Half-Year Financial Report H1 2025

Your partner wherever you drive

KEY FIGURES

in EUR thousand	Q1–Q2/2025	Q1–Q2/2024	Change absolute	Change in %	Q2 2025	Q2 2024	Change absolute	Change in %
Results of Operations								
Sales	891,565	1,012,522	–120,957	–11.9%	442,399	507,091	–64,692	–12.8%
Gross profit	204,363	223,576	–19,213	–8.6%	99,338	114,701	–15,363	–13.4%
Gross profit margin in %	22.9%	22.1%			22.5%	22.6%		
Adjusted gross profit	207,774	227,534	–19,760	–8.7%	101,172	116,979	–15,807	–13.5%
Adjusted gross profit margin in %	23.3%	22.5%			22.9%	23.1%		
EBITDA	115,389	132,468	–17,079	–12.9%	56,538	68,668	–12,130	–17.7%
EBITDA margin in %	12.9%	13.1%			12.8%	13.5%		
Adjusted EBITDA	116,469	133,820	–17,351	–13.0%	56,763	70,020	–13,257	–18.9%
Adjusted EBITDA margin in %	13.1%	13.2%			12.8%	13.8%		
EBIT	70,362	89,714	–19,352	–21.6%	34,469	46,309	–11,840	–25.6%
EBIT margin in %	7.9%	8.9%			7.8%	9.1%		
Adjusted EBIT	82,960	102,774	–19,814	–19.3%	40,268	54,209	–13,941	–25.7%
Adjusted EBIT margin in %	9.3%	10.2%			9.1%	10.7%		
Result for the period attributable to shareholders of the parent Company	24,029	50,260	–26,231	–52.2%	10,982	24,035	–13,053	–54.3%
Adjusted result for the period attributable to the shareholders of the parent Company	37,728	62,593	–24,865	–39.7%	17,639	31,298	–13,659	–43.6%
Basic earnings per share in EUR	0.53	1.11	–0.58	–52.2%	0.24	0.53	–0.29	–54.3%
Adjusted earnings per share in EUR	0.83	1.38	–0.55	–39.7%	0.38	0.69	–0.31	–43.6%
Financial position								
Net cash flow from operating activities	**30,543**	**62,641**	**–32,098**	**–51.2%**	**14,122**	**69,532**	**–55,410**	**–79.7%**
Net cash flow from investing activities (property, plant and equipment/intangible assets)	–21,457	–18,323	–3,134	17.1%	–13,217	–12,780	–437	3.4%
Operating free cash flow	**9,086**	**44,318**	**–35,232**	**–79.5%**	**905**	**56,752**	**–55,847**	**–98.4%**
Net cash flow from investing activities (acquisition of subsidiaries)	–12,671	–16,158	3,487	–21.6%	–12,671	–5,832	–6,839	117.3%
Total free cash flow	**–3,585**	**28,160**	**–31,745**	**–112.7%**	**–11,766**	**50,920**	**–62,686**	**–123.1%**
Yield	**06/30/2025**	**12/31/2024**						
Return on capital employed (ROCE) in %	15.8%	18.3%						
Balance sheet	**06/30/2025**	**12/31/2024**						
Balance sheet total	1,674,912	1,711,869	–36,957	–2.2%				
Equity	464,707	527,100	–62,393	–11.8%				
Equity ratio in %	27.7%	30.8%						
Non-current and current liabilities	1,210,205	1,184,769	25,436	2.1%				

All figures shown are rounded. Minor deviations may arise due to additions to these amounts.

_Table of Content

INDUSTRY ENVIRONMENT

MACROECONOMIC CONDITIONS

The global economic environment in the first half of 2025 was characterized by political uncertainty and increasing trade barriers.

After a temporary upturn in general industrial production at the start of the year following the announcement of US trade tariffs, high uncertainty regarding the United States' economic policy had a negative impact on global trade as the year progressed. The trade situation worsened at the beginning of April with the announcement of further tariffs by the US government.

According to a study by the Kiel Institute for the World Economy (Kiel Institute), economic output in Germany increased at the start of the year. Early deliveries to the United States contributed to this. Nevertheless, economic momentum remains subdued, as higher US trade tariffs are having a dampening effect. The economy also grew in the eurozone.

The picture was different in the United States. According to a study by Kiel Institute, gross domestic product shrank. High levels of uncertainty regarding the government's economic policy activities led to a decline in private consumption. Spending on imports at the expense of domestically produced goods increased.

According to the Kiel Institute, the economies of the emerging markets were strong. In China, the domestic economy was stimulated by economic policy stimuli. Foreign demand also increased. At the beginning of the year, the Indian economy also benefited briefly from pull-forward effects from exports to the United States. As the year progressed, this demand failed to materialize and the uncertainties caused by US trade policy dampened production.

SECTOR ENVIRONMENT

With its products for the commercial vehicle industry, SAF-HOLLAND serves the Original Equipment Trailer, Original Equipment Truck (including buses) and Aftermarket customer groups, which are of varying importance in the respective regions. The Original Equipment Trailer and Aftermarket customer groups in particular generate a large share of sales. In the first half of 2025, the Original Equipment Trailer customer group accounted for 48.0% and the Aftermarket business accounted for 39.3% of Group sales. The Original Equipment Truck customer group includes products for trucks and also products for buses. The majority of sales are generated in the Americas region. In the reporting period, Original Equipment Truck customer group accounted for 12.7% of Group sales.

As expected, the **European commercial vehicle market** initially declined in the first few months of the year. The market for heavy trucks turned positive in the second quarter and, according to SAF-HOLLAND estimates, grew by 5% to 10% compared to the same quarter of the previous year. In the first half of the year, the market for heavy trucks in Europe recorded a stable to slightly positive development in the range of 0% to 5%, according to the company.

As expected, the European trailer market continued to decline in the second quarter of 2025. However, SAF-HOLLAND estimates that the decline was less pronounced than in the first quarter, within a range of –10% to –15%. SAF-HOLLAND estimates that the decline in production for the first half of the year as a whole was between 15% and 20%.

The **North American commercial vehicle market** continued its negative trend in the first half of 2025. ACT Research (Americas Commercial Transportation Research Company) notes that customers are taking a wait-and-see approach to current US policy and its impact on freight markets and are therefore reluctant to place orders for new vehicles. There is uncertainty not only with regard to the introduction of tariffs, but also with regard to a possible postponement of the EPA27 emissions regulations that will apply from 2027. According to ACT Research, 146,711 Class 8 trucks were manufactured in the period from January to June 2025. This represents a decline of around 18%. According to ACT Research, 122,316 trailers were manufactured in the same period, around 27% fewer than in the same period of the previous year.

The **Brazilian** trailer market declined in the first half of the year. According to ANFIR (Associação Nacional Fabricantes de Implementos Rodoviários), the market for trailers fell by 20% in the first six months of 2025. This was due to increased financing costs and credit restrictions, which had a dampening effect on demand. This negative momentum also affected the market for trucks in the second quarter, which had grown by a high single-digit percentage in the first quarter. According to ANFAVEA (Associação Nacional dos Fabricantes de Veículos Automotores), a total of around 3% more trucks were produced between January and June 2025.

After a subdued start to 2025, the commercial vehicle market in **China** turned positive in the second quarter, thanks in part to a subsidy-oriented economic policy. However, the market remains at a low level. According to SAF-HOLLAND estimates, the trailer market should grow by around 1% and the market for heavy trucks by around 7% in the first half of 2025.

In **India**, the expected recovery in the commercial vehicle market failed to materialize in the first half of 2025. Geopolitical conditions and uncertainty regarding import tariffs in the US continue to stand in the way of a market recovery. A weak mining industry is dampening demand. In addition, customers were reluctant to invest in new vehicles after financing conditions deteriorated. SAF-HOLLAND estimates that the Indian trailer market recorded a decline of around 6% in the first half of 2025. In the truck market, the company estimates that around 9% more trucks rolled off the production lines in the first half of 2025.

SIGNIFICANT EVENTS IN THE FIRST HALF OF 2025

FRANK LORENZ-DIETZ'S MANAGEMENT BOARD CONTRACT EXTENDED THROUGH THE END OF 2028

On March 20, 2025, SAF-HOLLAND announced that the Supervisory Board of SAF-HOLLAND SE had extended the appointment of Chief Financial Officer Frank Lorenz-Dietz for a further three years through December 31, 2028.

SAF-HOLLAND SETS NEW MEDIUM-TERM TARGETS WITH ITS "DRIVE2030" CORPORATE STRATEGY

SAF-HOLLAND presented its new "drive2030" corporate strategy at a Capital Markets Day.

The "drive2030" strategy is based on the five strategic pillars "Customer focus," "Regional strength," "Technology as a core enabler," "Leverage portfolio and drive growth" and "Operational excellence." The fundamental cross-cutting themes of "People focus" and "Sustainability" form the basis of the company's future success.

SAF-HOLLAND has defined specific measures and goals for the implementation of the "drive2030" strategy. In the coming years, SAF-HOLLAND intends to grow more strongly through specific strategic initiatives in addition to conventional growth in the commercial vehicle market. For example, the broad portfolio will be used to offer customers additional SAF-HOLLAND products. The positioning as a system supplier will be further advanced and the aftermarket business will be strengthened by offering digital solutions and expanding the service network, among other measures. Another focus will be on adapting products to new areas of application. SAF-HOLLAND has already taken a first step in this direction and has been supplying a truck manufacturer with Haldex disc brakes for the first time since the fourth quarter of 2024. However, the company also sees growth potential outside of the traditional trailer and truck business. In the future, a significant share of sales is to be generated with customers from related industries, such as agricultural, mining and construction machinery as well as industrial trucks.

Overall, the company is striving to organically increase Group sales to more than EUR 2,500 million by 2030 (2024: EUR 1,877 million). This corresponds to a compound annual growth rate (CAGR) of at least around 5%. SAF-HOLLAND expects an additional sales contribution of at least EUR 500 million from acquisitions, so that Group sales should total more than EUR 3,000 million in 2030. This would equate to a compound annual growth rate (CAGR) of at least around 8%.

In addition to the strategic growth initiatives in the three regions, SAF-HOLLAND will pay particular attention to increasing efficiency along the entire value chain – from the purchase of materials and services through to delivery to the customer. The topic of "sustainability" is integrated at every stage of the value chain in order to gradually reduce greenhouse gas emissions (Scope 1 and 2) in the coming years.

2025 ANNUAL GENERAL MEETING

The Annual General Meeting of SAF-HOLLAND SE, which was held on May 20, 2025, approved all of the resolutions proposed by the management, including the proposal by the Management Board and the Supervisory Board to distribute a dividend of EUR 0.85 per share.

The Annual General Meeting also approved the proposal to increase the size of the Supervisory Board from five to six members and elected two new members to the Supervisory Board, Dagmar Rehm and Hans-Werner Kaas, following the announced resignation of Ingrid Jägering. Mrs. Jägering had decided to step down from the Supervisory Board at the end of the Annual General Meeting on May 20, 2025. At the subsequent meeting of the Supervisory Board, Mrs. Rehm was elected Chairwoman of the Audit Committee and Mr. Carsten Reinhardt was elected Deputy Chairman of the Supervisory Board.

