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Kendrion reports solid Q3 2025 performance with strong EBITDA growth; completes transformation to pure-play industrial company

- Q3 2025 revenue increased by 2% to EUR 60.6 million (Q3 2024: EUR 59.7 million like-for-like)
- Normalized EBITDA for Q3 2025 grew by 24% to EUR 9.4 million (Q3 2024: EUR 7.6 million)
- Normalized EBITDA as a percentage of revenue improved to 15.5%, (Q3 2024: 12.7%)
- Completion of the China business sale finalized Kendrion's transformation into a pure-play industrial company
- Long-term cooperation with Knorr-Bremse at the Sibiu Mobility Electronics facility strengthens cash generation and mitigates the risk of future production ramp-downs
- Strong cash flow reduced net debt to EUR 88.4 million (Q3 2024: EUR 104.5 million)
- A special dividend of EUR 1.00 per share, related to the China divestment, will be paid out on 25 November 2025
- A share buyback program, for a total consideration of up to EUR 10 million, will commence on 26 November 2025

Key figures¹

Reported (in EUR million)	Q3 2025	Q3 2024	delta ⁴	YTD 2025	YTD 2024	delta ⁴
Revenue	60.6	59.7	2%	184.0	190.5	-3%
EBITDA	9.4	7.6	24%	27.8	25.3	10%
EBITA	6.2	4.3	44%	18.2	15.8	15%
Net profit from continuing operations	3.5	2.1	67%	10.0	8.7	15%
Net profit from discontinued operations	0.4	(9.1)	NM	1.5	(11.6)	NM
Net profit	3.9	(7.0)	NM	11.5	(2.9)	NM
EBITDA as a % of revenue	15.5%	12.7%		15.1%	13.3%	
EBITA as a % of revenue	10.2%	7.2%		9.9%	8.3%	

Normalized (in EUR million) ²	Q3 2025	Q3 2024	delta ⁴	YTD 2025	YTD 2024	delta ⁴
Revenue	60.6	59.7	2%	184.0	190.5	-3%
EBITDA	9.4	7.6	24%	28.4	27.6	3%
EBITA	6.2	4.3	44%	18.8	18.1	4%
Net profit before amortization from continuing operations	3.9	2.7	44%	11.6	11.0	5%
Net profit before amortization from discontinued operations	0.7	(1.7)	NM	1.8	(0.7)	NM
Net profit before amortization	4.6	1.0	360%	13.4	10.3	30%
EBITDA as a % of revenue	15.5%	12.7%		15.4%	14.5%	
EBITA as a % of revenue	10.2%	7.2%		10.2%	9.5%	
Return on invested capital ³ (12 months rolling)				17.1%	15.6%	

¹ Revenue and profit measures reflect continuing operations only, excluding the divested China and Automotive activities, which are presented under "net profit from discontinued operations".

² Results are normalized for costs and benefits outside the ordinary course of operations. Q3 2025: EUR 0.4 mio (EUR 0.3 mio after tax) and Q3 2024: EUR 17.4 mio (EUR 7.4 mio after tax) from discontinued operations. YTD 2025: EUR 0.6 mio (EUR 0.4 mio after tax) and YTD 2024: EUR 2.3 mio (EUR 0.5 mio after tax) from continued operations. YTD 2025: EUR 0.8 mio (EUR 0.3 mio after tax) and YTD 2024: EUR 20.8 mio (EUR 10.9 mio after tax) from discontinued operations.

³ Invested capital excluding intangibles arising from acquisitions. YTD 2025 and YTD 2024 are including discontinued operations.

⁴ NM: not meaningful

Joep van Beurden, Kendrion CEO:

"In the third quarter of 2025, we delivered solid results, achieving revenue of EUR 60.6 million, a 2% increase compared to Q3 2024, and EBITDA of EUR 9.4 million, up 24% year-on-year. The EBITDA margin improved significantly to 15.5%, reflecting strong operational discipline and continued margin enhancement across our activities. With a robust balance sheet and improving profitability, Kendrion is well positioned to deliver sustainable and profitable growth.

After completing the sale of the China operations and establishing a long-term cooperation between Knorr-Bremse and our Sibiu Mobility entity, the company now concentrates exclusively on industrial activities. The strategy is aimed at pursuing industrial growth opportunities with a minimum target of 15% EBITDA profitability and at least 5% growth potential. This transformation has significantly strengthened our financial position. Accordingly, we intend to distribute a special dividend of EUR 1.00 per share on 25 November 2025 and will commence a share buyback program of up to EUR 10 million starting 26 November 2025.

Looking ahead to 2026, while global economic conditions remain uncertain, our streamlined portfolio and strategic investments in industrial niches such as safety control electronics, industrial locking technology, and a full range of industrial brakes provide a strong foundation for growth.

