

Interim Management Statement January to March 2025

SHARPEN FOCUS, INCREASE RESULTS

Revenue
487.4 EUR m

Operating EBIT
23.9 EUR m

Operating EBIT margin
4.9 %

Equity ratio
16.6 %

Net profit/loss
9.7 EUR m

Free cash flow
-6.7 EUR m

EBIT
19.2 EUR m

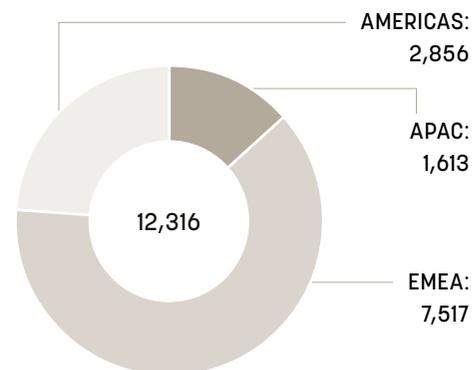
Capital expenditure
19.6 EUR m

Company profile

GRAMMER AG, which has its head office in Ursensollen, operates in two business segments: GRAMMER develops and produces high-quality interior and operating systems. GRAMMER is a full service provider of driver and passenger seats for trucks, buses, trains and offroad vehicles. At present, GRAMMER AG has about 12,000 employees in 20 countries around the world. Its revenue in 2024 was about EUR 1.9 billion. GRAMMER shares are listed in the Prime Standard and traded on the Munich and Frankfurt stock exchanges as well as via the Xetra electronic trading platform.

Employees by region¹

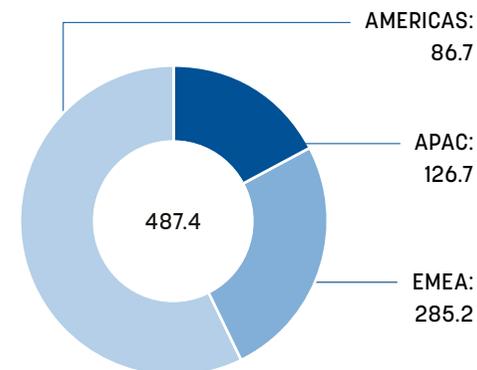
Annual average



¹ An average of 330 people were employed in Central Services.

Revenue by region²

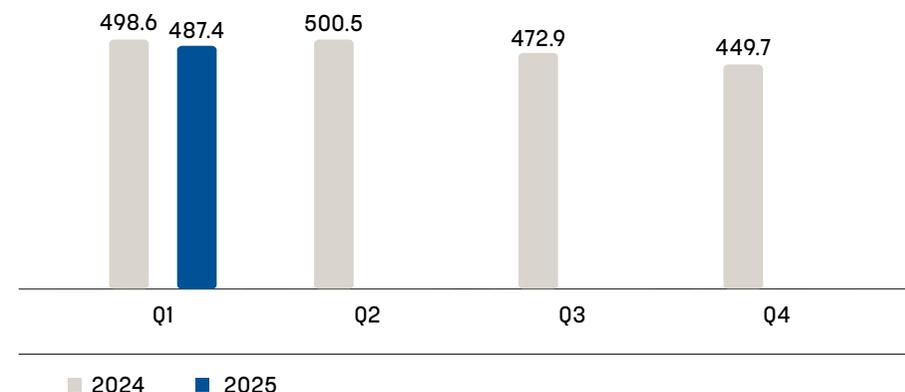
EUR m



² The consolidation effect of revenue between the regions amounts to EUR 11.2 million.

Revenue by Quarter

in EUR m



Operating EBIT by region

AMERICAS
1.6 EUR m

EMEA
15.0 EUR m

APAC
9.8 EUR m

The figures for the first quarter of 2024 have been adjusted retrospectively due to the sale of TMD on September 20, 2024.