SAF-HOLLAND ACQUIRES OUTSTANDING SHARES IN THE INDIAN JOINT VENTURE HALDEX ANAND INDIA PRIVATE LIMITED

Effective April 11, 2025, SAF-HOLLAND SE acquired the outstanding 40% stake in Haldex ANAND India Private Limited ("Haldex India") from its joint venture partner ANAND Group. Founded in 1996, the joint venture company, in which SAF-HOLLAND held 60% of the shares as a result of the acquisition of Haldex, is a leading manufacturer of automatic and manual brake adjusters and products for pneumatic braking systems for trucks and trailers in India.

The acquisition of the outstanding shares in Haldex India marks an important step in SAF-HOLLAND's "drive2030" strategy to further strengthen its market position in the Indian commercial vehicle market and to better utilize the growth prospects.

MATTHEW WOLFE APPOINTED NEW PRESIDENT OF AMERICAS REGION AT SAF-HOLLAND

Matthew Wolfe has been appointed the new President of the Americas region effective June 1, 2025. He succeeds Kent Jones, who has decided to take on a new challenge outside the Group.

Matthew Wolfe joined SAF-HOLLAND in August 2021 as Vice President / General Manager Aftermarket Americas, bringing over 20 years of experience in the commercial vehicle and automotive industries. Before joining SAF-HOLLAND, he worked at Meritor for 15 years and held numerous leadership positions in the US, Europe, China as well as Australia. He began his professional career at DaimlerChrysler. Under his leadership, the aftermarket business in the Americas region developed significantly, he strengthened internal sales activities and customer relationships and made a significant contribution to the success of the Americas region.

As President of the Americas region, Wolfe will drive forward the initiatives defined for the region as part of the "drive2030" strategy in the coming months and thus further expand SAF-HOLLAND's market position.

ECONOMIC REPORT

EARNINGS, ASSET AND FINANCIAL POSITION

EARNINGS POSITION

Group sales decline by 11.9% in the first half of the year compared to the same period of the previous year

SAF-HOLLAND's Group sales were down by 11.9% to EUR 891.6 million (previous year: EUR 1,012.5 million) in the first half of 2025 due to weak customer demand in the Original Equipment segment.

In organic terms – i.e. excluding the impact of exchange rate and acquisition effects – Group sales declined by EUR 130.1 million or 12.8% in the first half of 2025.

Negative effects from currency translation had an impact of EUR 12.1 million on sales in the first half of 2025.

On the other hand, acquisition effects of EUR 21.3 million resulting from the acquisitions of Tecma (consolidation from April 2, 2024) and Assali Stefen (consolidation from July 31, 2024) had a positive impact.

SAF-HOLLAND generated Group sales of EUR 442.4 million (previous year: EUR 507.1 million) in the second quarter of 2025.

In organic terms – i.e. excluding the impact of exchange rate and acquisition effects – Group sales declined by EUR 59.3 million or 11.7% in the second quarter of 2025.

The acquisition of Assali Stefen resulted in positive sales effects in the high single-digit million euro range.

Negative effects from currency translation amounted to EUR 13.9 million in the second quarter of 2025.

The breakdown of Group sales by region in the first half of 2025 was influenced in particular by the challenging market environment in all three regions and the acquisition effects in the EMEA region. With sales of EUR 441.9 million (previous year: EUR 477.5 million) and a 49.6% share of Group sales (previous year: 47.2%), the EMEA region remains the Company's largest region. The Americas region accounted for 38.9% of sales (previous year: 40.1%) or EUR 346.5 million (previous year: EUR 406.3 million). The APAC region achieved sales of EUR 103.1 million (previous year: EUR 128.7 million) and thus contributed 11.5% (previous year: 12.7%) to Group sales.

Group sales by region

in EUR thousand

	Q1–Q2/2025	Q1–Q2/2024	Change absolute	Change in %	Q2 2025	Q2 2024	Change absolute	Change in %
EMEA	441,941	477,531	–35,590	–7.5%	223,082	233,272	–10,190	–4.4%
in % of Group sales	49.6%	47.2%			50.5%	46.0%		
Americas	346,481	406,277	–59,796	–14.7%	170,091	208,766	–38,675	–18.5%
in % of Group sales	38.9%	40.1%			38.4%	41.2%		
APAC	103,143	128,714	–25,571	–19.9%	49,226	65,053	–15,827	–24.3%
in % of Group sales	11.5%	12.7%			11.1%	12.8%		
Group sales	**891,565**	**1,012,522**	**–120,957**	**–11.9%**	**442,399**	**507,091**	**–64,692**	**–12.8%**

Share of sales from the less cyclical aftermarket business increased
Weaker global demand for original equipment components led to a 15.1% decrease in the sales contribution of the Original Equipment Trailer customer segment to EUR 428.3 million in the first half of 2025 (previous year: EUR 504.8 million). This corresponds to 48.0% of Group sales (previous year: 49.9%). Sales from the original equipment business with truck manufacturers declined by 16.7% to EUR 113.1 million (previous year: EUR 135.8 million), which is attributable in particular to the Americas region. In total, 60.7% (previous year: 63.3%) of Group sales were generated with the original equipment business.

The share of sales from the more cyclically resilient aftermarket business increased from 36.7% to 39.3% due to the comparatively smaller decline in sales.

Group sales by customer segment

in EUR thousand

	Q1–Q2/2025	Q1–Q2/2024	Change absolute	Change in %	Q2 2025	Q2 2024	Change absolute	Change in %
Original Equipment Trailer	428,316	504,771	–76,455	–15.1%	207,650	245,732	–38,082	–15.5%
in % of Group sales	48.0%	49.9%			47.0%	48.5%		
Original Equipment Truck	113,052	135,755	–22,703	–16.7%	54,148	66,844	–12,696	–19.0%
in % of Group sales	12.7%	13.4%			12.2%	13.2%		
Aftermarket business	350,197	371,996	–21,799	–5.9%	180,601	194,515	–13,914	–7.2%
in % of Group sales	39.3%	36.7%			40.8%	38.4%		
Group sales	**891,565**	**1,012,522**	**–120,957**	**–11.9%**	**442,399**	**507,091**	**–64,692**	**–12.8%**

Gross margin improved from 22.1% to 22.9% in the first half of 2025
The individual income and expense items in the income statement showed diverging trends in the first half of 2025. Comparability with the same period of the previous year is sometimes limited due to the first-time consolidation of Tecma (previous year from April 2) and Assali Stefen (previous year from July 31) for the entire reporting period. The cost of sales in the first half of 2025 fell by EUR 101.7 million or 12.9% year-on-year to EUR 687.2 million (previous year: EUR 788.9 million).

It should also be noted that the cost of sales includes amortization from purchase price allocations of EUR 3.2 million (previous year: EUR 3.3 million) and restructuring expenses of EUR 0.2 million (previous year: EUR 0.6 million).

In nominal terms, gross profit amounted to EUR 204.4 million (previous year: EUR 223.6 million), which corresponds to a decrease of 8.6%. With the cost of sales falling faster than sales, the gross margin (ratio of gross profit to sales) increased from 22.1% to 22.9% in the first half of 2025. This was mainly due to the higher margin contribution from the aftermarket business.

In the second quarter of 2025, the gross margin was 22.5%, almost on par with the prior-year quarter's figure of 22.6%.

OPERATING RESULT INFLUENCED BY GROSS PROFIT
At EUR 69.9 million, the operating result in the first half of 2025 was 21.6% or EUR 19.3 million below the previous year's result of EUR 89.2 million. The year-on-year decline is largely due to the EUR 19.2 million drop in gross profit, which was largely sales-related. The balance of other expenses and income, selling and administrative expenses and research and development expenses remained unchanged compared to the same period of the previous year at EUR 134.4 million. In relation to Group sales, however, the corresponding ratio increased from 13.3% to 15.1%. In addition to the effects of the first-time consolidation of Tecma (previous year from April 2) and Assali Stefen (previous year from July 31) for the entire reporting period, this also reflects higher foreign currency translation effects.

The aforementioned income and expense items include amortization from purchase price allocations of EUR 8.3 million (previous year: EUR 8.4 million) and restructuring and transaction costs of EUR 0.9 million (previous year: EUR 0.7 million).

Earnings development

in EUR thousand

	Q1–Q2/2025	Q1–Q2/2024	Change absolute	Change in %	Q2 2025	Q2 2024	Change absolute	Change in %
Sales	891,565	1,012,522	–120,957	–11.9%	442,399	507,091	–64,692	–12.8%
Cost of sales	–687,202	–788,946	101,744	–12.9%	–343,061	–392,390	49,329	–12.6%
Gross profit	204,363	223,576	–19,213	–8.6%	99,338	114,701	–15,363	–13.4%
Gross profit margin in %	22.9%	22.1%			22.5%	22.6%		
Adjusted gross profit	207,774	227,534	–19,760	–8.7%	101,172	116,979	–15,807	–13.5%
Adjusted gross profit margin in %	23.3%	22.5%			22.9%	23.1%		
Other income	1,817	2,207	–390	–17.7%	1,051	966	85	8.8%
Selling expenses	–58,494	–56,634	–1,860	3.3%	–28,211	–27,612	–599	2.2%
Administrative expenses	–60,031	–59,278	–753	1.3%	–28,926	–31,106	2,180	–7.0%
Research and development expenses	–17,723	–20,659	2,936	–14.2%	–8,990	–10,895	1,905	–17.5%
Operating result	**69,932**	**89,212**	**–19,280**	**–21.6%**	**34,262**	**46,054**	**–11,792**	**–25.6%**

EBITDA margin nearly at the previous year's level

At 12.9%, the EBITDA margin nearly reached the previous year's level of 13.1% due to the higher margin contribution from the aftermarket business. At EUR 115.4 million, absolute earnings before interest, taxes, depreciation and amortization (EBITDA) remained 12.9% below the previous year's figure of EUR 132.5 million despite the consistent cost adjustments in the original equipment business, the advantageous product mix with a higher share of the aftermarket business and the continued realization of synergies from the integration of Haldex.

Based on the decline in the operating result and the share of earnings from companies accounted for using the equity method, earnings before interest and taxes (EBIT) were down by 21.6% from EUR 89.7 million to EUR 70.4 million in the first half of 2025. At the same time, the EBIT margin fell from 8.9% to 7.9%.

