

# Financial Results H1 2024

August 14, 2024



**KPIs**      **H1 2024**

Group revenue [in EUR million]

**1,114.5**

EBIT [in EUR million]

**18.8**

Operating EBIT [in EUR million]

**15.6**

Operating EBIT margin

**1.4%**

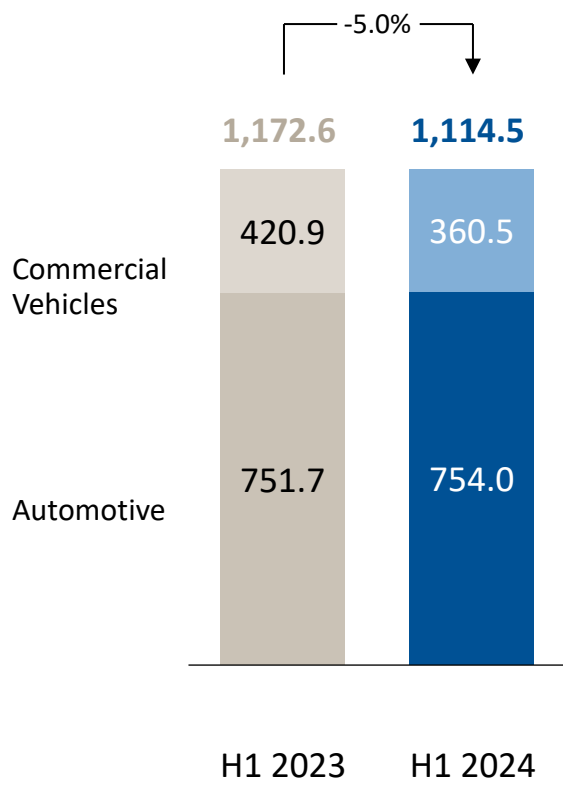
Free Cashflow [in EUR million]

**-57.3****H1 2023****1,172.6****18.5****26.9****2.3%****-2.3**

- Decline in revenue due to macroeconomic conditions - Commercial Vehicles down, Automotive overall stable, but with mixed regional development
- EBIT slightly above previous year's level despite decline in revenue, operating EBIT burdened by revenue drop and operating challenges
- The high level of incoming orders in the previous year ensures future growth but also requires high pre-financing costs
- FCF under pressure due to weak business and as a result of high spendings and investments from order income 2022/2023
- APAC impacted by market downturn in Commercial Vehicles and negative FX translation effects
- EMEA with market downturn in both product areas, especially in Commercial Vehicles
- Ramp-up costs in the US burdened EBIT in AMERICAS
- Initial progress with "Top 10 measures"

### REVENUE

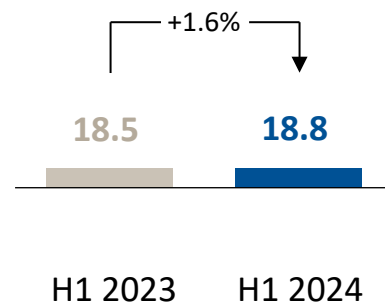
[in EUR million]



### EBIT

[in EUR million and %]

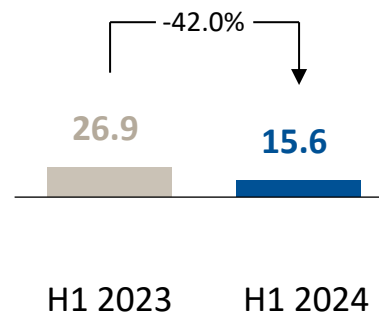
Margin **1.6%** **1.7%**



### OPERATING EBIT

[in EUR million and %]

Margin **2.3%** **1.4%**



- Revenue decrease due to significant decline in CV business in EMEA
- EBIT increased slightly, but negatively impacted by
  - decline in revenue
  - higher costs in connection with volatile capacity utilization
  - ramp-up costs in the new commercial vehicle plant in the US
  - currency losses
- Operating EBIT adjusted for:
  - EUR 3.2 million positive currency effects (H1 2023: negative currency effects of EUR 5.4 million and restructuring expenses of EUR 3.0 million)