With our solid Q3 2025 performance, improving profitability, leading position in profitable industrial niches, and strong balance sheet, I am confident in our ability to deliver profitable growth in the coming years. We remain confident in achieving our medium-term targets."

Progress on strategy

Kendrion is a global leader in innovative actuator solutions, dedicated to industrial markets with a focus on electrification, cleaner energy, and other high-potential niches. The company's strategy prioritizes profitability over growth, concentrating on industrial market segments aligned with its goal of achieving an EBITDA margin of at least 15% from 2025 onward.

To reach this target, Kendrion continues to enhance its added-value margin and maintain strict cost control. Good progress has been made year to date, and the ongoing implementation of a streamlined cloud-based Enterprise Resource Planning (ERP) system is expected to further simplify operations and improve cost efficiency.

In the Industrial Brakes (IB) business, Kendrion is capitalizing on the growing demand for electromotors and electrified applications in industries such as intralogistics, robotics, and wind energy. The Industrial Actuators & Controls (IAC) division offers a broad portfolio of products, from inductive heating systems and industrial locking mechanisms to beverage dispensing valves.

Following the successful completion of the sale of its China-based business, Kendrion will allocate part of the proceeds to a EUR 1.00 per share special dividend and a share buyback program of up to EUR 10 million.

The long-term cooperation with Knorr-Bremse announced on 29 September 2025, strengthens cash generation at Sibiu's Mobility facility through optimized capacity utilization. It proactively manages the anticipated reduction and phase-out of Mobility programs over the coming years and provides employment stability for the Sibiu workforce. Following the China divestment, this collaboration represents the final step in Kendrion's strategic transition toward a fully focused industrial company.

Although global economic conditions remain uncertain due to geopolitical factors, Kendrion remains confident in the long-term growth prospects of its industrial business. Its solutions are essential enablers of global electrification and the ongoing transition toward sustainable energy.

Financial review**Revenue****Q3 2025**

Kendrion's Q3 2025 revenue from continuing operations reached EUR 60.6 million, a 2% increase from EUR 59.7 million in Q3 2024. Currency translation effects were negligible.

Industrial Brakes (IB) reported revenue of EUR 23.5 million in Q3 2025, a 4% decrease from EUR 24.4 million in the same quarter last year, reflecting continued weakness in European manufacturing activity. Industrial Actuators & Controls (IAC) recorded revenue of EUR 26.7 million, slightly below last year's EUR 27.2 million. Mobility revenue came in at EUR 10.4 million, a strong increase from EUR 8.1 million in the previous year, driven by price adjustments, robust demand, and a favorable comparison base.

First nine months of 2025

Group revenue from continuing operations for the first nine months of this year was EUR 184.0 million, down 3% from EUR 190.5 million in the same period last year. Currency translation had no material impact on revenue during the first nine months of 2025.

IB reported a revenue of EUR 71.0 million for year-to-date 2025, slightly below EUR 73.9 million in the first nine months of 2024. IAC's revenue totaled EUR 82.5 million, a 5% decrease from EUR 86.5 million in the prior year period, mainly reflecting lower trading volumes in the first half. Mobility's year-to-date revenue was EUR 30.5 million, compared with EUR 30.1 million in the previous year.

Results**Q3 2025**

Profitability improved notably in the third quarter. Normalized EBITDA (operating result before depreciation and amortization) from continuing operations was EUR 9.4 million, up from EUR 7.6 million in Q3 2024. This increase was primarily driven by a higher added-value margin and strict cost control. The margin rose by 160 basis points, of which 110 basis points resulted from higher product margins following pricing initiatives. The normalized EBITDA margin for the third quarter was 15.5%, compared with 12.7% in the same period last year.

Depreciation decreased to EUR 3.2 million from EUR 3.3 million in Q3 2024, resulting in a normalized EBITA of EUR 6.2 million (Q3 2024: EUR 4.3 million) and a normalized EBITA margin of 10.2%, up from 7.2% a year earlier.

First nine months of 2025

For the first nine months of 2025, Kendrion's normalized EBITDA from continuing operations increased by 3% to EUR 28.4 million (Q3 2024: EUR 27.6 million), driven by an improved added-value margin of 56.9%, compared with 54.1% in the prior year. The increase in product margins contributed 210 basis points to this improvement, while other operating income from services provided to the buyer of our Automotive business added another 70 basis points. The normalized year-to-date EBITDA margin was 15.4%, up from 14.5% in the same period last year.

Depreciation charges of EUR 9.6 million were in line with YTD 2024, leading to a normalized EBITA of EUR 18.8 million (YTD 2024: EUR 18.1 million), and a normalized EBITA margin of 10.2% (YTD 2024: 9.5%). Amortization charges on intangibles arising from acquisitions were EUR 1.7 million, down from EUR 2.4 million.

