STABILUS

1Q25

QUARTERLY STATEMENT Q1 FY2025

STABILUS AT A GLANCE

€326 MILLION
Revenue

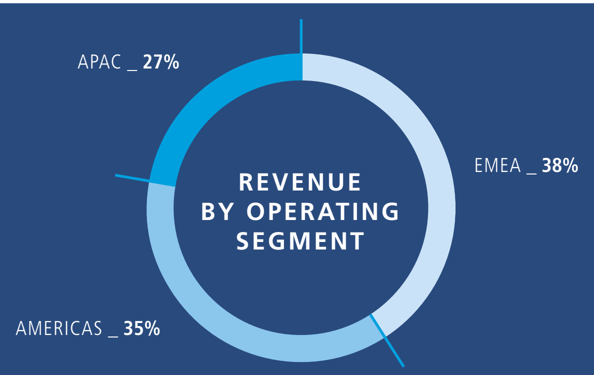
11.6%
Adjusted EBIT margin

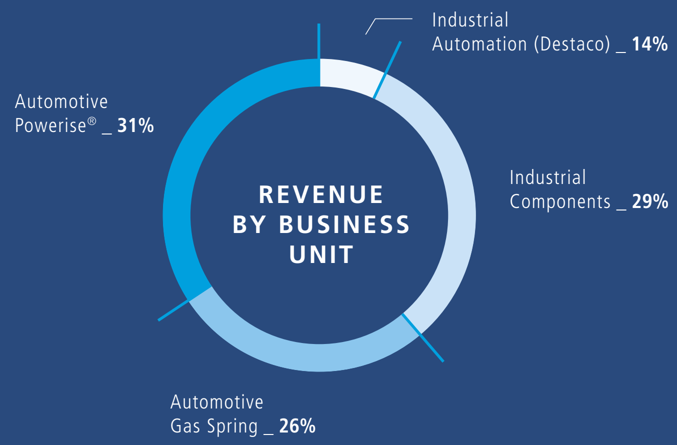
7,940
Employees

Key figures

IN € MILLIONS	Q1 for the period from October 1 to December 31, 2024	2023	Change	% change
Revenue	326.0	305.4	20.6	6.7%
EBIT	28.1	20.3	7.8	38.4%
Adjusted EBIT	37.8	33.3	4.5	13.5%
Profit/(loss) for the period	14.3	12.2	2.1	17.2%
Capital expenditure (capex)	(22.1)	(17.4)	(4.7)	27.0%
Free cash flow (FCF)	6.9	32.4	(25.5)	(78.7)%
Adjusted free cash flow	8.9	36.2	(27.3)	(75.4)%
EBIT margin (% of revenue)	8.6%	6.6%		
Adjusted EBIT margin (% of revenue)	11.6%	10.9%		
Profit margin (% of revenue)	4.4%	4.0%		
Capital expenditure as % of revenue	6.8%	5.7%		
FCF as % of revenue	2.1%	10.6%		
Adjusted FCF as % of revenue	2.7%	11.9%		
Net leverage ratio	2.8x	0.2x		
Employees[1]	7,940	7,450		
Total assets	1,964.1	1,343.7		
Equity	736.2	695.9		
Equity ratio	37.5%	51.8%		

[1] Active and inactive employees excluding contract workers, trainees, interns and graduates.





A

QUARTERLY STATEMENT

B

SUPPLEMENTARY FINANCIAL INFORMATION

C

ADDITIONAL INFORMATION

General information

Reporting entity

By way of resolution of the Extraordinary General Meeting on March 24, 2022, and the subsequent entry in the Luxembourg Trade and Companies Register on April 5, 2022, Stabilus SE, Frankfurt am Main transformed its legal form from that of a Société Anonyme (S. A.) under Luxembourg law to a European Company (Societas Europaea (SE)). Since being entered in the commercial register of the Frankfurt am Main Local Court under no. HRB 128539 on September 2, 2022, the registered office of the Company has been in Frankfurt am Main with the business address Wallersheimer Weg 100, 56070 Koblenz, Germany. The shares of Stabilus SE, Frankfurt/Main, (hereinafter referred to as "Stabilus SE") are listed in the SDAX (previous year: MDAX) of the Frankfurt Stock Exchange at the end of the reporting period with the ISIN DE000STAB1L8, the stock exchange symbol is "STM".

Corporate strategy

The Stabilus Group is one of the world's leading providers of motion control solutions for customers in a wide range of industries, including mobility, health, leisure, furniture, energy, construction, industrial machinery and automation. The Group offers a wide range of motion control solutions such as gas springs, electromechanical drives (Powerise®), dampers, pneumatic and electronic grippers, clamps and end-of-arm tools for robotics, as well as indexers and conveyors. Stabilus' strategic aim is to become the global market leader in intelligent motion control technologies (more information is available at GROUP.STABILUS.COM/COMPANY/STRATEGY).

HR development

For the Stabilus Group, long-term business success is intrinsically linked to qualified and motivated employees. As a result, consistent and sustainable personnel development is an essential part of the corporate strategy. Management at Stabilus is committed to encouraging and maintaining the motivation of our employees to deliver high service quality and increase customer satisfaction.