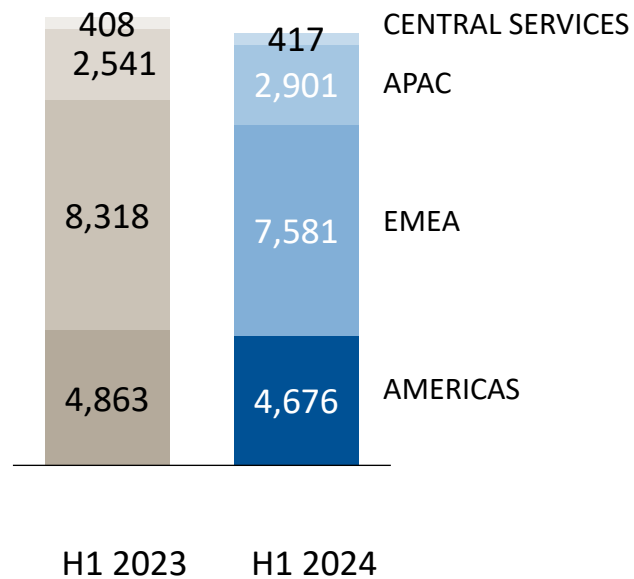
## EMPLOYEES

[Average; with temporary workers]



## BY REGION

[Average; with temporary workers]



- **AMERICAS -3.8%**  
reduction resulting from P2P restructuring and efficiency improvement measures,
- **EMEA -8.9%**  
Downsizing blue collar to reduced revenue level; slight increase in white collar resulting from high order income
- **APAC +14.2%**  
Expansion for future growth
- **Central Services** slight increase due to internal improvement programs and increased regulations

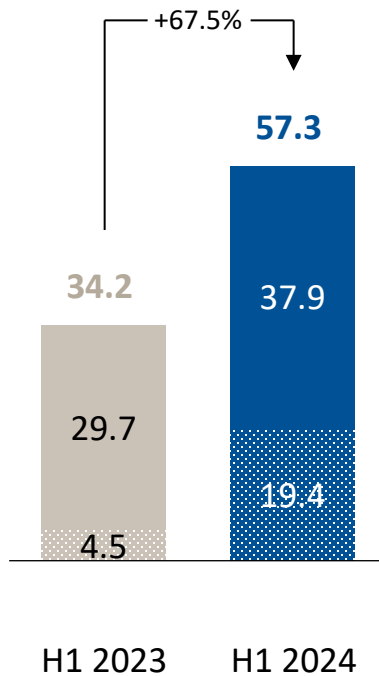
# H1 2024

## CAPITAL EXPENDITURE



### CAPITAL EXPENDITURE

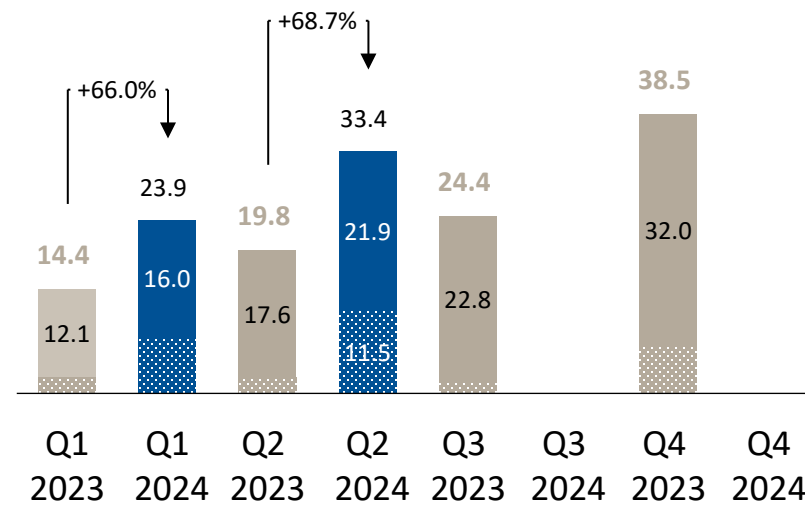
[in EUR million]