Overview of business performance

- Macroeconomic and industry-specific uncertainties are weighing on the business environment and will continue to impact GRAMMER's revenue development in the current 2025 financial year: The Commercial Vehicles product area in particular will not be able to escape the cyclical weakness in demand
- However, as expected, the restructuring measures from the Top 10 program are increasingly taking effect in the first quarter and contributing to a significant increase in profitability; in particular, the adjustment of capacities in the EMEA region to customer requirements and the conclusion of the restructuring and future-oriented collective agreement are supporting the earnings performance of GRAMMER Group
- Against the backdrop of the challenging market environment, revenue declined in the first quarter, falling by 2.2% to EUR 487.4 million (Q1 2024: EUR 498.6 million); the Automotive product area performed slightly positively with an increase of 0.9%, while the higher-margin Commercial Vehicles product area recorded a significant drop in revenue of 7.5%
- At EUR 19.2 million, EBIT in the first three months of 2025 was significantly above the previous year's level (Q1 2024: EUR 10.9 million) as a result of the restructuring measures initiated last year; operating EBIT adjusted for negative currency effects of EUR 4.7 million also increased significantly to EUR 23.9 million (Q1 2024: EUR 9.4 million)
- Looking at the regions, EMEA recorded a significantly improved operating EBIT of EUR 15.0 million (Q1 2024: EUR 6.4 million) with a decline in revenue of 1.5% to EUR 285.2 million; while revenue in the Automotive product area rose by 5.5% to EUR 165.7 million, it fell by 9.7% to EUR 119.5 million in the Commercial Vehicles area
- At EUR 86.7 million, revenue in AMERICAS was significantly below the previous year's level of EUR 101.9 million. This was mainly due to declines in revenue in both product areas, in the Automotive area by 18.5% to EUR 58.1 million and in the Commercial Vehicles area by 6.5% to EUR 28.6 million; operating EBIT, however, improved in AMERICAS to EUR 1.6 million (Q1 2024: EUR -0.1 million)
- In contrast, APAC achieved revenue growth of 4.5% to EUR 126.7 million in the first three months of the 2025 financial year; the increase resulted from the Automotive product area (+8.0%), while revenue in the Commercial Vehicles product area fell by 4.3%; operating EBIT slightly improved to EUR 9.8 million (Q1 2024: EUR 9.3 million)
- Despite initial progress under the TOP 10 program to increase long-term profitability and secure GRAMMER's future viability, the company continues to expect challenging macroeconomic and industry-specific conditions; additional risks could also arise from the US customs policy; against this backdrop, GRAMMER is continuing to work on the systematic implementation of the measures from the restructuring program
- For 2025 as a whole, GRAMMER continues to forecast revenue at the previous year's level around EUR 1.9 billion with operating EBIT of around EUR 60 million

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A | Interim Management Statement January to March 2025

GRAMMER AG publishes results for the first quarter of 2025

GRAMMER Group today presented its financial figures for the first quarter of 2025. Accordingly, the company generated consolidated revenue of EUR 487.4 million, 2.2% less than in the same period of the previous year (Q1 2024: EUR 498.6 million). In terms of regions, the decline in revenue is attributable in particular to AMERICAS, where revenue fell by 14.9% to EUR 86.7 million (Q1 2024: EUR 101.9 million). In EMEA, revenue decreased by 1.5% to EUR 285.2 million (Q1 2024: EUR 289.5 million). In APAC, however, GRAMMER achieved an increase of 4.5% to EUR 126.7 million (Q1 2024: EUR 121.3 million). At EUR 313.9 million, Automotive revenue in the first three months of the 2025 financial year was slightly higher than in the same period of the previous year (Q1 2024: EUR 311.1 million); in the Commercial Vehicles product area, GRAMMER recorded a 7.5% decline in revenue to EUR 173.5 million (Q1 2024: EUR 187.5 million). As a result, the economic downturn continued to weigh on demand in parts of the automotive industry and particularly in the Commercial Vehicles product area.