Reconciliation of operating result to adjusted EBIT

in EUR thousand	Q1–Q2/2025	Q1–Q2/2024	Change absolute	Change in %	Q2 2025	Q2 2024	Change absolute	Change in %
Operating result	69,932	89,212	–19,280	–21.6%	34,262	46,054	–11,792	–25.6%
Share of net profit of investments accounted for using the equity method	430	502	–72	–14.3%	207	255	–48	–18.8%
EBIT	70,362	89,714	–19,352	–21.6%	34,469	46,309	–11,840	–25.6%
EBIT margin in %	7.9%	8.9%			7.8%	9.1%		
Additional depreciation and amortization from PPA	11,518	11,708	–190	–1.6%	5,574	6,548	–974	–14.9%
Restructuring and transaction costs	1,080	1,352	–272	–20.1%	225	1,352	–1,127	–83.4%
Adjusted EBIT	82,960	102,774	–19,814	–19.3%	40,268	54,209	–13,941	–25.7%
Adjusted EBIT margin in %	9.3%	10.2%			9.1%	10.7%		
Depreciation and amortization of intangible assets and property, plant and equipment	33,509	31,046	2,463	7.9%	16,495	15,811	684	4.3%
Adjusted EBITDA	116,469	133,820	–17,351	–13.0%	56,763	70,020	–13,257	–18.9%
Adjusted EBITDA margin in %	13.1%	13.2%			12.8%	13.8%		
EBITDA	115,389	132,468	–17,079	–12.9%	56,538	68,668	–12,130	–17.7%
EBITDA margin in %	12.9%	13.1%			12.8%	13.5%		

Adjusted EBIT adjusted for non-recurring and acquisition-related expenses and income

To manage and present the underlying operating earnings situation of the Group, SAF-HOLLAND adjusts for non-recurring effects outside of ordinary business activities. These include depreciation and amortization of property, plant and equipment and intangible assets from purchase price allocations (PPA), restructuring and transaction costs, measurement effects from option valuations and other non-recurring effects such as expenses in connection with the post-merger integration. Besides sales, adjusted EBIT and the adjusted EBIT margin are the most important performance indicators for assessing and evaluating the earnings situation of the Group and the three regions from a management perspective.

In the first half of 2025, non-recurring effects outside of ordinary activities totaling EUR 12.6 million (previous year: EUR 13.1 million) were incurred at the level of earnings before interest and taxes (EBIT).

These mainly include depreciation and amortization from purchase price allocations in the amount of EUR 11.5 million (previous year: EUR 11.7 million). In addition, restructuring and transaction costs of EUR 1.1 million were incurred in the first half of 2025 (previous year: EUR 1.4 million).

Adjusted EBIT margin of 9.3% achieved

Adjusted EBIT declined by 19.3% in the first half of 2025, from EUR 102.8 million to EUR 83.0 million. This resulted in an adjusted EBIT margin of 9.3% (previous year: 10.2%). An improved adjusted gross margin of 23.3% (previous year: 22.5%) was offset by a deterioration in the adjusted ratio of other income and expenses, sales and administrative expenses, and research and development expenses to Group sales to –14.0% (previous year: –12.3%).

Financial result influenced by unrealized exchange rate gains and losses from the valuation of intercompany foreign currency loans

The financial result amounted to EUR –32.3 million in the first half of 2025 (previous year: EUR –18.1 million) and was influenced in particular by the sharp increase in the balance of unrealized exchange rate gains and losses from the valuation of intercompany foreign currency loans at the closing rate of EUR –14.5 million (previous year: EUR +0.4 million). The Company has already partially implemented measures to limit unrealized exchange rate effects in the financial result. These are to be fully implemented by the end of the year.

Financial result

in EUR thousand

	Q1–Q2/2025	Q1–Q2/2024	Change absolute	Change in %	Q2 2025	Q2 2024	Change absolute	Change in %
Financial income	6,784	10,326	–3,542	–34.3%	2,930	2,650	280	10.6%
Financial expenses	–39,104	–28,458	–10,646	37.4%	–19,941	–14,566	–5,375	36.9%
Financial result	**–32,320**	**–18,132**	**–14,188**	**78.2%**	**–17,011**	**–11,916**	**–5,095**	**42.8%**

Result for the period and earnings per share

Due to the development of EBIT and the financial result, the Group achieved earnings before taxes of EUR 38.0 million in the first half of 2025, down EUR 33.5 million (previous year: EUR 71.6 million).

With an income tax rate of 36.8% (previous year: 29.2%), the Company generated a result for the period of EUR 24.0 million (previous year: EUR 50.7 million). The result for the period attributable to the shareholders of the parent company amounted to EUR 24.0 million (previous year: EUR 50.3 million).

Based on an unchanged number of shares compared to the previous year of 45.4 million, earnings per share for the first half of 2025 amounted to EUR 0.53 (previous year: EUR 1.11).

At EUR 37.7 million, the adjusted result for the period after minority interests was 39.7% below the previous year’s figure of EUR 62.6 million and adjusted earnings per share amounted to EUR 0.83 (previous year: EUR 1.38).

Reconciliation of the result before taxes to earnings per share

in EUR thousand

	Q1–Q2/2025	Q1–Q2/2024	Change absolute	Change in %	Q2 2025	Q2 2024	Change absolute	Change in %
Result before taxes	38,042	71,582	–33,540	–46.9%	17,458	34,393	–16,935	–49.2%
Income taxes	–14,013	–20,899	6,886	–32.9%	–6,788	–10,170	3,382	–33.3%
Income tax rate in %	–36.8%	–29.2%			–38.9%	–29.6%		
Result for the period	24,029	50,683	–26,654	–52.6%	10,670	24,223	–13,553	–56.0%
attributable to equity holders of the parent	24,029	50,260	–26,231	–52.2%	10,982	24,035	–13,053	–54.3%
Basic earnings per share in EUR	0.53	1.11	–0.58	–52.2%	0.24	0.53	–0.29	–54.3%
Adjusted result for the period	37,728	63,016	–25,288	–40.1%	17,327	31,486	–14,159	–45.0%
attributable to equity holders of the parent	37,728	62,593	–24,865	–39.7%	17,639	31,298	–13,659	–43.6%
Adjusted earnings per share in EUR	0.83	1.38	–0.55	–39.7%	0.38	0.69	–0.31	–43.6%

SEGMENT REPORTING

EMEA region: adjusted EBIT margin impacted by weaker original equipment business

The EMEA region recorded a decline in sales of 7.5% or EUR 35.6 million to EUR 441.9 million in the first half of 2025 (previous year: EUR 477.5 million). Adjusted for exchange rate and acquisition effects, sales in the region were 12.3% below the previous year's figure. Compared to the underlying market, the EMEA region performed better in the first half of 2025, particularly in the original equipment business for trailers, which is of importance to SAF-HOLLAND.

Acquisition effects in the amount of EUR 21.2 million had a positive impact. These relate to the first-time consolidation of Tecma (previous year from April 2) and Assali Stefen (previous year from July 31) for the entire reporting period. The aftermarket business, which is more resilient to economic cycles, recorded a nearly stable sales trend in the first half of 2025.

In the second quarter of 2025, sales were only 4.4% or EUR 10.2 million below the previous year's figure of EUR 233.3 million due to an original equipment business that is improving slowly. On an organic basis, sales were down by 8.4%.

Segment EMEA

in EUR thousand

	Q1–Q2/2025	Q1–Q2/2024	Change absolute	Change in %	Q2 2025	Q2 2024	Change absolute	Change in %
Sales	441,941	477,531	–35,590	–7.5%	223,082	233,272	–10,190	–4.4%
EBIT	**27,581**	**33,850**	**–6,269**	**–18.5%**	**14,704**	**16,201**	**–1,497**	**–9.2%**
EBIT margin in %	6.2%	7.1%			6.6%	6.9%		
Additional depreciation and amortization from PPA	5,643	5,294	349	6.6%	2,832	3,371	–539	–16.0%
Restructuring and transaction costs	754	1,162	–408	–35.1%	5	912	–907	–99.5%
Adjusted EBIT	**33,978**	**40,306**	**–6,328**	**–15.7%**	**17,541**	**20,484**	**–2,943**	**–14.4%**
Adjusted EBIT margin in %	7.7%	8.4%			7.9%	8.8%		
Depreciation and amortization of intangible assets and property, plant and equipment	17,813	16,879	934	5.5%	8,759	8,480	279	3.3%
Adjusted EBITDA	**51,791**	**57,185**	**–5,394**	**–9.4%**	**26,300**	**28,964**	**–2,664**	**–9.2%**
Adjusted EBITDA margin in %	11.7%	12.0%			11.8%	12.4%		

Adjusted EBIT in the EMEA region declined by 15.7% to EUR 34.0 million in the reporting period (previous year: EUR 40.3 million), which corresponds to an adjusted EBIT margin of 7.7% (previous year: 8.4%). Despite strict cost management and the continued realization of synergies from the integration of Haldex, the higher margin contribution from the aftermarket business could not fully compensate for the lower margin contribution from the original equipment business.

In the second quarter of 2025, adjusted EBIT amounted to EUR 17.5 million (previous year: EUR 20.5 million), corresponding to an adjusted EBIT margin of 7.9% (previous year: 8.8%). It should be noted that the same quarter of the previous year was characterized by strong aftermarket business.

Americas region: adjusted EBIT margin remains in double digits

The Americas region recorded a decline in sales of 14.7% or EUR 59.8 million to EUR 346.5 million in the first half of 2025 (previous year: EUR 406.3 million). This was due in particular to the persistently weak demand for trailer and truck components as a result of the current trade policy uncertainties regarding future tariff developments. Exchange rate fluctuations reduced sales by 2.4%.

In the second quarter of 2025, the Americas region's contribution to sales declined by 18.5% from EUR 208.8 million to EUR 170.1 million due to the weak original equipment business as a result of the reluctance to invest following the tariff increases announced by the US at the beginning of April. Exchange rate fluctuations reduced sales by 5.3%.

Segment Americas

in EUR thousand

	Q1–Q2/2025	Q1–Q2/2024	Change absolute	Change in %	Q2 2025	Q2 2024	Change absolute	Change in %
Sales	346,481	406,277	–59,796	–14.7%	170,091	208,766	–38,675	–18.5%
EBIT	**32,670**	**41,691**	**–9,021**	**–21.6%**	**14,974**	**22,997**	**–8,023**	**–34.9%**
EBIT margin in %	9.4%	10.3%			8.8%	11.0%		
Additional depreciation and amortization from PPA	4,627	4,684	–57	–1.2%	2,226	2,383	–157	–6.6%
Restructuring and transaction costs	222	140	82	58.6%	222	122	100	82.0%
Adjusted EBIT	**37,519**	**46,515**	**–8,996**	**–19.3%**	**17,422**	**25,502**	**–8,080**	**–31.7%**
Adjusted EBIT margin in %	10.8%	11.4%			10.2%	12.2%		
Depreciation and amortization of intangible assets and property, plant and equipment	12,997	10,979	2,018	18.4%	6,402	5,519	883	16.0%
Adjusted EBITDA	**50,516**	**57,494**	**–6,978**	**–12.1%**	**23,824**	**31,021**	**–7,197**	**–23.2%**
Adjusted EBITDA margin in %	14.6%	14.2%			14.0%	14.9%		

Adjusted EBIT in the Americas region decreased by 19.3% to EUR 37.5 million in the first half of 2025 (previous year: EUR 46.5 million). The adjusted EBIT margin fell accordingly from 11.4% to 10.8%. Despite strict cost management and the continued realization of synergies from the integration of Haldex, this was due to the lower margin contribution from the original equipment business. This reflects in particular the additional purchasing costs in the mid-single-digit million-euro range in connection with the tariff policy of the new US administration.

In the second quarter of 2025, the Americas region achieved an adjusted EBIT of EUR 17.4 million (previous year: EUR 25.5 million) and an adjusted EBIT margin of 10.2% (previous year: 12.2%). The cost burdens from the new US administration's trade policy had a significant impact on the margin contribution of the original equipment business.