IFRS 16

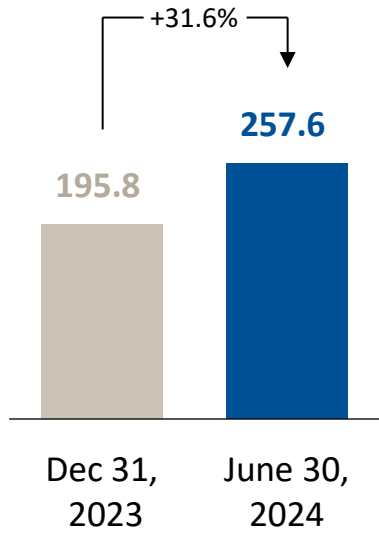
### BY QUARTER

[in EUR million]

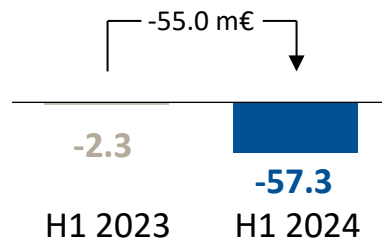


- **EMEA:** EUR 18.3 million, machines and project-specific investments in plants in Germany, Czech Republic and Poland
- **APAC** with the highest portion of EUR 27.9 million; basic plant setup in Changzhou; leasing IFRS 16 of EUR 15.7 million for expansion in Tianjin, Changzhou and Shenyang
- **AMERICAS:** EUR 5.3 million, renewals of different equipment in Brazil and Mexico
- **Central Services** EUR 5.8 million, new Seat Generation CV, PLM and MES Systems

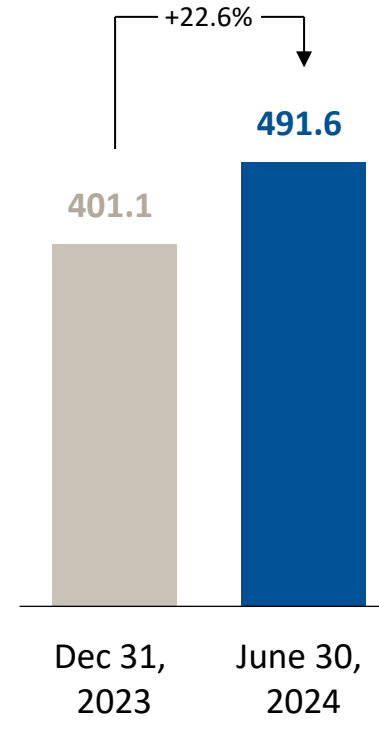
### WORKING CAPITAL [in EUR million]



### FREE CASHFLOW [in EUR million]



### NET DEBT [in EUR million]



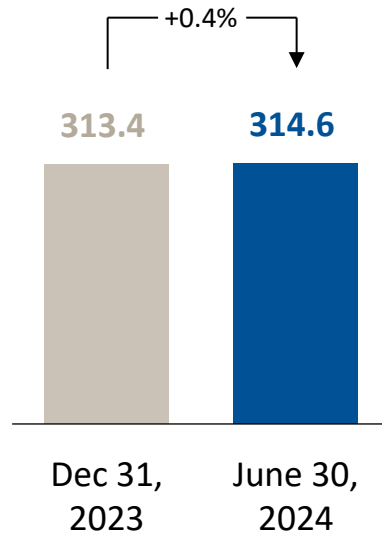
- Working Capital increased to EUR 257.6 million – increase of trade accounts receivables and of contract assets/nomination fees (cost for development and tools for new OEM model series)
- High cash outflows from increased working capital and capex (ramp up in APAC) compared to previous year
- Net debt increase as a result of negative Free Cash Flow and increase in non-current financial liabilities (IFRS16 - leasing contracts for plants)