Against this backdrop, however, GRAMMER succeeded in significantly increasing profitability. Consolidated earnings before interest and taxes (EBIT) increased significantly by 76.1% from EUR 10.9 million in the same period of the previous year to EUR 19.2 million in the first quarter of 2025. Operating EBIT was adjusted for negative currency effects of EUR 4.7 million and amounted to EUR 23.9 million (Q1 2024: EUR 9.4 million; adjusted for positive currency effects of EUR 1.5 million). The operating EBIT margin was therefore 4.9% (Q1 2024: 1.9%). The main reason for the increased profitability was the restructuring measures introduced under the TOP 10 program, which increasingly took effect

in the first quarter. Among other things, capacities in EMEA were adapted to the reduced customer requirements and the streamlining of the organization was continued. The conclusion of the restructuring and future-oriented collective agreement for the Amberg locations also had a positive effect on earnings development.

Business development in the regions: Negative factors continue to weigh, but restructuring measures are beginning to take effect

In **EMEA** GRAMMER recorded a 1.5% decline in revenue from January to March 2025 to EUR 285.2 million (Q1 2024: EUR 289.5 million). The economically induced weak demand had a particularly strong impact on the Commercial Vehicles product area, where revenues fell by 9.7% to EUR 119.5 million (Q1 2024: EUR 132.4 million). By contrast, revenue in the Automotive product area rose by 5.5% to EUR 165.7 million (Q1 2024: EUR 157.1 million). Despite the overall revenue decline in the region, GRAMMER was able to significantly increase earnings in EMEA thanks to the aforementioned restructuring initiatives. EBIT amounted to EUR 13.0 million in the first quarter (Q1 2024: EUR 6.7 million) and operating EBIT increased to EUR 15.0 million (Q1 2024: EUR 6.4 million). This results in an operating EBIT margin in the EMEA region of 5.3% in the first quarter of 2025.

APAC recorded an increase in revenue by 4.5% to EUR 126.7 million in the reporting period (Q1 2024: EUR 121.3 million). Adjusted for currency effects, however, revenue growth was significantly lower at 2.2%. The increase in the region is attributable to the Automotive product area, in which GRAMMER generated 8.0%

higher revenue of EUR 93.2 million and was recently able to further expand its business with local OEMs, which now account for more than 50% of GRAMMER's revenue in the Automotive product area. By contrast, revenue in the Commercial Vehicles product area fell by 4.3% to EUR 33.5 million. EBIT in APAC increased slightly to EUR 9.8 million in the first quarter of 2025 (Q1 2024: EUR 9.3 million). Operating EBIT also amounted to EUR 9.8 million, the operating EBIT margin was 7.7%, as in the same period of the previous year.

In **AMERICAS**, GRAMMER Group generated revenue of EUR 86.7 million in the first quarter of 2025, 14.9% less than in the same period of the previous year. The significant decline in revenue is attributable in particular to the Automotive product area, where series products were phased out. Here, revenue fell by 18.5% to EUR 58.1 million. In the Commercial Vehicles product area, revenue fell less significantly by 6.5% to EUR 28.6 million. Adjusted for currency effects, the decline in the Automotive product area was a significant 20.8%, whereas in the Commercial Vehicles product area it amounted to just 2.9%. The previous year's figures were adjusted for the activities of the TMD Group, which was sold and deconsolidated in September 2024. While EBIT in AMERICAS was still negative at EUR -1.0 million in the first quarter (Q1 2024: EUR 0.6 million), operating EBIT amounted to EUR 1.6 million (Q1 2024: EUR -0.1 million) due to the adjustment of negative currency effects of EUR 2.6 million. The operating EBIT margin was at 1.8% (Q1 2024: -0.1%).

Rounding differences are possible.