APAC region: adjusted EBIT margin at 11.1% despite a significant decline in sales

The APAC region generated sales of EUR 103.1 million in the first half of 2025 (previous year: EUR 128.7 million), which corresponds to a decline of 19.9%. This was due , on the one hand, to the weak original equipment business with trailer components in India as a result of the general economic slowdown and the more difficult financing conditions for fleet operators as well as weak business with customers from the mining industry. On the other hand, there was a clear reluctance to invest among Southeast Asian customers who manufacture trailers for the North American market. This market also recorded a significant decline in demand**.** By contrast, the more cyclically resilient aftermarket business recorded an increase in sales. Exchange rate fluctuations reduced sales by 3.2%.

In the second quarter of 2025, sales declined by 24.3% to EUR 49.2 million (previous year: EUR 65.1 million). Exchange rate fluctuations reduced sales by 5.9%.

Segment APAC

in EUR thousand

	Q1–Q2/2025	Q1–Q2/2024	Change absolute	Change in %	Q2 2025	Q2 2024	Change absolute	Change in %
Sales	103,143	128,714	–25,571	–19.9%	49,226	65,053	–15,827	–24.3%
EBIT	**10,111**	**14,173**	**–4,062**	**–28.7%**	**4,791**	**7,111**	**–2,320**	**–32.6%**
EBIT margin in %	9.8%	11.0%			9.7%	10.9%		
Additional depreciation and amortization from PPA	1,248	1,730	–482	–27.9%	516	794	–278	–35.0%
Restructuring and transaction costs	104	50	54	108.0%	–2	318	–320	-
Adjusted EBIT	**11,463**	**15,953**	**–4,490**	**–28.1%**	**5,305**	**8,223**	**–2,918**	**–35.5%**
Adjusted EBIT margin in %	11.1%	12.4%			10.8%	12.6%		
Depreciation and amortization of intangible assets and property, plant and equipment	2,699	3,188	–489	–15.3%	1,334	1,812	–478	–26.4%
Adjusted EBITDA	**14,162**	**19,141**	**–4,979**	**–26.0%**	**6,639**	**10,035**	**–3,396**	**–33.8%**
Adjusted EBITDA margin in %	13.7%	14.9%			13.5%	15.4%		

Due to lower segment sales compared to the previous year, adjusted EBIT in the APAC region amounted to EUR 11.5 million in the first half of 2025 (previous year: EUR 16.0 million). This equates to an adjusted EBIT margin of 11.1% (previous year: 12.4%). This was due to the lower margin contribution from the original equipment business.

In the second quarter of 2025, the APAC region generated adjusted EBIT of EUR 5.3 million (previous year: EUR 8.2 million), which corresponds to an adjusted EBIT margin of 10.8% (previous year: 12.6%). This was due to the significantly lower margin contribution from the original equipment business.

ASSET POSITION

Total assets

Total assets decreased by 2.2% from EUR 1,711.9 million to EUR 1,674.9 million compared to the balance sheet date of December 31, 2024.

Assets

in EUR thousand

	06/30/2025	12/31/2024	Change absolute	Change in %
Non-current assets	**832,066**	**854,619**	**–22,553**	**–2.6%**
Intangible assets	413,942	440,296	–26,354	–6.0%
Property, plant and equipment	357,288	358,567	–1,279	–0.4%
Other (financial) assets	60,836	55,756	5,080	9.1%
Current assets	**842,846**	**857,250**	**–14,404**	**–1.7%**
Inventories	301,446	291,469	9,977	3.4%
Trade receivables	217,472	184,975	32,497	17.6%
Cash and cash equivalents	226,760	300,730	–73,970	–24.6%
Other (financial) assets	97,168	80,076	17,092	21.3%
Balance sheet total	**1,674,912**	**1,711,869**	**–36,957**	**–2.2%**

Non-current assets
The carrying amount of non-current assets decreased by EUR 22.5 million to EUR 832.1 million compared to December 31, 2024 (December 31, 2024: EUR 854.6 million).

The carrying amount of intangible assets decreased by 6.0% to EUR 413.9 million (December 31, 2024: EUR 440.3 million). This decline was mainly due to the translation of assets of foreign subsidiaries and scheduled depreciation and amortization from the purchase price allocation.

Current assets
Current assets were 1.7% lower at EUR 842.8 million as of the reporting date of June 30, 2025 (December 31, 2024: EUR 857.3 million).

While the item “Cash and cash equivalents” decreased to EUR 226.8 million (December 31, 2024: EUR 300.7 million), inventories increased by 3.4% from EUR 291.5 million to EUR 301.4 million. Compared to June 30, 2024, inventories decreased by EUR 9.5 million or 3.1% from EUR 311.0 million.

Trade receivables also increased by 17.6% from EUR 185.0 million to EUR 217.5 million. Compared to June 30, 2024, receivables declined by EUR 23.5 million or 9.8% from EUR 241.0 million.

Equity ratio
Compared to December 31, 2024, equity decreased by EUR 62.4 million to EUR 464.7 million. The disproportionately low decrease in balance sheet total resulted in an equity ratio of 27.7% (December 31, 2024: 30.8%).

Equity was increased in particular by the result for the period in the first half of 2025 in the amount of EUR 24.0 million, while the dividend payment in May 2025 in the amount of EUR 38.6 million and currency differences from the translation of foreign operations in the amount of EUR 35.8 million had a negative impact on equity. The latter includes an amount of EUR 4.7 million from the reclassification from the financial result to the item “Components of total income for the period not affecting net income.”

Equity and liabilities

in EUR thousand

	06/30/2025	12/31/2024	Change absolute	Change in %
Equity	**464,707**	**527,100**	**–62,393**	**–11.8%**
Non-current liabilities	**662,272**	**673,022**	**–10,750**	**–1.6%**
Interest-bearing loans and bonds	452,872	479,070	–26,198	–5.5%
Lease liabilities	93,592	72,841	20,751	28.5%
Other non-current liabilities	115,808	121,111	–5,303	–4.4%
Current liabilities	**547,933**	**511,747**	**36,186**	**7.1%**
Interest-bearing loans and bonds	238,504	205,010	33,494	16.3%
Lease liabilities	16,269	17,284	–1,015	–5.9%
Trade payables	198,906	185,381	13,525	7.3%
Other current liabilities	94,254	104,072	–9,818	–9.4%
Balance sheet total	**1,674,912**	**1,711,869**	**–36,957**	**–2.2%**

Non-current liabilities down slightly
Non-current liabilities decreased by EUR 10.8 million to EUR 662.3 million compared to December 31, 2024, and thus accounted for 39.5% of balance sheet total (December 31, 2024: 39.3%). This decline resulted from the decrease in interest-bearing loans and borrowings of EUR 26.2 million to EUR 452.9 million. The decrease is mainly due to the reclassification from non-current to current loans and borrowings in the amount of EUR 104 million. New loans and the utilization of the revolving credit line contributed to the increase in liabilities. The increase in non-current lease liabilities by EUR 20.8 million to EUR 93.6 million mainly relates to the conclusion of a long-term lease agreement for the new plant in Rowlett, Texas, USA.

Increase in current liabilities influenced by reclassification and refinancing
Current liabilities increased by EUR 36.2 million to EUR 547.9 million compared to December 31, 2024. The main factors influencing this increase were the higher level of interest-bearing loans and borrowings as well as higher trade payables.

The increase in current interest-bearing loans and borrowings by EUR 33.5 million to EUR 238.5 million was mainly due to the reclassification from non-current to current loans and borrowings in the amount of EUR 104 million on the one hand and the repayment of a promissory note loan in the amount of EUR 69 million on the other.

Trade payables increased by 7.3% compared to December 31, 2024, from EUR 185.4 million to EUR 198.9 million. Compared to June 30, 2024, liabilities decreased by EUR 20.7 million or 9.4% from EUR 219.6 million.

Net financial debt

Net financial debt (including lease liabilities) increased significantly by EUR 101.0 million or 21.3% to EUR 574.5 million compared to the reporting date of December 31, 2024. This includes cash and cash equivalents of EUR 226.8 million (December 31, 2024: EUR 300.7 million). The leverage ratio (ratio of net financial debt to EBITDA for the last 12 months) was 2.4 at the end of the first half of 2025 (December 31, 2024: 1.9). The increase is due to both the 21.3% rise in net financial debt (including lease liabilities) and the 6.8% decrease in EBITDA over the last 12 months.

Development of net financial debt

in EUR thousand

	06/30/2025	12/31/2024	Change absolute	Change in %
Non-current interest-bearing loans and bonds	452,872	479,070	–26,198	–5.5%
Current interest-bearing loans and bonds	238,504	205,010	33,494	16.3%
Non-current lease liabilities	93,592	72,841	20,751	28.5%
Current lease liabilities	16,269	17,284	–1,015	–5.9%
Total financial liabilities	**801,237**	**774,205**	**27,032**	**3.5%**
Cash and cash equivalents	–226,760	–300,730	73,970	–24.6%
Net financial debt	**574,477**	**473,475**	**101,002**	**21.3%**

Net working capital ratio

Net working capital development

in EUR thousand

	06/30/2025	12/31/2024	Change absolute	Change in %
Inventories	301,446	291,469	9,977	3.4%
Trade receivables	217,472	184,975	32,497	17.6%
Trade payables	–198,906	–185,381	–13,525	7.3%
Net working capital	**320,012**	**291,063**	**28,949**	**9.9%**
Group sales (last 12 months)*	1,758,746	1,876,747	–118,001	–6.3%
Net working capital ratio	**18.2%**	**15.5%**		

* Amount as of June 30, 2025, includes pro forma sales of Assali Stefen.

Net working capital is defined as the sum of inventories and trade receivables less trade payables.

The net working capital ratio – net working capital in relation to pro forma Group sales of the last twelve months – amounted to 18.2% as of June 30, 2025, and was therefore 2.7 percentage points higher than the figure as of the balance sheet date of December 31, 2024. It should be noted that net working capital, which was influenced by inventory requirements in the aftermarket business and uncertainties surrounding tariff discussions, was offset by low pro forma Group sales due to market conditions.

As in previous years, SAF-HOLLAND used factoring to optimize liquidity. This amounted to EUR 40.0 million as of the balance sheet date (December 31, 2024: EUR 39.4 million).

FINANCIAL POSITION

Cash flow development

in EUR thousand

	Q1–Q2/2025	Q1–Q2/2024	Change absolute	Change in %	Q2 2025	Q2 2024	Change absolute	Change in %
Net cash flow from operating activities	**30,543**	**62,641**	**–32,098**	**–51.2%**	**14,122**	**69,532**	**–55,410**	**–79.7%**
Net cash flow from investing activities (property, plant and equipment/ intangible assets)	–21,457	–18,323	–3,134	17.1%	–13,217	–12,780	–437	3.4%
Operating free cash flow	**9,086**	**44,318**	**–35,232**	**–79.5%**	**905**	**56,752**	**–55,847**	**–98.4%**
Net cash flow from investing activities (acquisition of subsidiaries)	–12,671	–16,158	3,487	–21.6%	–12,671	–5,832	–6,839	117.3%
Total free cash flow	**–3,585**	**28,160**	**–31,745**	**–112.7%**	**–11,766**	**50,920**	**–62,686**	**–123.1%**

Net cash flow from operating activities influenced by net working capital management
Net cash flow from operating activities amounted to a total of EUR 30.5 million in the first half of 2025 and was therefore below the previous year's level of EUR 62.6 million. In addition to the lower operating result, this was due in particular to the higher cash outflow from the change in net working capital of EUR 46.5 million compared to EUR 22.1 million in the first half of 2024.