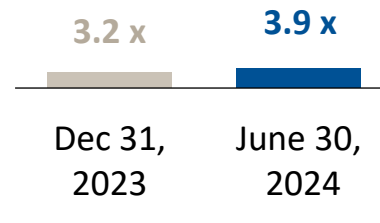
### EQUITY

[in EUR million]

Ratio	20.4%	19.8%
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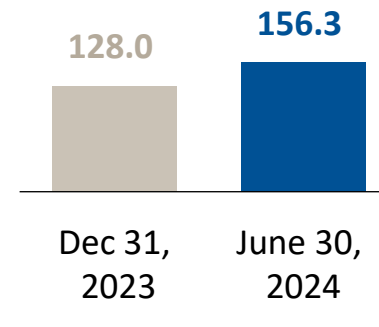


### LEVERAGE



### GEARING

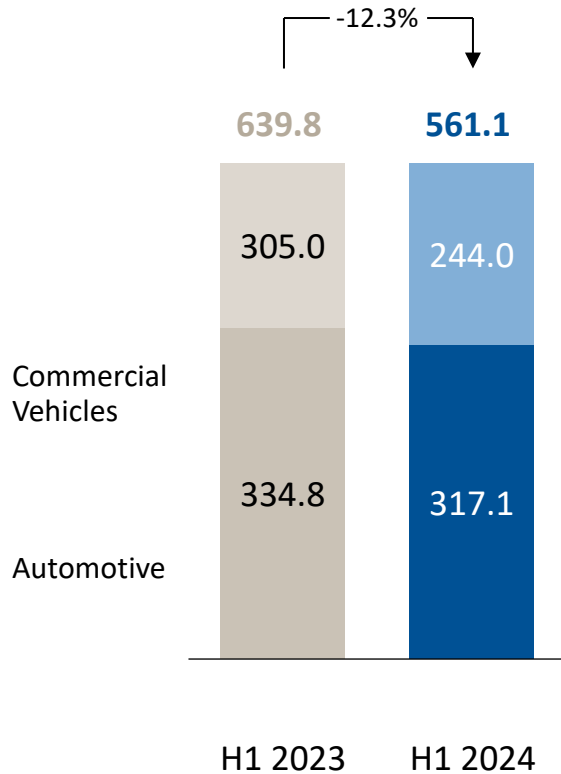
[in %]



- Equity stable at EUR 314.6 million; ratio decreased slightly to 19.8%
- Net profit at EUR -2.2 million
- Other comprehensive income at EUR 1.3 million (mainly due to FX conversion of EUR -1.8 million, actuarial gains from defined benefit plans of EUR 4.1 million and cash flow hedges EUR -2.1 million)
- Equity measures in China entities of EUR +3.2 million
- Leverage and gearing higher due to increased net debt

### REVENUE

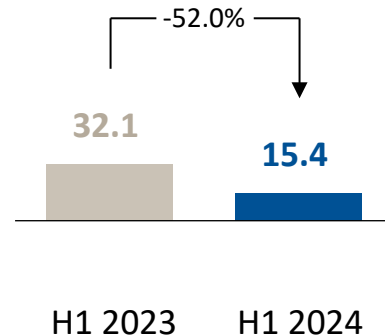
[in EUR million]



### EBIT

[in EUR million and %]

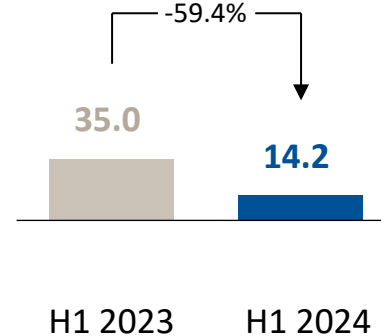
Margin **5.0%** **2.7%**



### OPERATING EBIT

[in EUR million and %]

