	<b>84,981</b>	<b>110,863</b>	<b>80,128</b>
<b>Total non-current assets</b>	<b>541,851</b>	<b>568,055</b>	<b>506,827</b>
<b>B. Current assets</b>			
I. Inventories	173,316	161,323	180,321
II. Current trade receivables	238,067	166,079	260,178
III. Current income tax receivables	14,233	4,790	9,548
IV. Current other financial assets	116,765	116,136	77,440
V. Current other assets	14,827	26,137	12,914
VI. Cash and cash equivalents	81,911	122,278	96,096
<b>Total current assets</b>	<b>639,119</b>	<b>596,743</b>	<b>636,497</b>
<b>Total equity and liabilities</b>	<b>1,180,970</b>	<b>1,164,798</b>	<b>1,143,324</b>

in EUR K	30/06/2024	31/12/2023	30/06/2023
<b>Equity and liabilities</b>			
<b>A. Equity</b>			
I. Subscribed capital	17,556	17,556	17,556
II. Capital reserves	57,804	57,804	57,804
III. Revenue reserves and other reserves	643,263	653,907	614,365
<b>Share attributable to the shareholders of Sto SE &amp; Co. KGaA</b>	<b>718,623</b>	<b>729,267</b>	<b>689,725</b>
IV. Share of minority interests	18	20	781
<b>Total equity</b>	<b>718,641</b>	<b>729,287</b>	<b>690,506</b>
<b>B. Non-current provisions and liabilities</b>			
I. Provisions for pensions and similar liabilities	91,519	91,481	83,057
II. Non-current other provisions	16,469	16,457	15,605
III. Non-current borrowings	64	20	485
IV. Non-current lease liabilities	79,115	79,114	58,829
V. Non-current trade payables	103	202	0
VI. Non-current other financial liabilities	6,302	6,302	4,798
VII. Other non-current liabilities	178	292	306
VIII. Deferred tax liabilities	2,339	797	4,884
<b>Total non-current provisions and liabilities</b>	<b>196,089</b>	<b>194,665</b>	<b>167,964</b>
<b>C. Current provisions and liabilities</b>			
I. Current other provisions	28,102	30,183	28,994
II. Current borrowings	3,582	2,615	4,260
III. Current lease liabilities	23,852	21,855	20,770
IV. Current trade payables	90,923	67,785	97,850
V. Current income tax liabilities	11,553	12,950	13,691
VI. Current other financial liabilities	19,625	45,250	17,921
VII. Current other liabilities	88,603	60,208	101,368
<b>Total current provisions and liabilities</b>	<b>266,240</b>	<b>240,846</b>	<b>284,854</b>
<b>Total debt capital</b>	<b>462,329</b>	<b>435,511</b>	<b>452,818</b>
<b>Total equity and liabilities</b>	<b>1,180,970</b>	<b>1,164,798</b>	<b>1,143,324</b>

## Sto SE &amp; Co. KGaA, Stühlingen/Germany

**Statement of changes in equity as at 30 June 2024**

in EUR K	Equity attributable to the shares of the parent company			
	Subscribed capital	Capital reserves	Revenue reserves	Currency translation reserve
<b>As at 1 January 2023</b>	<b>17,556</b>	<b>57,804</b>	<b>633,010</b>	<b>5,304</b>
EAT	0	0	40,471	0
Other earnings after taxes	0	0	0	-2,621
<b>Total comprehensive earnings</b>	<b>0</b>	<b>0</b>	<b>40,471</b>	<b>-2,621</b>
Dividend payout	0	0	-31,897	0
<b>As at 30 June 2023</b>	<b>17,556</b>	<b>57,804</b>	<b>641,584</b>	<b>2,683</b>
<b>As at 1 January 2024</b>	<b>17,556</b>	<b>57,804</b>	<b>684,919</b>	<b>3,643</b>
EAT	0	0	20,408	0
Other earnings after taxes	0	0	0	1,038
<b>Total comprehensive earnings</b>	<b>0</b>	<b>0</b>	<b>20,408</b>	<b>1,038</b>
Dividend payout	0	0	-31,897	0
<b>As at 30 June 2024</b>	<b>17,556</b>	<b>57,804</b>	<b>673,430</b>	<b>4,681</b>