Net cash flow from investing activities (excluding M&A) amounted to EUR –21.5 million in the first half of 2025 (previous year: EUR –18.3 million). Investments in property, plant and equipment and intangible assets amounted to EUR 22.2 million (previous year: EUR 20.0 million) and related to the further automation of production processes, preparations for the new plant in Rowlett, Texas, USA, and the capacity expansion in Düzce, Türkiye. By contrast, the Company received funds of EUR 0.8 million (previous year: EUR 1.7 million) from the sale of property, plant and equipment.

Free operating cash flow at EUR 9.1 million
As a result, free operating cash flow (net cash flow from operating activities after deducting net investments in property, plant and equipment and intangible assets) amounted to EUR 9.1 million, EUR 35.2 million below the previous year's figure of EUR 44.3 million.

In connection with the acquisition of the remaining shares in the Indian joint venture Haldex ANAND India Private Limited, there was a net cash outflow totaling EUR 12.7 million (previous year: EUR 16.2 million). Accordingly, free cash flow amounted to EUR –3.6 million in the first half of 2025 (previous year: EUR 28.2 million).

Solid development of ROCE
SAF-HOLLAND manages the economic utilization of capital and the achievement of an appropriate return on capital employed via the return on capital employed (ROCE). This amounted to 15.8% in the past six months.

The reason for the decrease compared to the reporting date of December 31, 2024, was the market-related decline in sales and thus in adjusted EBIT over the last twelve months.

Financial return: ROCE

in EUR thousand	06/30/2025	12/31/2024	Change absolute	Change in %
Equity	464,707	527,100	–62,393	–11.8%
Interest-bearing loans and bonds, current and non-current	691,376	684,080	7,296	1.1%
Lease liabilities, current and non-current	109,861	90,125	19,736	21.9%
Pensions and other similar benefits	42,635	42,713	–78	–0.2%
Cash and cash equivalents	–226,760	–300,730	73,970	–24.6%
Capital employed	**1,081,819**	**1,043,288**	**38,531**	**3.7%**
Adjusted EBIT (last 12 months)*	170,978	190,450	–19,472	–10.2%
ROCE	**15.8%**	**18.3%**		

* Amount as of June 30, 2025, on a pro forma basis including the adjusted EBIT contribution from Assali Stefen.

OUTLOOK

MACROECONOMIC CONDITIONS

According to a study by the Kiel Institute, the global economy is expected to lose momentum over the remainder of the year. There are positive impulses, such as improved prospects for private consumption due to higher real wages and a more neutral monetary policy. However, the continuing high level of uncertainty regarding the economic policy of the United States is likely to prevail.

The Kiel Institute assumes that the economy in the eurozone will nevertheless pick up slightly this year. The institute expects gross domestic product in the eurozone to grow by 1.1%. An increase of 0.4% is forecast for Germany.

In the United States, the Kiel Institute believes that the economy will continue to weaken. Gross domestic product is expected to grow by only 1.5% this year.

The Kiel Institute expects China's gross domestic product to increase by 4.5% and India's by 6.7% this year.

INDUSTRY ENVIRONMENT

After the first half of 2025 in **Europe** was still characterized by a reluctance to buy on the part of customers, SAF-HOLLAND expects a recovery to set in during the second half of the year. As a result, SAF-HOLLAND continues to expect stable development in the European trailer market in 2025. In the market for heavy trucks, SAF-HOLLAND expects the market to develop in a range of 0% to 5%.

The research institute ACT Research continues to expect that the **North American** markets for trailers and heavy trucks will continue to decline in 2025. Political uncertainties with regard to tariffs, taxes and financing costs as well as a possible postponement of the EPA27 emissions standard could have a dampening effect, according to ACT Research. In view of this assessment and in light of the development of production figures in the first half of the year, SAF-HOLLAND anticipates a decline in the range of around 20% to 30% for both the North American trailer market and the heavy truck market.

SAF-HOLLAND expects a downward trend in the **Brazilian** commercial vehicle market this year. The company estimates that the market for trucks, which was unable to build on the strong growth of the previous year in the first half of 2025, will decline by 5% to 10% in 2025. The trailer market is expected to develop in a range of –10% to –20%. It should be noted that SAF-HOLLAND manufactures a large share of special axle systems such as self-steering axles in Brazil. The company assumes that demand for these systems will decline at a slower rate than the market.

In **China**, both the trailer market and the market for heavy trucks turned positive in the second quarter. SAF-HOLLAND therefore now assumes that the trailer market will move in a range of 0% to 5% this year. The market for heavy trucks is also expected to develop in the range of 0% to 5%.

In **India,** the economic slowdown has so far failed to provide any positive impetus despite the decision to invest in infrastructure programs. In addition, uncertainties with regard to US trade policy have increased. SAF-HOLLAND therefore expects the Indian trailer market to develop by between 0% and -5% for 2025 as a whole. SAF-HOLLAND expects the market for heavy trucks to record stable or slightly positive development within a range of 0% to 5%.

OUTLOOK ON THE COMPANY'S DEVELOPMENT

OUTLOOK FOR 2025 ADJUSTED DUE TO CONTINUED WEAK MARKET ENVIRONMENT IN NORTH AMERICA

The Management Board of SAF-HOLLAND SE has adjusted its revenue forecast for fiscal year 2025 based on updated expectations through the end of the year and now expects Group sales of around EUR 1,800 million (previously EUR 1,850 million to EUR 2,000 million). Against the backdrop of general consumer restraint due to the current US trade policy and uncertainties regarding the introduction of the EPA27 emissions standard for trucks from model year 2027 in the US, the business environment has continued to deteriorate in SAF-HOLLAND's key commercial vehicle markets, such as North America and Asia. For the EMEA region, the company expects the market for trailers and trucks to recover slightly in the second half of 2025, following a slight increase in order intake in the first half of the year. Further positive momentum is expected in the Indian trailer market toward the end of the year. In addition, starting in the fourth quarter, SAF-HOLLAND will supply a manufacturer of special trailers for military transport in North America with swivel axles, among other parts, in the high single-digit million US dollar range.

Due to the weaker earnings contributions from the high-margin regions of America and APAC, an adjusted EBIT margin of around 9.3% is expected (previously: 9.0% to 10%).

In order to achieve its medium and long-term growth targets and to position the company for the future in terms of products, the Group plans to make payments for investments of up to 3% of Group sales in fiscal year 2025 (previous year: 3.1%).

Group forecast

Sales	Around EUR 1,800 million
Adjusted EBIT margin	Around 9.3%
Investment ratio	≤ 3%

CALCULATION METHOD FOR DIVIDENDS: DEFINITION OF DISTRIBUTION-RELEVANT RESULT FOR THE PERIOD REVISED / PAYOUT RATIO UNCHANGED

In order to account for unrealized exchange rate changes in the financial result, SAF-HOLLAND will in future adjust the distribution-relevant result for the period for dividend calculation to the extent that the available result for the period will be adjusted for the balance from the unrealized exchange rate effects in the financial result, taking the Group tax rate into account. This adjustment applies for the first time for fiscal year 2025.

The effects are presented below using the 2025 half-year figures as an example.

Reconciliation from result of the period to adjusted distribution-relevant result for the period per share

in EUR thousand	Q1–Q2/2025	Q1–Q2/2024
Result for the period attributable to shareholders of the parent company	24,029	50,260
Distribution-relevant result for the period per share in EUR (previous)	0.53	1.11
Unrealized foreign exchange gains and losses within the financial result	14,465	–445
Tax effect on unrealized foreign exchange gains and losses at the Group tax rate of 25.5%	–3,689	114
Distribution-relevant result for the period attributable to shareholders of the parent company	34,805	49,929
Distribution-relevant result for the period per share in EUR (upcoming)	0.77	1.10

The payout ratio of 40% to 50% remains unchanged.

RISK AND OPPORTUNITY REPORT

Risks and opportunities to which the Group is exposed are recorded on an ongoing basis, and their assessment is reviewed regularly and adjusted to current circumstances.

From today's perspective, there are still no risks that, individually or in combination, could lead to over-indebtedness or the insolvency of the company.

SUPPLEMENTARY REPORT

PROMISSORY NOTE LOAN SUCCESSFULLY PLACED

SAF-HOLLAND SE successfully placed a promissory note transaction with a volume of EUR 330 million via its subsidiary SAF-HOLLAND GmbH on July 9, 2025.

The transaction met with very high demand from domestic and foreign investors. As a result, the initially targeted volume of EUR 150 million was more than doubled and ultimately increased to EUR 330 million.

The tranches of the promissory note loan have variable and fixed interest rates and terms of three, four, five and seven years. Allocation was made across the entire volume with interest rates at the lower end of the respective marketing range. Payment will be made with value dates of July 18, 2025, and June 26, 2026.

ADJUSTMENT OF THE COMPANY FORECAST

SAF-HOLLAND SE announced on July 29, 2025, that it had adjusted its revenue forecast for the 2025 fiscal year due to the continuing weak market environment in North America. The Management Board now expects Group sales of around EUR 1,800 million for fiscal year 2025 (previously: EUR 1,850 million to EUR 2,000 million).

Due to the weaker earnings contributions from the high-margin Americas and APAC region, an adjusted EBIT margin of around 9.3% is expected (previously: 9.0% to 10.0%).

Further details could be found in the Outlook.

HANS-WERNER KAAS APPOINTED TO THE SUPERVISORY BOARD

Hans-Werner Kaas has been appointed to the Supervisory Board of SAF-HOLLAND SE with effect from July 29, 2025. The appointment was made by the Annual General Meeting on May 20, 2025. With the addition of Hans-Werner Kaas, the Supervisory Board of SAF-HOLLAND SE now consists of six members. Further information is available on the SAF-HOLLAND SE website at https://corporate.safholland.com/en/company/supervisory-board.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

in EUR thousand

	Notes	Q1–Q2/2025	Q1–Q2/2024	Q2 2025	Q2 2024
Sales	(5)	891,565	1,012,522	442,399	507,091
Cost of sales		–687,202	–788,946	–343,061	–392,390
Gross profit		**204,363**	**223,576**	**99,338**	**114,701**
Other income		1,817	2,207	1,051	966
Selling expenses		–58,494	–56,634	–28,211	–27,612
Administrative expenses		–60,031	–59,278	–28,926	–31,106
Research and development expenses		–17,723	–20,659	–8,990	–10,895
Operating result		**69,932**	**89,212**	**34,262**	**46,054**
Share of net profit of investments accounted for using the equity method		430	502	207	255
Earnings before interest and taxes		**70,362**	**89,714**	**34,469**	**46,309**
Financial income	(6)	6,784	10,326	2,930	2,650
Financial expenses	(6)	–39,104	–28,458	–19,941	–14,566
Financial result	**(6)**	**–32,320**	**–18,132**	**–17,011**	**–11,916**
Result before income tax		**38,042**	**71,582**	**17,458**	**34,393**
Income tax	(7)	–14,013	–20,899	–6,788	–10,170
Result for the period		**24,029**	**50,683**	**10,670**	**24,223**
Attributable to:					
Equity holders of the parent		24,029	50,260	10,982	24,035
Shares of non-controlling interests		–	423	–312	188