Margin **5.5%** **2.5%**

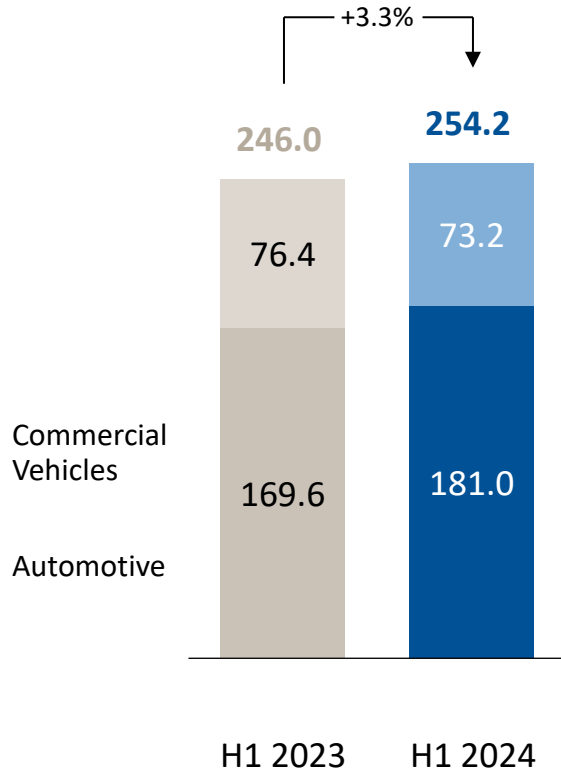


- Poorer market conditions in H1 affected both product areas negatively and CV in particular
- FX-adjusted revenue at EUR 574.5 million (-10.2%)
  - Automotive EUR 320.2 million (-4.4%)
  - Commercial Vehicles EUR 254.3 million (-16.6%)
- EBIT negatively impacted by lower volumes and higher personnel costs
- Operating EBIT adjusted for positive FX of EUR 1.2 million (H1 2023: negative FX of EUR 2.9 million)



### REVENUE

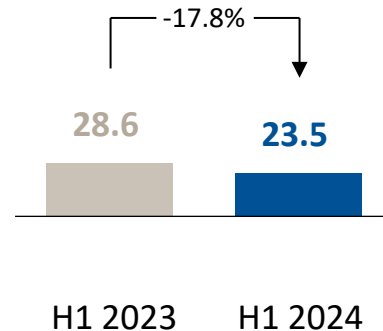
[in EUR million]



### EBIT

[in EUR million and %]

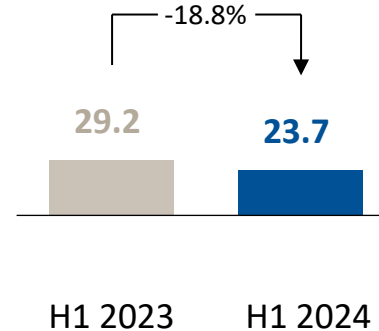
Margin **11.6%** **9.2%**



### OPERATING EBIT

[in EUR million and %]

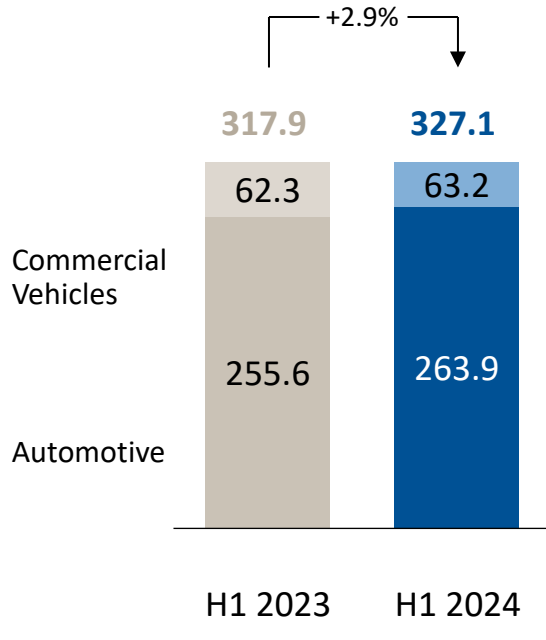
Margin **11.9%** **9.3%**



- Revenue in Automotive +6.7%; Commercial Vehicles -4.2%
- FX-adjusted revenue at EUR 265.3 million (+7.8%)
  - Automotive EUR 188.0 million (+10.8%)
  - Commercial Vehicles EUR 77.3 million (+1.2%)
- EBIT down due to unfavorable product mix, negative currency effects and higher SG&A costs (e.g. new plant in Changzhou, higher personnel costs)

