Press release

GRAMMER AG publishes results for the first quarter of 2025

- *Restructuring measures initiated as part of the TOP 10 program are increasingly taking effect – profitability significantly increased*
- *EBIT accordingly up significantly year-on-year to EUR 19.2 million (Q1 2024: EUR 10.9 million) with revenue down 2.2% to EUR 487.4 million*
- *Operating EBIT adjusted for negative currency effects was EUR 23.9 million (Q1 2024: EUR 9.4 million)*
- *Focus remains on consistent implementation of the TOP 10 program*

Ursensollen, April 29, 2025 – GRAMMER Group today presented its financial figures for the first quarter of 2025. Accordingly, the company generated consolidated revenue of EUR 487.4 million, 2.2% less than in the same period of the previous year (Q1 2024: EUR 498.6 million[1]). In terms of regions, the decline in revenue is attributable in particular to AMERICAS, where revenue fell by 14.9% to EUR 86.7 million (Q1 2024: EUR 101.9 million). In EMEA, revenue decreased by 1.5% to EUR 285.2 million (Q1 2024: EUR 289.5 million). In APAC, however, GRAMMER achieved an increase of 4.5% to EUR 126.7 million (Q1 2024: EUR 121.3 million). At EUR 313.9 million, Automotive revenue in the first three months of the 2025 financial year was slightly higher than in the same period of the previous year (Q1 2024: EUR 311.1 million); in the Commercial Vehicles product area, GRAMMER recorded a 7.5% decline in revenue to EUR 173.5 million (Q1 2024: EUR 187.5 million). As a result, the economic downturn continued to weigh on demand in parts of the automotive industry and particularly in the Commercial Vehicles product area.

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

Contact person:
Tanja Bücherl
Phone: +49 9621/66-2113
Fax: +49 9621/66-32113
Tanja.Buecherl@grammer.com

Publisher:
GRAMMER AG
Grammer-Allee 2
92289 Ursensollen

[1] From continuing operations (adjusted for the activities of the TMD Group sold in September 2024).

reason for the increased profitability was the restructuring measures introduced under the TOP 10 program, which increasingly took effect in the first quarter. Among other things, capacities in EMEA were adapted to the reduced customer requirements and the streamlining of the organization was continued. The conclusion of the restructuring and future-oriented collective agreement for the Amberg locations also had a positive effect on earnings development.

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

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

APAC recorded an increase in revenue by 4.5% to EUR 126.7 million in the reporting period (Q1 2024: EUR 121.3 million). Adjusted for currency effects, however, revenue growth was significantly lower at 2.2%. The increase in the region is attributable to the Automotive product area, in which GRAMMER generated 8.0% higher revenue of EUR 93.2 million and was recently able to further expand its business with local OEMs, which now account for more than 50% of GRAMMER's revenue in the Automotive product area. By contrast, revenue in the Commercial Vehicles product area fell by 4.3% to EUR 33.5 million. EBIT in APAC increased slightly to EUR 9.8 million in the first quarter of 2025 (Q1 2024: EUR 9.3 million). Operating EBIT also amounted to EUR 9.8 million, the operating EBIT margin was 7.7%, as in the same period of the previous year.

In **AMERICAS**, GRAMMER Group generated revenue of EUR 86.7 million in the first quarter of 2025, 14.9% less than in the same period of the previous year. The significant decline in revenue is attributable in particular to the Automotive product area. Here, revenue fell by 18.5% to EUR 58.1 million. In the Commercial Vehicles product area, revenue fell less significantly by 6.5% to EUR 28.6 million.

Adjusted for currency effects, the decline in the Automotive product area was a significant 20.8%, whereas in the Commercial Vehicles product area it amounted to just 2.9%. The previous year's figures were adjusted for the activities of the TMD Group, which was sold and deconsolidated in September 2024. While EBIT in AMERICAS was still negative at EUR –1.0 million in the first quarter (Q1 2024: EUR 0.6 million), operating EBIT amounted to EUR 1.6 million (Q1 2024: EUR –0.1 million) due to the adjustment of negative currency effects of EUR 2.6 million. The operating EBIT margin was at 1.8% (Q1 2024: –0.1%).

“In the first quarter, GRAMMER demonstrated that the measures from the TOP 10 program are taking effect and that initial successes are already visible. We are therefore on the right track to sustainably increase our profitability—even under continuing very challenging macroeconomic and industry-specific conditions. One important lever was the adjustment of capacities in the EMEA region to market developments. In addition, the conclusion of the future-oriented collective agreement is an important signal for GRAMMER's competitiveness in a dynamic environment. We have therefore already reached important milestones. Now we must continue to work consistently on implementing the TOP 10 program in order to strengthen our company in the long term and continue on the path we have chosen,” said Jens Öhlenschläger, Spokesman of the Executive Board of GRAMMER AG.

Net assets and financial position as at March 31, 2025

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

GRAMMER has presented its projections for the anticipated performance of the company in the current year in detail in the forecast section of the 2024 annual report. Looking ahead to the current 2025 financial year, the GRAMMER Executive Board expects revenue to remain at the previous year's level of around EUR 1.9 billion and operating EBIT of around EUR 60 million. However, the forecast for GRAMMER Group depends to a large extent on further geopolitical developments and their impact on the global economy. Risks could arise in particular from trade policy uncertainties. For example, the tariffs introduced by the US could have a significant negative

The full statement for the first quarter of 2025 can be found online at https://www.grammer.com/en/investor-relations/financial-publications-presentations/quarterly-reports/.

Company profile
GRAMMER AG, based in Ursensollen, specializes in the development and production of components and systems for car interiors as well as suspended driver and passenger seats for on-road and off-road vehicles. In the Automotive product area, the company supplies headrests, armrests, center console systems, high-quality interior components and operating elements for well-known car manufacturers and system suppliers in the vehicle industry. The Commercial Vehicles product area comprises the business areas of truck and off-road seats (tractors, construction machinery and forklifts) as well as train and bus seating. GRAMMER operates in 20 countries with around 12,000 employees. GRAMMER’s shares are listed in the Prime Standard and traded on the Munich and Frankfurt stock exchanges and the Xetra electronic trading platform.