

Novem Group S.A.

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- Q1 2024/25 revenue of €140.1 million, -20.0% below Q1 2023/24
- Adj. EBIT¹ of €14.2 million, -29.2% below PY
- Market conditions remain challenging in the short-term

Luxembourg, 14 August 2024 – Novem Group S.A. today published its figures for the first quarter of its financial year 2024/25. In the first three months of 2024/25, the Company generated a total revenue of €140.1 million and fell short of previous year by -20.0% driven by the lacklustre demand. For the reporting period, Novem recorded an Adj. EBIT margin¹ of 10.1% despite persistently weak market conditions.

Europe and Asia impacted by subdued demand

In Q1 2024/25, revenue Series of €119.8 million declined by -20.6% compared to prior year, primarily due to the poor market environment. Revenue Tooling of €20.3 million decreased by -16.1% in comparison to last year. By segments, revenue in Europe (€-39.4 million y/y) was well below previous year's level due to continued weak customer call-offs. In contrast, revenue in Americas (€+10.2 million y/y) showed an increase on the back of the strong demand for SUVs. Declining revenue in Asia (€-5.8 million y/y) was adversely influenced by the lower consumer sentiment and product mix shifts.

Adj. EBIT amounted to €14.2 million in Q1 2024/25, resulting in a solid profit margin of 10.1% (PY: 11.4%). Bottom line was negatively affected by above-average labour costs as well as an unfavourable product mix. However, footprint optimisations, reinforced cost management and customer compensation payments supported the operating result.

Increased capex in preparation for new platforms

Free cash flow¹ for the reporting period came in at €-3.0 million. The deterioration against previous year (€11.2 million) was largely driven by lower profit, higher stock levels and the utilisation of provisions.

Capital expenditure¹ of €5.0 million in Q1 2024/25 was significantly higher than last year's figure of €3.4 million, largely attributable to growth investments. In view of the lower turnover, this translated into a considerably higher capex ratio of 3.6% (PY: 1.9%).

Elevated net leverage

As of 30 June 2024, total working capital¹ amounted to €142.2 million, 1.2% higher than prior year (€140.5 million). The variance of €-1.7 million was largely attributable to higher tooling net and lower payables.

Gross financial debt¹ of €305.5 million rose by €17.0 million in comparison to the first quarter of last year (€288.5 million). As of 30 June 2024, net financial debt¹ increased noticeably to €171.2 million compared to €118.7 million in previous year. Accordingly, the net leverage ratio¹ of 1.8x Adj. EBITDA¹ also stood above prior year (1.0x).

The quarterly statement for the first quarter of financial year 2024/25 can be found on the Investor Relations website at [Reports & Presentation](#).

1 For the definition/calculation of the used Alternative Performance Measures (APMs), please refer to the glossary provided in the corresponding quarterly statement for the first quarter of financial year 2024/25, which can be found on the Investor Relations website under [Reports & Presentation](#).

About Novem

Luxembourg-headquartered Novem is a globally leading supplier of decorative interior trim parts for the premium automotive industry. Across the range of key materials such as genuine wood, aluminium, carbon and premium synthetics, the Company offers unrivalled quality, technology and innovation to a growing customer base including all major premium carmakers worldwide. Founded in 1947 in Vorbach, Germany, the Company has continuously expanded its global footprint in Germany, Italy, Czech Republic, Slovenia, China, USA, Honduras and Mexico. Novem employs about 4,900 people at 12 locations and achieved revenue of more than €635 million in FY 2023/24.

For more information, please visit www.novem.com.

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