### REVENUE

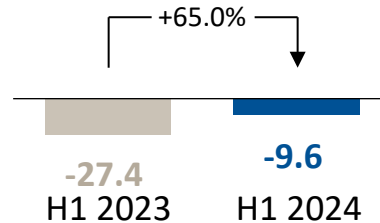
[in EUR million]



### EBIT

[in EUR million and %]

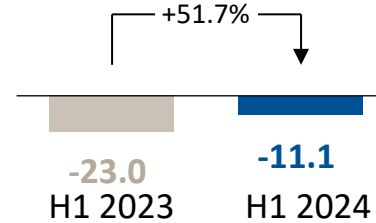
Margin **-8.6%** **-2.9%**



### OPERATING EBIT

[in EUR million and %]

Margin **-7.2%** **-3.4%**



- Revenue slightly higher than pre. year
- FX-adjusted revenue at EUR 334.4 million (+5.2%)
  - Automotive EUR 264.8 million (+3.6%)
  - Commercial Vehicles EUR 69.6 million (+11.7%)
- Results still burdened by delayed impact from turnaround measures, ramp up costs for the new CV plant in the US and negative currency effects
- In quarter-on-quarter comparison, EBIT continues to improve (Q1 2024: EUR -6.4 million; Q2 2024: EUR -3.2 million)
- Op. EBIT adjusted for EUR 1.5 million positive currency effects (H1 2023: EUR 1.4 million negative FX-effects and EUR 3.0 million restructuring)

# 2024 OUTLOOK

August 14, 2024



### FY 2024 new

Group revenue

**Slightly below  
previous year**

Operating EBIT

**At previous  
year's level**

### FY 2024 old

Group revenue [in EUR billion] Group revenue [in EUR million]

~ 2.3

2,304.9

Operating EBIT [in EUR million] Operating EBIT [in EUR million]