Reserve for pensions	Reserve for FVOCI valuation	Treasury stock	Total	Share of minority interests	Total equity
<b>-6,401</b>	<b>-254</b>	<b>-23,055</b>	<b>683,964</b>	<b>1,093</b>	<b>685,057</b>
0	0	0	40,471	-312	40,159
0	-192	0	-2,813	0	-2,813
<b>0</b>	<b>-192</b>	<b>0</b>	<b>37,658</b>	<b>-312</b>	<b>37,346</b>
0	0	0	-31,897	0	-31,897
<b>-6,401</b>	<b>-446</b>	<b>-23,055</b>	<b>689,725</b>	<b>781</b>	<b>690,506</b>
<b>-11,985</b>	<b>385</b>	<b>-23,055</b>	<b>729,267</b>	<b>20</b>	<b>729,287</b>
0	0	0	20,408	3	20,411
0	-193	0	845	0	845
<b>0</b>	<b>-193</b>	<b>0</b>	<b>21,253</b>	<b>3</b>	<b>21,256</b>
0	0	0	-31,897	-5	-31,902
<b>-11,985</b>	<b>192</b>	<b>-23,055</b>	<b>718,623</b>	<b>18</b>	<b>718,641</b>

## Sto SE & Co. KGaA, Stühlingen/Germany

# Consolidated statement of cash flows

### for the period from 1 January to 30 June 2024

in EUR K	30/06/2024	30/06/2023
<b>Cash flow from operating activities</b>		
<b>EAT</b>	<b>20,411</b>	<b>40,159</b>
Reconciliation of EAT and cash flow from operating activities		
Taxes on income and earnings	9,917	17,706
Net financial income/expense	-1,034	372
<b>EBIT</b>	<b>29,294</b>	<b>58,237</b>
Depreciation/appreciation of fixed assets	32,292	30,508
Earnings from disposal of fixed assets	-782	-216
Other non-cash expenses/income	-556	0
Income taxes paid	-19,540	-16,397
Change in provisions	-2,039	-3,157
Change in net current assets	-43,541	-35,867
<b>Cash flow from operating activities</b>	<b>-4,872</b>	<b>33,108</b>
<b>Cash flow from investment activities</b>		
Investments in Property, plant, and equipment, and Intangible assets	-15,835	-14,050
Payments for the acquisition of consolidated companies and other business units (less acquired cash and cash equivalents)	-1,939	0
Payments received from other disposal of Intangible assets and Plant, property, and equipment	1,623	356
Interest payments received	4,232	2,219
Disbursements for financial investments	-47,718	-93,016
Deposits from financial investments	70,458	94,605
<b>Cash flow from investment activities</b>	<b>10,821</b>	<b>-9,886</b>
<b>Cash flow from financing activities</b>		
Payments to minority shareholders	-5	0
Disbursements for the repayment portion of the lease liabilities	-12,099	-11,043
Payments for non-current borrowings	-406	-405
Payments received for current borrowings	-548	350
Payments for current borrowings	971	-192
Dividend payout	-31,897	-31,897
Payments of interest	-2,105	-1,599
<b>Cash flow from financing activities</b>	<b>-46,089</b>	<b>-44,786</b>
Changes in cash and cash equivalents due to changes in exchange rates and in impairments due to expected losses on cash and cash equivalents in accordance with IFRS 9	-227	-1,763
<b>Cash and cash equivalents at the beginning of the period</b>	<b>122,278</b>	<b>119,423</b>
<b>Change in cash and cash equivalents</b>	<b>-40,367</b>	<b>-23,327</b>
<b>Cash and cash equivalents at the end of the period*</b>	<b>81,911</b>	<b>96,096</b>

\* Cash and cash equivalents at the end of period equal the item Cash and cash equivalents shown in the balance sheet.