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in EUR thousand	Notes	Q1–Q2/2025	Q1–Q2/2024	Q2 2025	Q2 2024
Result for the period		**24,029**	**50,683**	**10,670**	**24,223**
Attributable to:					
Equity holders of the parent		24,029	50,260	10,982	24,035
Shares of non-controlling interests		–	423	–312	188
Other comprehensive income					
Remeasurements of defined benefit plans	(12)	896	–	896	–
Income tax effects on items recognized in other comprehensive income	(12)	–254	–	–254	–
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations	(12)	–35,808	4,225	–35,391	4,361
Other comprehensive income		**–35,166**	**4,225**	**–34,749**	**4,361**
Comprehensive income for the period		**–11,137**	**54,908**	**–24,079**	**28,584**
Attributable to:					
Equity holders of the parent		–11,367	54,390	–24,144	28,374
Shares of non-controlling interests		230	518	66	210
Basic earnings per share in EUR	**(17)**	**0.53**	**1.11**	**0.24**	**0.53**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in EUR thousand	Notes	06/30/2025	12/31/2024
Assets			
Non-current assets		**832,066**	**854,619**
Goodwill	(8)	130,384	137,925
Other intangible assets	(8)	283,558	302,371
Property, plant and equipment	(9)	357,288	358,567
Investments accounted for using the equity method		10,702	13,024
Financial assets	(16)	8,890	7,288
Other non-current assets		24,953	26,191
Deferred tax assets		16,291	9,253
Current assets		**842,846**	**857,250**
Inventories	(10)	301,446	291,469
Trade receivables	(10)	217,472	184,975
Income tax receivables		10,706	6,757
Other current assets		75,504	62,869
Financial assets	(16)	10,958	10,450
Cash and cash equivalents	(11)	226,760	300,730
Balance sheet total		**1,674,912**	**1,711,869**

in EUR thousand	Notes	06/30/2025	12/31/2024
Equity and liabilities			
Total equity	(12)	**464,707**	**527,100**
Equity attributable to equity holders of the parent		**464,707**	**523,463**
Subscribed share capital		45,394	45,394
Share premium		224,104	224,104
Retained earnings		236,389	259,749
Accumulated other comprehensive income		–41,180	–5,784
Shares of non-controlling interests		–	3,637
Non-current liabilities		**662,272**	**673,022**
Pensions and other similar benefits		42,635	42,713
Other provisions	(13)	13,601	17,755
Interest bearing loans and bonds	(14)	452,872	479,070
Lease liabilities	(15)	93,592	72,841
Other liabilities		526	417
Deferred tax liabilities		59,046	60,226
Current liabilities		**547,933**	**511,747**
Other provisions	(13)	19,091	23,436
Interest bearing loans and bonds	(14)	238,504	205,010
Lease liabilities	(15)	16,269	17,284
Trade payables	(10)	198,906	185,381
Income tax liabilities		14,352	13,138
Other financial liabilities	(16)	8,414	16,283
Other liabilities		52,397	51,215
Balance sheet total		**1,674,912**	**1,711,869**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in EUR thousand

	Q1–Q2/2025						
	Attributable to equity holders of the parent						
	Subscribed share capital	Share premium	Retained earnings	Accumulated other comprehensive income	Total amount	Shares of non-controlling interests	Total equity (Note.12)
As of 01/01/2025	**45,394**	**224,104**	**259,749**	**–5,784**	**523,463**	**3,637**	**527,100**
Result for the period	–	–	24,029	–	24,029	–	24,029
Other comprehensive income	–	–	–	–35,396	–35,396	230	–35,166
Comprehensive income for the period	**–**	**–**	**24,029**	**–35,396**	**–11,367**	**230**	**–11,137**
Dividend	–	–	–38,585	–	–38,585	–	–38,585
Transactions with non-controlling interests	–	–	–8,804	–	–8,804	–3,867	–12,671
As of 06/30/2025	**45,394**	**224,104**	**236,389**	**–41,180**	**464,707**	**–**	**464,707**

in EUR thousand

	Q1–Q2/2024						
	Attributable to equity holders of the parent						
	Subscribed share capital	Share premium	Retained earnings	Accumulated other comprehensive income	Total amount	Shares of non-controlling interests	Total equity (Note.12)
As of 01/01/2024	**45,394**	**224,104**	**220,896**	**–17,348**	**473,046**	**2,923**	**475,969**
Result for the period	–	–	50,260	–	50,260	423	50,683
Other comprehensive income	–	–	–	4,130	4,130	95	4,225
Comprehensive income for the period	**–**	**–**	**50,260**	**4,130**	**54,390**	**518**	**54,908**
Dividend	–	–	–38,585	–	–38,585	–	–38,585
As of 06/30/2024	**45,394**	**224,104**	**232,571**	**–13,218**	**488,851**	**3,441**	**492,292**

CONSOLIDATED STATEMENT OF CASH FLOWS

	in EUR thousand	Notes	Q1–Q2/2025	Q1–Q2/2024
	Cash flow from operating activities			
	Result before income tax		**38,042**	**71,582**
–	Financial income	(6)	–6,784	–10,326
+	Financial expenses	(6)	39,104	28,458
+/–	Share of net profit of investments accounted for using the equity method		–430	–502
+/–	Other non-cash transactions		2,314	–2,486
+	Amortization and depreciation of intangible assets and property, plant and equipment		45,027	42,754
+	Allowance of current assets		3,980	7,241
+/–	Change in other provisions and pensions		–6,709	–2,650
+/–	Change in other assets		–14,085	–9,856
+/–	Change in other liabilities		–4,029	–13,324
+/–	Loss/Gain on disposal of property, plant and equipment		–143	–235
+	Dividends from investments accounted for using the equity method		1,484	847
	Cash flow before change of net working capital		**97,771**	**111,503**
+/–	Change in inventories		–29,438	5,004
+/–	Change in trade receivables[1]		–40,409	–9,368
+/–	Change in trade payables		23,322	–17,775
	Change of net working capital		**–46,525**	**–22,139**
	Cash flow from operating activities before income tax paid		**51,246**	**89,364**
–	Income tax paid		–20,703	–26,723
	Net cash flow from operating activities		**30,543**	**62,641**
	Cash flow from investing activities			
–	Purchase of property, plant and equipment		–14,810	–16,613
–	Purchase of intangible assets		–7,407	–3,385
+	Proceeds from sales of property, plant and equipment		760	1,675
–	Purchase of other financial assets		–1,483	–1,025
–	Payments for acquisition of subsidiaries net of cash		–	–16,158
+	Interest received		2,199	1,741
	Net cash flow from investing activities		**–20,741**	**–33,765**
	Cash flow from financing activities			
–	Dividend payments to shareholders of SAF-HOLLAND SE	(12)	–38,585	–38,585
+	Proceeds from the increase in long-term other loans.		35,000	–
–	Interest paid for finance leases		–2,729	–1,423
–	Repayments of current and non-current financial liabilities	(14)	–74,625	–5,625
+/–	Proceeds and payments from hedging instruments		–150	–127
–	Payments for lease liabilities		–9,109	–7,408
–	Interest paid		–15,480	–18,393
+/–	Change in drawings on the credit line and other financing activities	(14)	45,743	69,055
+/–	Transactions with non-controlling interests		–12,671	–
–	Paid transaction costs		–22	–
	Net cash flow from financing activities		**–72,628**	**–2,506**
	Net increase/decrease in cash and cash equivalents		**–62,826**	**26,370**
+/–	Effect of changes in exchange rates on cash and cash equivalents		–11,144	2,018
	Cash and cash equivalents at the beginning of the period	**(11)**	**300,730**	**246,276**
	Cash and cash equivalents at the end of the period	**(11)**	**226,760**	**274,664**

[1] As of June 30, 2025, trade receivables in the amount of EUR 40.0 million (previous year: EUR 32.9 million) were sold as part of a factoring agreement. Assuming the legal existence of the receivable, there are no further rights of recourse to SAF-HOLLAND from the receivables sold.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the period from January 1 to June 30, 2025

1. INFORMATION ON THE COMPANY

SAF-HOLLAND SE, headquartered in Bessenbach, Hauptstraße 26, is the ultimate parent company of the SAF-HOLLAND Group. The company is entered in the commercial register of the Aschaffenburg Local Court under the registration number HRB 15646.

The SAF-HOLLAND Group is one of the leading international manufacturers of chassis-related assemblies and components, primarily for trailers, trucks and buses. The product range includes axle and suspension systems for trailers as well as fifth wheels and coupling systems for trucks, trailers and semi-trailers as well as brake and EBS systems.

The company's shares are listed on the SDAX of the Frankfurt Stock Exchange.

2. KEY ACCOUNTING AND MEASUREMENT POLICIES

The Consolidated Financial Statements of SAF-HOLLAND SE and its subsidiaries (the "Group") were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable as of the reporting date.

The Interim Consolidated Financial Statements for the first half of 2025 were prepared in accordance with IAS 34 "Interim Financial Reporting." The same accounting and measurement policies and consolidation methods were applied as those applied in the preparation of the Consolidated Financial Statements for fiscal year 2024, unless explicitly stated otherwise. The Interim Consolidated Financial Statements should therefore be read in conjunction with the Consolidated Financial Statements for the year ended December 31, 2024.

In preparing the Interim Consolidated Financial Statements, management is required to make assumptions and estimates that affect the reported amounts of assets and liabilities, income and expenses, and contingent liabilities as of the reporting date. In certain cases, actual amounts may differ from the assumptions and estimates made.

Expenses and income incurred irregularly during the fiscal year are brought forward or deferred when it is appropriate to recognize these expenses at the end of the fiscal year.

The major functional currencies of the foreign operations are listed in the table below:

	Closing rate		Average rate	
	06/30/2025	06/30/2024	**Q1–Q2/2025**	Q1–Q2/2024
Australian Dollar	0.55748	0.62168	0.58088	0.60912
Brazilian Real	0.15562	0.16879	0.15895	0.18225
Chinese Renminbi	0.11901	0.12862	0.12638	0.12856
Indian Rupee	0.00999	0.01120	0.01065	0.01112
Canadian Dollar	0.62396	0.68207	0.65013	0.68131
Polish Zloty	0.23584	0.23200	0.23638	0.23176
Swedish Krona	0.09002	0.08799	0.09015	0.08779
US-Dollar	0.85354	0.93431	0.91664	0.92518

The Interim Consolidated Financial Statements and the Interim Group Management Report have not been reviewed by an auditor.

3. SEASONALITY EFFECTS

In the course of the year, seasonality effects may lead to varying sales and resulting profits. For information on the development of earnings, please refer to the comments in the Interim Group Management Report.

4. SCOPE OF CONSOLIDATION

The following describes the changes to the scope of consolidation compared to the Consolidated Financial Statements as of December 31, 2024:

COMPANY ACQUISITIONS

There were no company acquisitions in the first half of 2025.

OTHER CHANGES

Effective April 11, 2025, York Transport (India) Pty. Ltd. acquired the outstanding 40% stake in Haldex India Limited from its joint venture partner ANAND Group for EUR 12.7 million.