~ 75.0

56.8

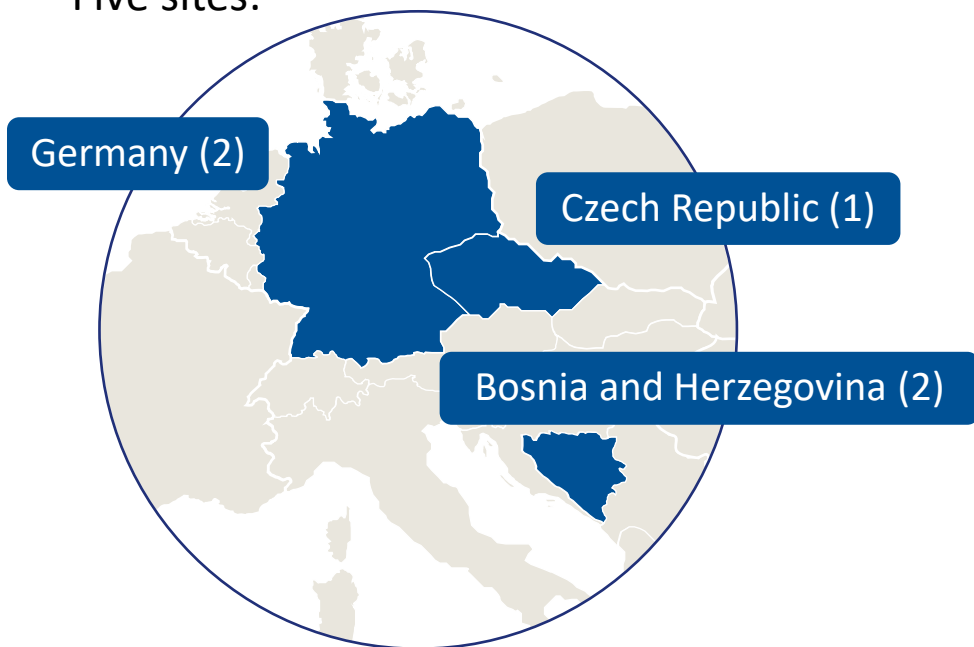
### FY 2023

- Decline in volumes, particularly in **EMEA and APAC**, due to difficult macroeconomic conditions
- Operating EBIT influenced by negative volume effects, underutilization, high costs for product launches, higher personnel costs and lower productivity
- TOP10 measures cannot fully compensate for these effects

# Integration of Jifeng Automotive Interior Gruppe



Five sites:



- On August 9, 2024, GRAMMER has signed an agreement to acquire 100% of Jifeng Automotive Interior Gruppe (JAI) via an asset deal
- JAI is a 100% subsidiary of Ningbo Jifeng Auto Parts Co., Ltd., China, the parent company of GRAMMER
- Producer of headrests, armrests and other interior decorative and functional components
- Annual revenue approx. EUR 100 million in 2023
- Approximately 1,000 employees

# GRAMMER & JAI – Compelling benefits from combined activities



## Products

- Combined portfolio and joint R&D activities offers superior product solutions

## Customer

- One voice to the customer

## Footprint

- Combined presence with available capacities and capabilities; improvement of cost structure with locations in Bosnia & Herzegovina

## Synergies

- Combined overhead functions in Germany

# H1 2024

Q&A

August 14, 2024





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## Key figures H1 2024

August 14, 2024



Revenue  
**1,114.5** EUR million

EBIT margin  
**1.7%**

Operating EBIT margin  
**1.4%**

Net profit  
**-2.2** EUR million

Free Cashflow  
**-57.3** EUR million

Equity ratio  
**19.8%**

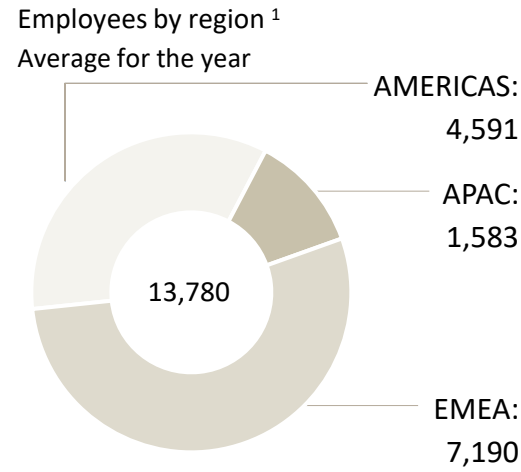
Group operating EBIT  
**15.6** EUR million

Capital expenditure  
**57.3** EUR million

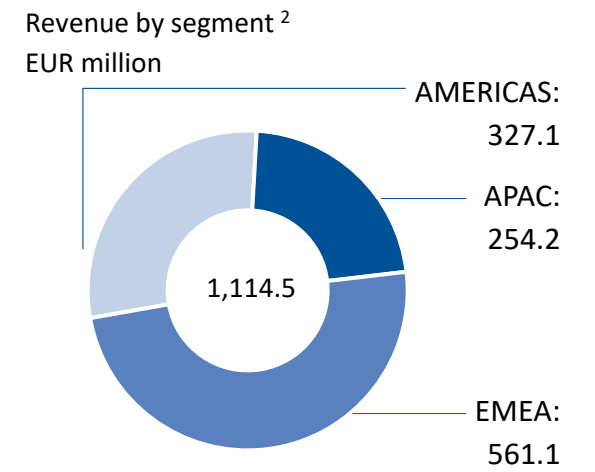
Operating EBIT (Region)  
 AMERICAS  
**-11.1** million