Total finance charges for the year to date were EUR 2.8 million, EUR 0.4 million higher than in 2024, mainly due to unfavorable currency results. Tax charges on normalized income were EUR 3.7 million (YTD 2024: EUR 4.1 million), resulting in an effective tax rate of 26.4% (YTD 2024: 30.7%). Normalized net profit before amortization from continuing operations amounted to EUR 11.6 million, up 5% from EUR 11.0 million in YTD 2024. Normalized net profit from discontinued operations was EUR 1.8 million, largely reflecting net income from the Chinese activities. As a result, total normalized net profit before amortization increased by 30% to EUR 13.4 million (YTD 2024: EUR 10.3 million)

A total of EUR 0.6 million in costs (EUR 0.4 million net of tax) was normalized in the first nine months of 2025, primarily related to restructuring charges.

Financial Position

Kendrion's financial position further strengthened in the third quarter of 2025. The company generated free cash flow of EUR 10.1 million in the third quarter, supported by solid profitability, disciplined working capital management, and lower capital expenditure. As a result, net debt decreased to EUR 88.4 million, from EUR 97.3 million at the end of the first half and EUR 104.5 million at the end of Q3 2024. The leverage ratio improved to 2.1, compared with 2.5 in Q3 2024. Additionally, approximately EUR 70 million in proceeds from the divested China business was received in October, further reinforcing Kendrion's financial position.

Number of employees

At the end of Q3 2025, Kendrion employed 1,313 FTEs, compared with 1,318 FTEs at the end of the previous quarter. These figures exclude employees in China. At quarter-end, the workforce consisted of 599 indirect employees and 714 direct employees, including 21 FTE temporary workers.

Dividend and share buyback

Dividend

The Supervisory Board has approved the Executive Board's resolution to distribute an interim dividend of EUR 1.00 per share. The dividend is subject to 15% Dutch withholding tax.

Timetable:

18 November 2025	: Ex-dividend date
19 November 2025	: Dividend record date
25 November 2025	: Dividend payment date

Paying agent: ABN AMRO Bank N.V., email: as.exchange.agency@nl.abnamro.com

Share buyback program

The Supervisory Board has also approved the Executive Board's resolution to initiate a share buyback program, which will commence on 26 November 2025, and run until 30 September 2026, at the latest. Additional details on the share buyback program are provided in the separate press release published today.

Outlook

With the impact of higher U.S. tariffs, persistent policy uncertainty, and shifting supply chain dynamics, economic activity in Q3 2025 remained similar to earlier this year. Kendrion expects economic activity in Europe to remain subdued. However, despite continued low economic growth, the company is well positioned to further enhance profitability, supported by its focused industrial strategy and local-for-local supply chain model.

In the near term, Kendrion will continue to prioritize added value margin improvement, strict cost control, and operational efficiency. Following the sale of the Chinese activities and the cooperation with Knorr-Bremse, the company will concentrate fully on its Industrial business groups. While a portion of the proceeds from the China divestment will be returned to shareholders, the remainder will be used to strengthen the balance sheet and reinvest in core Industrial operations.

Looking further ahead, Kendrion remains confident that its clear focus on industrial markets, strong niche leadership, and alignment with long-term trends—such as electrification, automation, and clean energy — will drive sustainable and profitable growth. The company reaffirms its commitment to achieving its strategic financial objectives, including an EBITDA margin of 15-18% from 2025 onward, a return on investment (ROI) of 23-27% by 2027, and annual dividend payouts of at least 50% of normalized net profit starting in 2025.

Analysts' call Q3 2025 results

Kendrion CEO Joep van Beurden and CFO Jeroen Hemmen will present the interim results on Tuesday 11 November 2025, at 11:00 a.m. CET via an analysts' webcast.

Profile of Kendrion N.V.

Kendrion develops, manufactures, and markets high-quality electromagnetic systems and components for a broad range of industrial applications. For more than a century, we have engineered precision parts for the world's leading innovators in industrial technology. As a leading technology pioneer, Kendrion invents, designs, and manufactures complex components and customized systems, as well as local solutions on demand.

We are committed to the engineering challenges of tomorrow, with responsibility for how we source, manufacture and conduct business embedded in our culture of innovation. Headquartered in the Netherlands and listed on the Amsterdam stock exchange, Kendrion's expertise extends across Europe, to the Americas and Asia. Created with passion and engineered with precision.