# Sto SE & Co. KGaA, Stühlingen/Germany

## Consolidated segment reporting

for the period from 1 January to 30 June 2024

Information on geographic segments by sales markets in EUR K	Western Europe	Northern/Eastern Europe	America/Asia/Pacific	Reconciliation/consolidation booking entries	Group
External revenues	617,288	75,981	102,387	0	795,656
Inter-segment revenues	26,369	1,476	0	-27,845	0
<b>Segment turnover</b>	<b>643,657</b>	<b>77,457</b>	<b>102,387</b>	<b>-27,845</b>	<b>795,656</b>
EBITDA	46,536	6,141	9,376	-467	61,586
Depreciation/amortisation	24,490	4,038	3,764	0	32,292
<b>EBIT</b>	<b>22,046</b>	<b>2,103</b>	<b>5,612</b>	<b>-467</b>	<b>29,294</b>
<b>EBT</b>	<b>22,452</b>	<b>2,220</b>	<b>6,138</b>	<b>-482</b>	<b>30,328</b>
<b>Investments</b>	<b>8,328</b>	<b>1,082</b>	<b>6,425</b>	<b>0</b>	<b>15,835</b>
<b>Employees as at the reference date</b>	<b>4,471</b>	<b>600</b>	<b>713</b>	<b>0</b>	<b>5,784</b>

for the period from 1 January to 30 June 2023

Information on geographic segments by sales markets in EUR K	Western Europe	Northern/Eastern Europe	America/Asia/Pacific	Transitional/consolidation entries	Group
External revenues	673,984	82,111	100,225	0	856,320
Inter-segment revenues	26,030	1,207	0	-27,237	0
<b>Segment turnover</b>	<b>700,014</b>	<b>83,318</b>	<b>100,225</b>	<b>-27,237</b>	<b>856,320</b>
EBITDA	74,699	7,375	7,170	-499	88,745
Depreciation/amortisation	23,340	3,868	3,300	0	30,508
<b>EBIT</b>	<b>51,359</b>	<b>3,507</b>	<b>3,870</b>	<b>-499</b>	<b>58,237</b>
<b>EBT</b>	<b>50,462</b>	<b>3,634</b>	<b>4,497</b>	<b>-728</b>	<b>57,865</b>
<b>Investments</b>	<b>11,992</b>	<b>756</b>	<b>1,302</b>	<b>0</b>	<b>14,050</b>
<b>Employees as at the reference date</b>	<b>4,465</b>	<b>614</b>	<b>722</b>	<b>0</b>	<b>5,801</b>

## Sto SE & Co. KGaA, Stühlingen/Germany

# Notes to the condensed consolidated interim financial statements for the period from 1 January to 30 June 2024

### 1. Basis of preparation

Sto SE & Co. KGaA prepared its consolidated annual financial statement of the Group for the 2023 financial year in accordance with the International Financial Reporting Standards (IFRS) as applicable in the European Union, and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). Accordingly, this interim financial statement as at 30 June 2024 has similarly been prepared in accordance with the International Accounting Standard 34 'Interim Financial Reporting' as a condensed interim report.

The condensed consolidated interim financial statement does not encompass all of the information and details required for consolidated financial statements and is therefore be assessed in conjunction with the consolidated annual financial statement of the Sto Group as at 31 December 2023.

The consolidated interim financial statement has not been subjected to an audit.

The release for publication was given on 26 August 2024 by the personally liable partner Sto Management SE.

### 2. Accounting and valuation policies

In order to draw up the condensed consolidated interim financial statement, the accounting policies applicable as at 31 December 2023 for the consolidated financial statement were adopted unchanged. A detailed description of these accounting policies was published in the Notes to the 2023 consolidated financial statement.