The companies SAF-HOLLAND (Xiamen) Co., Ltd. and SAF (Xiamen) Axle Co., Ltd. were deconsolidated upon their liquidation in May 2025.

The deconsolidation had no impact on the asset, financial or earnings position.

5. SEGMENT REPORTING

For the purposes of managing the company and Group reporting, the Group is organized into the regionally focused segments “EMEA,” “Americas” and “APAC.” The three regions cover both the original equipment and the aftermarket business.

Management assesses the performance of the regional segments based on adjusted EBIT. The reconciliation from operating profit to adjusted EBIT for the Group is as follows:

in EUR thousand	Q1–Q2/2025	Q1–Q2/2024
Operating result	69,932	89,212
Share of net profit of investments accounted for using the equity method	430	502
EBIT	**70,362**	**89,714**
Additional depreciation and amortization from PPA	11,518	11,708
Restructuring and transaction expenses	1,080	1,352
Adjusted EBIT	**82,960**	**102,774**

Information on segment sales and earnings for the period from January 1 to June 30, 2025:

in EUR thousand	EMEA[1]		Americas[2]		APAC[3]		Total	
	Q1–Q2/2025	Q1–Q2/2024	Q1–Q2/2025	Q1–Q2/2024	Q1–Q2/2025	Q1–Q2/2024	Q1–Q2/2025	Q1–Q2/2024
Sales	441,941	477,531	346,481	406,277	103,143	128,714	891,565	1,012,522
Adjusted EBIT	33,978	40,306	37,519	46,515	11,463	15,953	82,960	102,774
Adjusted EBIT margin in %	7.7%	8.4%	10.8%	11.4%	11.1%	12.4%	9.3%	10.2%
Amortization and depreciation of intangible assets and property, plant and equipment (without PPA)	17,813	16,879	12,997	10,979	2,699	3,188	33,509	31,046
in % of sales	4.0%	3.5%	3.8%	2.7%	2.6%	2.5%	3.8%	3.1%
Adjusted EBITDA	51,791	57,185	50,516	57,494	14,162	19,141	116,469	133,820
Adjusted EBITDA margin in %	11.7%	12.0%	14.6%	14.2%	13.7%	14.9%	13.1%	13.2%
Purchase of property, plant and equipment and intangible assets	8,551	11,085	12,558	8,254	1,108	659	22,217	19,998
in % of sales	1.9%	2.3%	3.6%	2.0%	1.1%	0.5%	2.5%	2.0%
No. of employees as of reporting date	2,380	2,222	2,138	2,349	1,224	1,158	5,742	5,729

[1] Includes Europe, Middle East and Africa.
[2] Includes Canada, the USA as well as Central and South America.
[3] Includes Asia/Pacific, India and China.

In the first half of 2025, Group sales of the SAF-HOLLAND Group amounted to EUR 891.6 million and were thus 11.9% below the level of the same period of the previous year (H1 2024: EUR 1,012.5 million).

In the first half of 2025, the truck and trailer industry in the EMEA region recorded a noticeable decline in production figures compared to the same period of the previous year. This was mainly due to weaker demand as a result of declining transport volumes and a reluctance to invest in the wake of geopolitical uncertainties and new trade barriers.

At EUR 346.5 million, sales in the Americas region in the first half of 2025 were 14.7% lower than in the same period of the previous year. This decline is mainly due to the fact that customers are reluctant to place new vehicle orders in light of current US policy and its potential impact on the freight markets. In addition, there are uncertainties regarding the possible introduction of tariffs and a potential postponement of the emissions regulations (EPA27) that will apply from 2027. These factors have noticeably dampened customers' willingness to invest in the region.

The decline in sales in the APAC region in the first half of 2025 is due in particular to the expected market recovery in the Indian commercial vehicle market, which failed to materialize. In addition to delayed infrastructure projects, the main reasons for the lack of market recovery were a high level of investment restraint as a result of deteriorating financing conditions and geopolitical uncertainties.

The Group's organic sales growth amounted to –12.8% in the first half of 2025 compared to the same period of the previous year.

At 9.3%, the Group's adjusted EBIT margin was 0.9 percentage points below the previous year's figure of 10.2%. The decline is partly of a temporary nature, as the US tariff increases that took effect in the first quarter are passed on to customers with a time lag. In addition, lower production volumes compared to the same period last year led to reduced capacity utilization at the plants and thus to disadvantages in terms of economies of scale. Both effects had a negative impact on the profit margin in the first half of the year.

For further information on sales and earnings performance in the segments, please refer to the corresponding notes in the interim Group Management Report.

6. FINANCIAL RESULT

Financial income was comprised as follows:

in EUR thousand	Q1–Q2/2025	Q1–Q2/2024
Unrealized foreign exchange gains on foreign currency loans and dividends	3,791	6,523
Realized foreign exchange gains on foreign currency loans and dividends	157	1,220
Finance income due to derivatives	113	319
Finance income due to pensions and other similar benefits	353	123
Interest income	2,199	1,940
Other	171	201
Total	**6,784**	**10,326**

Financial expenses were comprised as follows:

in EUR thousand	Q1–Q2/2025	Q1–Q2/2024
Interest expenses due to interest bearing loans and bonds	–14,640	–17,491
Amortization of transaction costs	–617	–767
Finance expenses due to pensions and other similar benefits	–356	–1,060
Finance expenses due to derivatives	–594	–294
Realized foreign exchange losses on foreign currency loans and dividends	–378	–379
Unrealized foreign exchange losses on foreign currency loans and dividends	–18,256	–6,078
Finance expenses due to leasing	–2,729	–1,423
Other	–1,534	–966
Total	**–39,104**	**–28,458**

Unrealized foreign exchange gains and losses on loans and dividends denominated in foreign currency resulted primarily from the translation of intercompany foreign currency loans at the closing rate. Realized foreign exchange gains consist mainly of translation effects from the repayment of intercompany loans.

Amortization of transaction costs in the amount of EUR –0.6 million (previous year EUR –0.8 million) were related to contract closing fees for financing, which were recognized as an expense for the period over the term of the respective financing agreement using the effective interest method.

Financial income and financial expenses related to derivatives resulted mainly from the fair value measurement of foreign currency derivatives as of June 30, 2025.

7. INCOME TAXES

As of June 30, 2025, the average Group tax rate of SAF-HOLLAND SE was 25.59% and thus slightly higher than in the previous year (25.50%). This change mainly reflects structural shifts in the regional composition of earnings and the resulting national tax burdens.

The Group's effective tax, which is the ratio of actual tax expenses for the reporting period to the result before income taxes, amounted to 36.8% for the first half of the year (previous year: 29.2%), an increase of 7.6 percentage points compared to the same period of the previous year. The increase in the Group's effective tax rate resulted in particular from lower deductible interest expenses due to the interest barrier regulations applicable in Germany, which limit deductible interest expenses and thus increase the tax assessment basis, as well as from higher losses in subsidiaries for which no deferred tax assets were recognized for reasons of prudence. It should also be emphasized that the previous year's effective tax rate of 29.2% was boosted by a positive non-recurring effect. In the previous year, tax loss carryforwards could be used for which no deferred tax assets had previously been recognized.

The difference between the effective Group tax rate and the average Group tax rate is mainly due to unrecognized deferred tax assets on loss carryforwards and interest carryforwards.

8. INTANGIBLE ASSETS

Intangible assets consisted of the following:

in EUR thousand	06/30/2025	12/31/2024
Goodwill	130,384	137,925
Customer relationship	157,814	174,656
Licenses and software	7,643	8,220
Service network	131	216
Brand	61,251	62,441
Technology	23,664	25,439
Development costs	33,055	31,399
Total	**413,942**	**440,296**

The decline in intangible assets in the Group is mainly the result of two effects: Firstly, exchange rate effects in connection with the translation of assets of foreign subsidiaries led to a decline. Secondly, the scheduled amortization of intangible assets capitalized as part of the purchase price allocations – in particular for customer relationships and technologies – had a reducing effect.

9. PROPERTY, PLANT AND EQUIPMENT

The composition of property, plant and equipment is shown in the table below:

in EUR thousand	06/30/2025	12/31/2024
Land and buildings	67,382	72,053
Plant and equipment	122,467	132,736
Other equipment, office furniture and equipment	27,146	27,862
Advance payments and construction in progress	39,478	44,233
Thereof right of use assets:		
Land and buildings	90,583	71,628
Plant and equipment	488	662
Other equipment, office furniture and equipment	9,744	9,393
Total	**357,288**	**358,567**

At EUR 357.3 million, fixed assets were at the same level as the previous year as at the half-year reporting date (December 31, 2024: EUR 358.6 million). In particular, effects from the currency translation of foreign subsidiaries and depreciation and amortization had a reducing effect. In contrast, fixed assets increased due to the conclusion of a long-term rental agreement for a new plant in Texas, USA, which led to the recognition of an additional right of use.

In the first half of the year, investments focused in particular on the US, Brazil and Sweden. A total of EUR 14.8 million (previous year: EUR 16.6 million) was invested in property, plant and equipment in the first half of the year.

10. NET WORKING CAPITAL

Net working capital is defined as the sum of inventories and trade receivables less trade payables. The net working capital ratio – measured as the ratio of net working capital to pro forma Group sales for the last 12 months – amounted to 18.2% as of June 30, 2025, and was therefore 2.7 percentage points higher than the figure on the balance sheet date of December 31, 2024, mainly due to seasonal factors and a significantly higher share of the aftermarket business with a higher commitment of funds.

11. CASH AND CASH EQUIVALENTS

in EUR thousand

	06/30/2025	12/31/2024
Cash on hand, cash at banks and checks	219,940	288,080
Short-term deposits	6,820	12,650
Total	**226,760**	**300,730**

12. EQUITY

The company's share capital as of June 30, 2025, remained unchanged at EUR 45,394,302.00 compared to December 31, 2024. It consists of 45,394,302 (previous year: 45,394,302) fully paid-in ordinary shares.

The changes in accumulated other comprehensive income consisted of the following items as of the reporting date:

in EUR thousand	Before tax amount		Tax income/expense		Net of tax amount	
	Q1–Q2/2025	Q1–Q2/2024	Q1–Q2/2025	Q1–Q2/2024	Q1–Q2/2025	Q1–Q2/2024
Exchange differences on translation of foreign operations	–35,808	4,225	–	–	–35,808	4,225
Remeasurements of defined benefit plans	896	–	–254	–	642	–
Total	**–34,912**	**4,225**	**–254**	**–**	**–35,166**	**4,225**

At the Annual General Meeting on May 20, 2025, a dividend payment of EUR 0.85 per share was approved for fiscal year 2024, which corresponds to a total dividend payout – based on the 45,394,302 shares – of EUR 38.6 million. The payout ratio thus amounted to 49.9% of the net profit available for distribution to the shareholders of the parent company and was therefore at the upper end of the target range. A dividend of EUR 0.85 per share was also distributed in the previous year.

Equity decreased by 11.8% to EUR 464.7 million as of June 30, 2025 (December 31, 2024: EUR 527.1 million). The decrease is mainly due to the dividend distribution in May 2025 in the amount of EUR 38.6 million and negative currency differences from the translation of foreign business operations of EUR 35.8 million. In contrast, the profit for the period of EUR 24.0 million had the effect of increasing equity. The equity ratio decreased to 27.7% compared to December 31, 2024 (December 31, 2024: 30.8%).