Net assets and financial position as at March 31, 2025

GRAMMER Group's total assets decreased by 3.5% to EUR 1,640.5 million as of March 31, 2025. On the assets side, non-current assets decreased slightly to EUR 920.7 million (December 31, 2024: EUR 927.2 million). The reduction in property, plant and equipment and deferred tax assets in particular of EUR 6.6 million and EUR 6.4 million respectively was offset by an increase in non-current contract assets of EUR 5.2 million and other non-current assets of EUR 1.2 million. Current assets decreased significantly by 6.8% to EUR 719.7 million (December 31, 2024: EUR 772.6 million). This was mainly due to the decrease in cash and short-term deposits to EUR 153.6 million (December 31, 2024: EUR 219.8 million). In contrast, current trade accounts receivable increased by 9.7% to EUR 282.4 million. Equity increased by 2.0% to EUR 272.3 million as at March 31, 2025, in particular due to the positive earnings after taxes of EUR 9.7 million. The equity ratio thus improved significantly from 15.7% at the end of 2024 to 16.6%. At EUR 747.2 million, non-current liabilities were below the level as at December 31, 2024 (EUR 764.9 million). Current liabilities also fell by 7.0% to EUR 620.9 million (December 31, 2024: EUR 667.9 million).

GRAMMER has presented its projections for the anticipated performance of the company in the current year in detail in the forecast section of the 2024 annual report. Looking ahead to the current 2025 financial year, the GRAMMER Executive Board expects revenue to remain at the previous year's level of around EUR 1.9 billion and operating EBIT of around

EUR 60 million. However, the forecast for GRAMMER Group depends to a large extent on further geopolitical developments and their impact on the global economy. Risks could arise in particular from trade policy uncertainties. For example, the tariffs introduced by the US could have a significant negative impact on the automotive industry and lead to disruptions in global supply chains.

GRAMMER Group key figures

Key figures in accordance with IFRS GRAMMER Group

EUR m

	01-03 2025	01-03 2024	01-12 2024
Group revenue¹	487.4	498.6	1,921.7
Revenue EMEA	285.2	289.5	1,044.3
Revenue AMERICAS ¹	86.7	101.9	391.7
Revenue APAC	126.7	121.3	536.6
Income Statement¹			
EBITDA	39.1	28.2	80.9
EBITDA margin (in %)	8.0	5.7	4.2
EBIT	19.2	10.9	8.1
EBIT margin (in %)	3.9	2.2	0.4
Operating EBIT	23.9	9.4	41.6
Operating EBIT margin (in %)	4.9	1.9	2.2
Earnings before taxes continued operations	11.0	2.9	-23.7
Net profit/loss continued operations	9.7	2.2	-48.0

¹ Continued operations

EUR m

	March 31, 2025	March 31, 2024	December 31, 2024
Consolidated Statement of Financial Position			
Total assets	1,640.5	1,610.3	1,699.8
Equity	272.3	313.5	266.9
Equity ratio (in %)	16.6	19.5	15.7
Net debt	496.7	371.6	485.5
Gearing (in %)	182.4	118.5	181.9
	01-03 2025	01-03 2024	01-12 2024
Statement of Cashflow			
Capital expenditure (without acquisitions through business combinations and financial assets) – continued operations	19.6	23.3	96.3
Depreciation and amortization – continued operations	19.9	17.3	72.8
Free Cashflow – continued operations	-6.7	46.0	-24.5
Employees (number, average)	12,316	12,558	12,116

	March 31, 2025	March 31, 2024	December 31, 2024
Share data			
Prices (Xetra closing price in EUR)	7.10	10.60	4.80
Market capitalization (in EUR m)	108.2	161.5	73.1
Earnings per share (in EUR) continued operations	0.60	0.10	-3.33

B | Financial information
January to March 2025

Consolidated Statement of Income

January 1 to March 31 of the respective financial year

EUR k	01-03 2025	01-03 2024		01-03 2025	01-03 2024
Revenue	487,439	498,566	Earnings per share		
Cost of Sales	-422,900	-445,446	Basic/diluted earnings per share from continuing operations in EUR	0.60	0.10
Gross profit	64,539	53,120	Basic/diluted earnings per share from discontinued operations in EUR	0.00	-0.53
Selling expenses	-8,293	-7,004	Basic/diluted earnings per share in EUR	0.60	-0.43
Administrative expenses	-44,551	-39,656			
Other operating income	7,496	4,453			
Earnings before interest and taxes (EBIT)	19,191	10,913			
Financial income	1,974	1,971			
Financial expenses	-9,971	-10,370			
Other financial result	-228	367			
Earnings from continuing operations before taxes	10,966	2,881			
Income taxes	-1,246	-690			
Net profit/loss from continuing operations	9,720	2,191			
Net profit/loss from discontinued operations	0	-7,871			
Net profit/loss	9,720	-5,680			
Of which attributable to:					
Shareholders of the parent company	9,000	-6,356			
Non-controlling interests	-61	237			
Compensation claim of the hybrid loan creditor	781	439			
Net profit/loss	9,720	-5,680			