#### IAS 19 – Employee Benefits

The discount rate for pension provisions was left unchanged due to only minor changes compared to the end of the year. For companies whose functional currency is the Euro, the discount rate was 3.23 % and for companies with a different functional currency, the discount rate was 1.5 %.

#### IAS 12 – Income Taxes

Income tax expense was calculated in accordance with IAS 34 Interim Financial Reporting on the basis of the effective anticipated tax rate for the entire financial year.

#### IAS 36 – Triggering Event

The Ströher CGU had a triggering event in accordance with IAS 36 due to a deviation in the planned/actual operating result, which did not result in an impairment requirement in the interim consolidated financial statement due to the reasons listed in the 2023 consolidated annual financial statement.

### 3. Companies consolidated

The consolidated annual financial statement of the Sto Group includes Sto SE & Co. KGaA, the subsidiaries in and outside of Germany, joint ventures, and associated companies. When evaluating the companies consolidated, the joint control, or the type of joint control, no significant evaluations or assumptions were necessary, because the allocation was clear.

In the case of subsidiaries, Sto SE & Co. KGaA is able to exercise a controlling influence as defined in IFRS 10. Control as defined in IFRS 10 exists when an investor has exposure or rights to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of the investee's returns. In the present consolidated annual financial statement, this is the case for shareholdings of more than 50 % without exception.

With effect from 1 April 2024, Sto SE & Co. KGaA acquired the New Zealand sales partner Stoanz Ltd, Wellington, thereby acquiring 100 % of the shares and control in the sense of incorporation in the consolidated annual financial statement.

The provisional purchase price totalled EUR 4,028 K. Sales revenue and EBT since the acquisition have amounted to EUR 1,615 K and EUR 90 K respectively.

The purchase price and the purchase price allocation in accordance with IFRS 3 are provisional. The corresponding data entries are therefore subject to change prior to finalisation.

### 4. Earnings per share / distributed dividend

Basic earnings per limited ordinary or limited preference share are calculated by dividing the proportion of earnings attributable to Sto SE & Co. KGaA's limited ordinary or limited preference shareholders by the weighted average number of limited ordinary and limited preference shares in circulation during the financial year.

In addition to the issued shares, potential shares must also be taken into account when determining the diluted earnings per

share. Both at 30 June 2024 and 30 June 2023, there were no potential shares. Hence, undiluted earnings per share correspond to diluted earnings per share.

On 24 June 2024, a dividend payment for the 2023 financial year of EUR 0.25 per limited ordinary share and EUR 0.31 per limited preference share as well as an extra dividend of EUR 4.69 per share was made in accordance with the resolution of the Annual General Meeting on 19 June 2024. This corresponds to a total dividend payout of EUR 31,897 K.

## **5. Intangible assets and Property, plant, and equipment**

The Group acquired assets at acquisition costs of EUR 15,835 K (1st half of 2023: EUR 14,050 K) and sold assets with a carrying amount of EUR 874 K (1st half of 2023: EUR 176 K).

## **6. Information on fair value**

The methods for measurement at fair value remain unchanged from the previous year.

The following financial assets and liabilities accounted for at fair value are structured according to the following levels:

### **Level 1**

Financial instruments traded in active markets, the listed prices of which were adopted unchanged for measurement purposes.

### **Level 2**

The valuation was made on the basis of valuation methods in which the influential factors were derived either directly or indirectly from observable market data. They were measured based on the observable exchange rates, interest structure curves of the respective currencies as well as currency-related basic spreads between the respective currencies. Derivatives consisted exclusively of currency hedges.

### **Level 3**

The measurement was effected using valuation methods where the influential factors were not based exclusively on observable market data.

Neither any reclassifications between the levels nor any additions or disposals were carried out during the reporting period.