13. OTHER PROVISIONS

As of June 30, 2025, other provisions amounted to EUR 32.7 million, a decrease of EUR 8.5 million compared to the end of 2024 (December 31, 2024: EUR 41.2 million). The decrease in other provisions is mainly due to two factors: Firstly, due to the currency translation of provisions of foreign subsidiaries, in particular as a result of the exchange rate development of the US dollar against the Group currency. Secondly, due to the decrease from the reversal of warranty provisions due to an updated risk assessment for existing guarantee and warranty incidents.

14. INTEREST-BEARING LOANS AND BONDS

Interest-bearing loans and borrowings consisted of the following:

in EUR thousand	Non-current		Current		Total	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Interest bearing bank loans	211,750	201,866	–	–	211,750	201,866
Promissory note loan	239,500	233,609	190,500	200,500	430,000	434,109
Financing costs	–863	–1,437	–981	–1,009	–1,844	–2,446
Accrued interests	–	–	3,959	5,482	3,959	5,482
Other loans	2,485	45,032	45,026	37	47,511	45,069
Total	**452,872**	**479,070**	**238,504**	**205,010**	**691,376**	**684,080**

The following table shows the calculation of total liquidity as the sum of freely available credit lines valued at the rate as of the reporting date, plus available cash:

in EUR thousand	06/30/2025			
	Amount drawn valued as at the period-end exchange rate	Agreed credit lines valued as at the period-end exchange rate	Cash and cash equivalents	Total liquidity
Revolving credit line	108,000	250,000	226,760	368,760
Total	**108,000**	**250,000**	**226,760**	**368,760**

in EUR thousand	12/31/2024			
	Amount drawn valued as at the period-end exchange rate	Agreed credit lines valued as at the period-end exchange rate	Cash and cash equivalents	Total liquidity
Revolving credit line	62,000	250,000	300,730	488,730
Total	**62,000**	**250,000**	**300,730**	**488,730**

15. LEASE LIABILITIES

Lease liabilities increased by EUR 19.7 million compared to December 31, 2024. The increase in lease liabilities is mainly due to the conclusion of a long-term lease agreement for a new plant in the US.

The age structure of lease liabilities was as follows:

Aging of lease liabilities

in EUR thousand	06/30/2025		12/31/2024	
	<1 Year	>1 Year	<1 Year	>1 Year
Land and buildings	12,202	86,879	13,500	65,903
Plant and equipment	161	709	536	1,252
Vehicles	3,600	5,782	2,930	5,370
Other equipment, office furniture and equipment	306	222	318	316
Total	**16,269**	**93,592**	**17,284**	**72,841**

16. FINANCIAL ASSETS AND OTHER FINANCIAL LIABILITIES

The fair values and carrying amounts of financial assets and liabilities as of the reporting date were as follows:

Financial Instruments

in EUR thousand

		06/30/2025		12/31/2024	
	Measurement category in accordance with IFRS 9	Fair value	Carrying amount	Fair value	Carrying amount
Assets					
Cash and cash equivalents	FAAC	226,760	226,760	300,730	300,730
Trade receivables	FAAC	217,472	217,472	184,975	184,975
Other financial Assets					
Derivatives without a hedging relationship	FAtPL	98	98	314	314
Other financial Assets	FAAC	19,750	19,750	17,424	17,424
Equity and liabilities					
Trade payables	FLAC	198,906	198,906	185,381	185,381
Interest bearing loans and bonds	FLAC	658,404	691,376	669,530	684,080
Other financial liabilities					
Derivatives without a hedging relationship	FLtPL	250	250	129	129
Other financial liabilities	FLAC	8,164	8,164	16,154	16,154
of which aggregated by category in accordance with IFRS 9					
Financial assets measured at amortized cost	FAAC	463,982	463,982	503,129	503,129
Financial liabilities measured at amortized cost	FLAC	865,474	898,446	871,065	885,615
Financial assets at fair value through profit and loss	FAtPL	98	98	314	314
Financial Liabilities at fair value through profit and loss	FLtPL	250	250	129	129

The following table shows the financial assets and liabilities measured at fair value allocated to the three fair value hierarchy levels:

in EUR thousand				06/30/2025
Financial assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Other financial Assets	–	19,750	–	19,750
Derivative financial assets	–	98	–	98
Total financial assets	**–**	**19,848**	**–**	**19,848**
Financial liabilities				
Promissory note loan	–	417,195	–	417,195
Interest bearing loans and bonds	–	241,209	–	241,209
Other financial liabilities	–	8,164	–	8,164
Derivative financial liabilities	–	250	–	250
Total financial liabilities	**–**	**666,818**	**–**	**666,818**

in EUR thousand				12/31/2024
Financial assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Other financial Assets	–	17,424	–	17,424
Derivative financial assets	–	314	–	314
Total financial assets	**–**	**17,738**	**–**	**17,738**
Financial liabilities				
Promissory note loan	–	472,329	–	472,329
Interest bearing loans and bonds	–	197,201	–	197,201
Other financial liabilities	–	16,154	–	16,154
Derivative financial liabilities	–	129	–	129
Total financial liabilities	**–**	**685,813**	**–**	**685,813**

The fair values of the liabilities from interest-bearing loans and the promissory note, as well as the other financial assets and liabilities, were determined on the basis of factors that can be observed directly (prices, for example) or indirectly (derived from prices). This fair value measurement is therefore to be allocated to Level 2 of the hierarchy under IFRS 7.

17. EARNINGS PER SHARE

		Q1–Q2/2025	Q1–Q2/2024
Result for the period	**in EUR thousand**	**24,029**	**50,260**
Weighted average number of shares outstanding	thousand	45,394	45,394
Basic earnings per share	EUR	0.53	1.11
Diluted earnings per share	**EUR**	**0.53**	**1.11**

Basic earnings per share are calculated by dividing the result for the period attributable to the shareholders of SAF-HOLLAND SE by the average number of shares outstanding.

As of the reporting date, the Group did not hold any debt instruments that could have a dilutive effect on earnings per share.

18. RELATED PARTY DISCLOSURES

The following tables show the composition of the Management Board and the Supervisory Board of SAF-HOLLAND SE as of the reporting date:

Management Board

Alexander Geis	Chief Executive Officer (CEO)
Frank Lorenz-Dietz	Chief Financial Officer (CFO)

Supervisory Board

Dr. Martin Kleinschmitt	Chairman of the Supervisory Board
Matthias Arleth	Member of the Supervisory Board
Ingrid Jägering	Member of the Supervisory Board (Until 05/20/2025)
Carsten Reinhardt	Member of the Supervisory Board
Jurate Keblyte	Member of the Supervisory Board
Dagmar Rehm	Member of the Supervisory Board (since 05/20/2025)
Hans-Werner Kaas	Member of the Supervisory Board (since 07/29/2025)

Transactions with associated companies and joint ventures:

in EUR thousand	Sales to related parties		Purchases from related parties	
	Q1–Q2/2025	Q1–Q2/2024	Q1–Q2/2025	Q1–Q2/2024
Joint Ventures	1,704	1,503	–	–
Associates	–	–	15,932	18,566
Total	**1,704**	**1,503**	**15,932**	**18,566**

in EUR thousand	Amounts owed by related parties		Amounts owed to related parties	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Joint Ventures	856	433	–	–
Associates	–	–	2,225	1,472
Total	**856**	**433**	**2,225**	**1,472**

Transactions with associated companies and joint ventures include transactions with Castmetal FWI S.A., SAF-HOLLAND Nippon Ltd. and Shaanxi Fast Haldex Brake Products Co. Ltd. The transactions are carried out on an arm's length basis.

19. SUBSEQUENT EVENTS

On July 9, 2025, SAF-HOLLAND SE successfully placed a promissory note transaction with a volume of EUR 330 million via its subsidiary SAF-HOLLAND GmbH.

The tranches of the promissory note loan have variable and fixed interest rates and terms of three, four, five and seven years. Allocation was made across the entire volume with interest rates at the lower end of the respective marketing range. Payment will be made with the value dates of July 18, 2025, and June 26, 2026.

No other significant events have taken place since the balance sheet date.

Bessenbach, August 7, 2025

Alexander Geis
Chairman of the Management Board
and Chief Executive Officer (CEO)

Frank Lorenz-Dietz
Member of the Management Board
and Chief Financial Officer (CFO)

RESPONSIBILITY STATEMENT

To the best of our knowledge and in accordance with the applicable financial reporting principles, the Interim Consolidated Financial Statements give a true and fair view of the results of operations, net assets and financial position of the Group, and the Interim Group Management Report provides a fair review of the development and performance of the Group’s business and position, together with a description of the principal opportunities and risks associated with the development of the Group for the remaining fiscal year.

Bessenbach, August 7, 2025

SAF-HOLLAND SE

The Management Board

Alexander Geis Chairman of the Management Board and Chief Executive Officer (CEO)	**Frank Lorenz-Dietz** Member of the Management Board and Chief Financial Officer (CFO)

FINANCIAL CALENDAR AND CONTACTS

FINANCIAL CALENDAR

November 13, 2025
Publication of the Quarterly Statement Q3 2025

CONTACTS

Dana Unger
Phone: +49 6095 301-949

Alexander Pöschl
Phone: +49 6095 301-117

Michael Schickling
Phone: +49 6095 301-617

E-MAIL

ir@safholland.de

WEBSITE

www.safholland.com

IMPRINT

PUBLISHER

SAF-HOLLAND SE
Hauptstraße 26
63856 Bessenbach

PUBLICATION DATE

August 7, 2025

Produced in-house with firesys.

ALTERNATIVE PERFORMANCE INDICATORS

SAF-HOLLAND SE prepares its financial reporting in accordance with International Financial Reporting Standards (IFRS). In addition, SAF-HOLLAND SE uses “alternative performance measures” (APM). APMs are company-specific key figures whose calculation does not result directly from statutory regulations or accounting standards. They are calculated in part by making company-specific adjustments to certain financial performance indicators, such as adjusting financial performance indicators for special effects. APMs are used both internally for management purposes and for external communication and reporting purposes to various stakeholders. Further information can be found in the Annual Report 2024 in the section “Explanation of financial ratios and alternative performance measures.”

DISCLAIMER

This Half-Year Financial Report is also available in German. In case of doubt, the German version shall take precedence. The key figures in the Half-Year Financial Report have been rounded in accordance with standard commercial practice. In individual cases, rounding may result in figures in this Half-Year Financial Report not adding up to exactly the totals shown and percentages may not add up to the figures shown.

This Half-Year Financial Report contains forward-looking statements. Such forward-looking statements are based on certain assumptions and expectations at the time of publication of this Half-Year Financial Report. They are therefore subject to risks and uncertainties and actual events may differ materially from those described in the forward-looking statements. Many of these risks and uncertainties are determined by factors that are beyond the control of SAF-HOLLAND SE and cannot be estimated with certainty today. These include future market conditions and economic developments, the behavior of other market participants, the achievement of expected synergy effects as well as legal and political decisions. Readers are cautioned that the statements on future developments made here only reflect the state of knowledge at the time of this publication. SAF-HOLLAND SE does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of publication of this information.