Operating EBIT (Region)  
 EMEA  
**14.2** EUR million

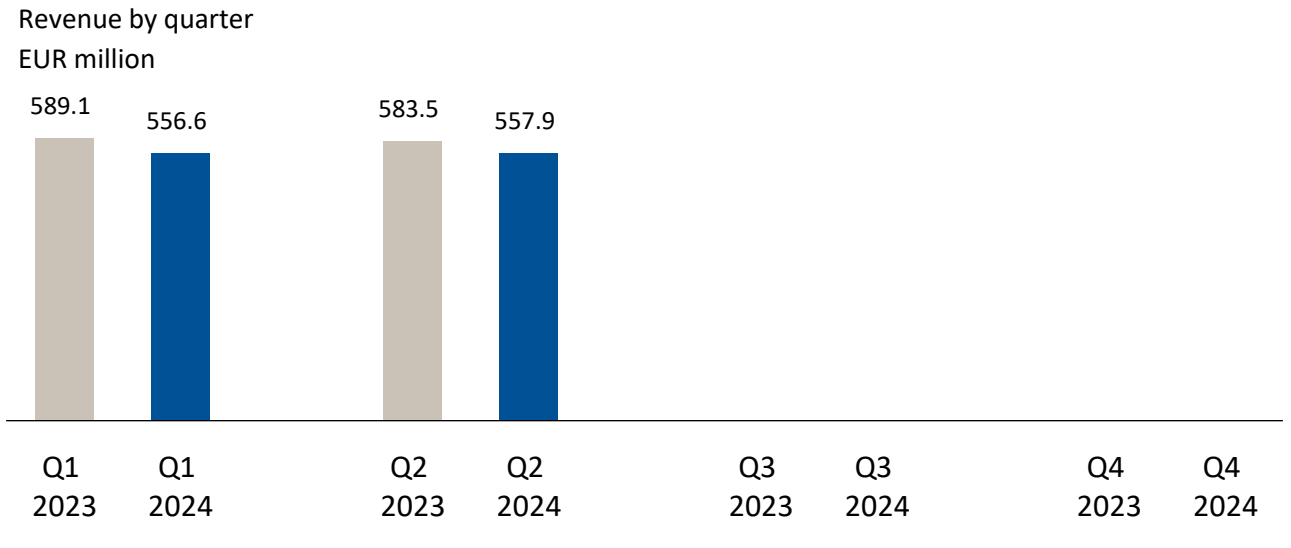
Operating EBIT (Region)  
 APAC  
**23.7** EUR million



<sup>1</sup> An average of 416 employees were employed in Central Services



<sup>2</sup> The consolidation effect of revenue between the regions amounts to EUR 27.9 million



# H1 2024

## Key figures



	Q2 2024	Q2 2023	01-06 2024	01-06 2023	1-12 2023
<b>Group revenue</b>	<b>557.9</b>	<b>583.5</b>	<b>1,114.5</b>	<b>1,172.6</b>	<b>2,304.9</b>
Revenue EMEA	271.6	311.3	561.1	639.8	1,210.9
Revenue AMERICAS	167.2	158.4	327.1	317.9	622.0
Revenue APAC	132.9	128.6	254.2	246.0	532.3
EBIT	14.9	6.8	18.8	18.5	42.0
EBIT margin (in %)	2.7	1.2	1.7	1.6	1.8
Operating EBIT	13.2	13.0	15.6	26.9	56.8
Operating EBIT margin (in %)	2.4	2.2	1.4	2.3	2.5
Earnings before taxes	8.0	1.1	3.4	5.0	9.2
Net profit	3.4	-3.2	-2.2	-0.3	3.4
Total assets	1,587.5	1,441.9	1,587.5	1,441.9	1,534.4
Equity	314.6	289.1	314.6	289.1	313.4
Equity ratio (in %)	19.8	20.0	19.8	20.0	20.4
Net debt	491.6	446.3	491.6	446.3	401.1
Gearing (in %)	156.3	154.4	156.3	154.4	128.0
Capital expenditure (without Financial Assets)	33.4	19.8	57,3	34.2	97.1
Free Cashflow	-97.5	-11.0	-57,3	41.1	48.2
Employees (number, average)	13,780	14,423	13,780	14,423	14,241