The following table shows carrying amounts and fair values of the financial instruments as at 30 June 2024:

in EUR K	Carrying amount 30/06/2024	Fair value 30/06/2024
<b>Other financial assets</b>		
Non-current		
Investments	4	4
Loans	1	1
Financial investments (FVOCI)	39,712	39,712
Financial investments (FAAC)	23,575	22,693
Various other financial assets	1,861	1,861
<b>Total non-current other financial assets</b>	<b>65,153</b>	<b>64,271</b>
Current		
Financial investments (FVOCI)	79,758	79,758
Financial investments (FAAC)	33,271	33,140
Forward exchange contracts	347	347
Various other financial assets	3,389	3,389
<b>Total current other financial assets</b>	<b>116,765</b>	<b>116,634</b>
<b>Total other financial assets</b>	<b>181,918</b>	<b>180,905</b>
<b>Other financial liabilities</b>		
Non-current		
Borrowings	64	64
Various other financial liabilities	6,302	6,302
<b>Total non-current other financial liabilities</b>	<b>6,366</b>	<b>6,366</b>
Current		
Borrowings	3,582	3,580
Forward exchange contracts	860	860
Various other financial liabilities	18,765	18,765
<b>Total current other financial liabilities</b>	<b>23,207</b>	<b>23,205</b>
<b>Total other financial liabilities</b>	<b>29,573</b>	<b>29,571</b>

The carrying amounts of cash and cash equivalents, trade receivables and liabilities as well as current borrowings and other liabilities nearly correspond to the fair values due to their short terms.

The following table shows the balance sheet items accounted for at fair value:

in EUR K	30/06/2024	Level 1	Level 2	Level 3
Financial assets measured at fair value through profit or loss				
· Derivatives with no hedge relationship	347	0	347	0
· Others	4	0	0	4
Financial assets measured at fair value with no impact on profit or loss				
· Holding and trading of financial investments	119,470	119,470	0	0
<b>Financial assets measured at fair value</b>	<b>119,821</b>	<b>119,470</b>	<b>347</b>	<b>4</b>
Financial liabilities measured at fair value through profit or loss				
· Derivatives with no hedge relationship	860	0	860	0
<b>Financial liabilities measured at fair value</b>	<b>860</b>	<b>0</b>	<b>860</b>	<b>0</b>

## 7. Contingencies and contingent liabilities

As at 30 June 2024, liabilities for the acquisition of Property, plant, and equipment stood at EUR 3,265 K (30 June 2023: EUR 3,910 K). Other contingencies and contingent liabilities contained in the 2023 consolidated annual financial statement of the Sto Group showed no appreciable changes.

## 8. Related-party disclosures

The volume of deliveries and services in the first half year between companies of the Group and related parties are set out in the following table:

in EUR K	Share	Rendered deliveries and services		Received deliveries and services		Receivables from		Liabilities to	
		2024	2023	2024	2023	2024	2023	2024	2023
Inotec GmbH, Waldshut-Tiengen	47.5 %	8	11	1,750	1,773	251	252	188	202
STO Management SE, Stühlingen/Germany		640	589	1,813	2,626	62	0	3,121	3,647
Stotmeister Beteiligungs GmbH, Stühlingen/Germany		2	2	0	0	11	2	0	0
Other		0	0	181	144	0	0	0	0

## 9. Events following the conclusion of the reporting period

Between the end of the reporting period and the point at which this report was signed off, there were no other events with a significant impact on the income, financial, and asset situation of the Group.

## Responsibility statement by the legal representatives

To the best of our knowledge and in accordance with the applicable accounting principles for half-year financial reporting, we confirm that the interim consolidated financial statement provides a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and that the consolidated interim management report presents a true and fair review of business development including the operating result and position of the Group, together with a description of the principal opportunities and risks associated with the anticipated performance of the Group throughout the remainder of the financial year.

Stühlingen/Germany, 26 August 2024

Sto SE & Co. KGaA  
represented by STO Management SE

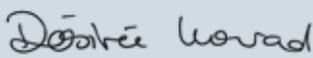
Executive Board



Rainer Hüttenberger  
(Chief Executive Officer)



Michael Keller  
(Deputy Chief Executive Officer)



Désirée Konrad



Jan Nissen