Consolidated Statement of Comprehensive Income

January 1 to March 31 of the respective financial year

EUR k	01-03 2025	01-03 2024	EUR k	01-03 2025	01-03 2024
Net profit/loss	9,720	-5,680			
Amounts that will not be reclassified to profit and loss in future periods			Gains/losses (-) from cash flow hedges		
Actuarial gains/losses (-) under defined benefit plans			Gains/losses (-) arising in the current period	1,471	2,069
Gains/losses (-) arising in the current period	5,362	2,919	Plus/less (-) amounts reclassified to the income statement through profit and loss	893	-1,263
Tax expenses (-)/Tax income	-1,550	-843	Tax expenses (-)/tax income	-718	-139
Actuarial gains/losses (-) under defined benefit plans (after tax)	3,812	2,076	Gains/losses (-) from cash flow hedges (after tax)	1,646	667
Total amounts that will not be reclassified through profit and loss in future periods	3,812	2,076	Gains/losses (-) from net investments in foreign operations		
Amounts that will be reclassified to profit and loss in future periods under certain conditions			Gains/losses (-) arising in the current period	-3,907	751
Gains/losses (-) from currency translation of foreign subsidiaries			Tax expenses (-)/tax income	248	-134
Gains/losses (-) arising in the current period	-6,133	-687	Gains/losses (-) from net investments in foreign operations (after tax)	-3,659	617
Gains/losses (-) from currency translation of foreign subsidiaries (after tax)	-6,133	-687	Total amounts that will be reclassified to profit and loss in future periods under certain conditions	-8,146	597
			Other comprehensive income	-4,334	2,673
			Total comprehensive income from continuing operations	5,386	4,864
			Total comprehensive income from discontinued operations	0	-7,871
			Total comprehensive income after taxes	5,386	-3,007
			Of which attributable to:		
			Shareholders of the parent company	5,174	-3,845
			Non-controlling interests	-569	399
			Hybrid loan lender's compensation claims	781	439

Consolidated Statement of Financial Position

as of March 31, 2025 and December 31, 2024

Assets

EUR k

	March 31, 2025	December 31, 2024
Property, plant and equipment	475,935	482,531
Intangible assets	158,277	157,341
Investments measured at equity	2,015	1,651
Other non-current financial assets	91,979	93,068
Deferred tax assets	45,737	52,175
Other non-current assets	69,098	67,913
Non-current contract assets	77,685	72,524
Non-current assets	920,726	927,203
Inventories	163,269	172,314
Current trade accounts receivable	282,442	257,479
Other current financial assets	2,065	5,063
Current income tax receivables	4,051	4,040
Cash and short-term deposits	153,588	219,846
Other current assets	53,776	50,325
Current contract assets	60,553	63,522
Current assets	719,744	772,589
Total assets	1,640,470	1,699,792