Amsterdam, 11 November 2025

The Executive Board

For more information, please contact:

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Annex 1 – Consolidated statement of comprehensive income

(EUR million)	Q3 2025	Q3 2024	period ended 2025	period ended 2024	full year 2024
Revenue	60.6	59.7	184.0	190.5	247.5
Other income	0.6	0.0	2.9	0.1	1.7
Total revenue and other income	61.2	59.7	186.9	190.6	249.2
Changes in inventories of finished goods and work in progress	(0.7)	(0.3)	(0.1)	(0.9)	(0.9)
Raw materials and subcontracted work	26.5	26.7	80.4	88.8	114.3
Staff costs	21.0	21.7	64.9	64.8	86.3
Depreciation and amortization	3.8	4.1	11.3	11.9	16.0
Impairments of fixed assets	0.0	0.0	0.0	1.0	1.0
Other operating expenses	5.0	4.0	13.9	11.6	17.9
Result before net finance costs	5.6	3.5	16.5	13.4	14.6
Finance income	0.0	0.0	0.0	0.0	0.1
Finance expense	(1.0)	(0.8)	(2.8)	(2.4)	(4.0)
Share profit or loss of an associate	(0.0)	-	(0.2)	-	(0.1)
Profit before income tax	4.6	2.7	13.5	11.0	10.6
Income tax expense	(1.1)	(0.6)	(3.5)	(2.3)	(2.2)
Profit for the period continuing operations	3.5	2.1	10.0	8.7	8.4
(Loss)/profit after tax from discontinued operations	0.4	(9.1)	1.5	(11.6)	(12.9)
(Loss)/profit for the period	3.9	(7.0)	11.5	(2.9)	(4.5)
Basic earnings per share (EUR), based on weighted average	0.25	(0.46)	0.73	(0.19)	(0.29)
Diluted earnings per share (EUR), based on weighted average	0.24	(0.45)	0.72	(0.19)	(0.29)
Earnings per share for continuing operations					
Basic earnings per share (EUR), based on weighted average	0.22	0.13	0.64	0.57	0.55
Diluted earnings per share (EUR), based on weighted average	0.22	0.13	0.63	0.56	0.54

Annex 2 – Consolidated statement of financial position

(EUR million)	30 Sept. 2025	30 Sept. 2024	31 Dec. 2024
Assets			
Non-current assets			
Property, plant and equipment	51.8	94.0	96.0
Intangible assets	103.4	112.7	112.8
Other investments, including derivatives	3.2	3.8	3.9
Deferred tax assets	12.3	20.4	21.4
Total non-current assets	170.7	230.9	234.1
Current assets			
Inventories	46.3	61.6	58.5
Current tax assets	1.2	2.9	3.2
Trade and other receivables	31.4	53.1	58.6
Cash and cash equivalents	3.5	73.2	8.5
Assets classified as held for sale	83.0	16.4	1.9
Total current assets	165.4	207.2	130.7
Total assets	336.1	438.1	364.8
Equity and liabilities			
Equity			
Share capital	31.6	31.0	31.0
Share premium	36.5	37.1	37.1
Reserves	79.8	93.1	94.9
Retained earnings	11.5	(2.9)	(4.5)
Total equity	159.4	158.3	158.5
Liabilities			
Loans and borrowings	79.9	163.5	97.8
Employee benefits	6.7	6.1	7.1
Deferred tax liabilities	13.6	15.9	14.7
Provisions	0.8	0.6	0.9
Total non-current liabilities	101.0	186.1	120.5
Bank overdraft	2.5	7.8	1.7
Loans and borrowings	2.9	3.0	12.4
Provisions	0.3	6.8	5.2
Current tax liabilities	5.5	6.4	7.6
Contract liabilities	0.0	0.0	0.2
Trade and other payables	34.5	63.3	58.7
Liabilities classified as held for sale	30.0	6.4	-
Total current liabilities	75.7	93.7	85.8
Total liabilities	176.7	279.8	206.3
Total equity and liabilities	336.1	438.1	364.8

Annex 3 – Financial calendar 2026

Publication Q4 and FY 2025 results	Friday, 27 February 2026	07.30 a.m.
Analysts' call	Friday, 27 February 2026	11.00 a.m.
Publication Annual Integrated Report 2025	Friday, 27 February 2026	03.00 p.m.
Annual General Meeting of Shareholders	Monday, 13 April 2026	02.00 p.m.
Publication Q1 2026 results	Tuesday, 12 May 2026	07.30 a.m.
Analysts' call	Tuesday, 12 May 2026	11.00 a.m.
Publication Q2 and HY1 2026 results	Wednesday, 26 August 2026	07.30 a.m.
Analysts' meeting	Wednesday, 26 August 2026	11.00 a.m.
Publication Q3 2026 results	Tuesday, 10 November 2026	07.30 a.m.
Analysts' call	Tuesday, 10 November 2026	11.00 a.m.