Consolidated Statement of Financial Position

as of March 31, 2025 and December 31, 2024

Equity and Liabilities

EUR k	March 31, 2025	December 31, 2024	EUR k	March 31, 2025	December 31, 2024
Subscribed capital	39,009	39,009	Current financial liabilities	48,347	89,085
Capital reserve	162,947	162,947	Current trade accounts payable	389,131	401,161
Own shares	-7,441	-7,441	Other current financial liabilities	21,063	27,444
Retained earnings	38,420	29,420	Other current liabilities	114,309	102,765
Accumulated other comprehensive income	-61,481	-57,655	Current income tax liabilities	5,949	6,515
Equity attributable to shareholders of the parent company	171,454	166,280	Current provisions	38,533	38,525
Hybrid loan	86,076	85,295	Current contract liabilities	3,609	2,445
Non-controlling interests	14,780	15,349	Current liabilities	620,941	667,940
Equity	272,310	266,924			
			Total liabilities	1,368,160	1,432,868
Non-current financial liabilities	404,907	409,543	Total equity and liabilities	1,640,470	1,699,792
Non-current trade accounts payable	1,038	1,128			
Other non-current financial liabilities	175,987	179,335			
Retirement benefits and similar obligations	112,519	117,501			
Deferred tax liabilities	31,856	37,557			
Non-current provisions	15,844	15,761			
Non-current contract liabilities	5,068	4,103			
Non-current liabilities	747,219	764,928			

Consolidated Statement of Cash Flows

January 1 to March 31 of the respective financial year

EUR k	01-03 2025	01-03 2024
1. Cash flow from operating activities		
Earnings before taxes	10,966	-4,612
Reconciliation of earnings before taxes with cash flow from operating activities		
Earnings from discontinued operations before taxes	0	7,493
Depreciation and impairment of property, plant and equipment	19,079	16,701
Amortization and impairments of intangible assets	810	643
Gains (-)/losses from the disposal of assets	218	-21
Other non-cash changes	2,509	4,852
Financial result	8,225	8,031
Changes in operating assets and liabilities		
Decrease/increase (-) in trade accounts receivable and other assets	-27,868	-28,801
Decrease/increase (-) in inventories	9,046	5,525
Decrease (-)/increase in provisions and retirement benefit provisions	-6,063	-4,251
Decrease (-)/increase in accounts payable and other liabilities	-1,209	64,728
Income taxes paid	-4,427	-4,075
Cash flow from operating activities from continuing operations	11,286	66,213
Cash flow from operating activities from discontinued activities	0	-5,346
Cash flow from operating activities from continuing and discontinued operations	11,286	60,867
2. Cash flow from investing activities		
Purchases		
Purchase of property, plant and equipment	-17,047	-13,765
Purchase of intangible assets	-1,600	-1,673
Acquisition of financial assets	-2,550	-6,002
Acquisition of subsidiaries	0	-1,363

EUR k	01-03 2025	01-03 2024
Disposals		
Disposal of property, plant and equipment	737	541
Disposal of financial assets	470	107
Interest received	1,974	1,971
Cash flow from investing activities from continuing operations	-18,016	-20,184
Cash flow from investing activities from discontinued operations	0	-441
Cash flow from investing activities from continuing and discontinued operations	-18,016	-20,625
3. Cash flow from financing activities		
Inflow from capital injection by minority shareholder	0	4,551
Payments received from raising financial liabilities	3,202	154,054
Payments made for the settlement of financial liabilities	-25,208	-123,868
Payments made for the settlement of lease liabilities	-5,991	-4,648
Interest paid	-8,228	-8,443
Cash flow from financing activities from continuing operations	-36,225	21,646
Cash flow from financing activities from discontinued operations	0	-4,618
Cash flow from financing activities from continuing and discontinued operations	-36,225	17,028
4. Cash and cash equivalents at the end of the period		
Changes in cash and cash equivalents recognized in the cash flow statement (sub-total of items 1-3)	-42,955	57,270
Effects of exchange rate differences of cash and cash equivalents	64	-1,229
Cash and cash equivalents as of January 1	193,487	51,451
Cash and cash equivalents as of March 31	150,596	107,492
5. Analysis of cash and cash equivalents		
Cash and short-term deposits	153,588	163,624
Bank overdrafts (including current liabilities from factoring contracts)	-2,992	-56,132
Cash and cash equivalents as of March 31	150,596	107,492

Financial Calendar 2025 ¹

Important dates for shareholders and analysts



Publication of Interim
Management Statement
1st Quarter 2025



Annual General
Meeting 2025



Publication of
Interim Report
2nd Quarter /
1st Half Year 2025



Publication of Interim
Management Statement
3rd Quarter 2025

¹ All dates are tentative and subject to change.

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Masthead

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