As of the end of the first quarter of fiscal 2025, the Stabilus Group had a total of 7,940 employees worldwide (active and inactive employees, not including temporary workers, trainees, interns or apprentices). This corresponds to a decrease of 44 employees compared to September 30, 2024 (September 30, 2024: 7,984).

The Stabilus Group employed 8,426 active and inactive employees as of December 31, 2024, including contract workers, trainees, interns and graduates (September 30, 2024: 8,479).

Research and development

At the Stabilus Group, focused research and development are intrinsically linked with the successful implementation of the STAR 2030 strategy. Stabilus is therefore investing in all regions in the development of new products and processes as well as the qualifications of the employees who make the Group's success possible.

Stabilus is committed to innovation and the development of new products and functionalities. Stabilus offers customers innovative solutions in the field of door actuators (Powered Check Strap). In addition, existing products are continuously developed and optimized in order to integrate further functionalities or to contribute to reducing costs through the use of new materials and designs by employing VA/VE approaches (VA = value analysis and VE = value engineering).

Sustainability strategy

The endeavors to ensure our actions are ecologically, economically and socially sustainable so that we can help shape the future as a leading technology partner, supplier and employer form the core of Stabilus' sustainability strategy. Stabilus reports on sustainability matters in four defined action areas, with specific goals up to 2030 set out for each of them: "Environment & Climate Protection", "Employee & Social Commitment", "Products & Supply Chain", and "Governance & Compliance". The Stabilus sustainability strategy focuses on reducing carbon emissions and improving water intensity, along with diversity targets with a focus on women in management positions. In connection with the integration of the Destaco Group, these companies are also part of the Stabilus sustainability strategy.

In fiscal 2024, a variety of projects aimed at boosting the use of renewable energies, saving energy and increasing efficiency were launched, as a contribution towards reducing carbon emissions. The expansion of in-house photovoltaic systems was driven forward on a global scale to increase the share of renewable electricity generated in-house. Stabilus is also gradually pushing ahead with the switchover to renewable energy sources. For example, some plants were able to switch entirely to renewable electricity sources. In addition to initiatives aimed at reducing carbon emissions, Stabilus has also developed a global water reduction roadmap in this fiscal year for achieving the long-term goals for 2030. The roadmap is based on a water risk analysis of all Stabilus production sites (for more information on non-financial reporting, visit the Stabilus website at IR.STABILUS.COM/INVESTOR-RELATIONS/NON-FINANCIAL-REPORTS/).

Principles of preparing the quarterly statement

Accounting

Stabilus SE has prepared this quarterly statement on the basis of uniform consolidated accounting policies. The components of this quarterly statement were prepared in accordance with the accounting policies used for the consolidated financial statements as of September 30, 2024.

Rounding differences

Unless indicated otherwise, all amounts are shown in thousands of euro (€ thousand). For arithmetical reasons, the information presented in this quarterly statement may contain rounding differences of +/– one unit (€ thousand or %).

Use of alternative performance measures (APMs)

In addition to performance indicators defined or listed in the IFRS accounting framework, the Stabilus Group also reports financial performance indicators that are derived from or based on the financial statements prepared (referred to as "alternative performance measures" or APMs). The Stabilus Group's management sees these financial performance indicators as key additional information for investors and other readers of the financial reports. These financial performance indicators should therefore be considered supplementary to the information prepared in accordance with IFRS and are not a substitute for this. In accordance with the European Securities and Markets Authority (ESMA) Guidelines on Alternative Performance Measures, the Stabilus Group provides a definition, the rationale for use and a reconciliation of the APMs used to the items in the Stabilus Group's quarterly statement that can be reconciled directly. The Stabilus Group uses the following APMs in this quarterly statement:

- organic growth;
- adjusted EBIT;
- free cash flow;
- adjusted free cash flow; and
- net leverage ratio.

The calculation of the net leverage ratio is based on net financial debt and adjusted EBITDA, which are also considered to be APMs. Organic growth is presented because we believe it aids in understanding the operating performance of the Stabilus Group. Organic growth is defined as reported revenue growth after removing the effects of acquisitions, divestitures and projected exchange rate fluctuations. The effects resulting from constant foreign exchange rates are calculated as current-year revenue converted at applicable current-year average exchange rates, less current-year revenue converted at average prior-year exchange rates. The definitions and required disclosures for all other APMs are provided in the relevant sections of this quarterly statement.

Forward-looking statements

This quarterly statement contains forward-looking statements. These statements reflect estimates and assumptions – including those of third parties (such as statistical data concerning the automotive industry or global economic developments) – either at the time they were made or as of the date of this report. Forward-looking statements always entail uncertainty. If these estimates and assumptions later prove to be either inaccurate or only partially accurate, the actual results may differ – even significantly – from expectations.

Economic report

Stabilus is represented around the world and focuses on automotive and industry applications. Besides innovations and new products, the major factors that affect Stabilus' business performance are the rate of growth in gross domestic product (GDP) and, specifically for the automotive sector, the global production volume of light vehicles (including cars and light commercial vehicles with a weight of less than six tons) as well as the number of vehicles sold (e.g., new vehicle registrations as an indicator of automobile sales).

General economic developments

For the 2024 calendar year, the International Monetary Fund (IMF) forecast global economic growth of +3.2% (World Economic Outlook – January 2025). Performance in Stabilus' core markets of Europe, the US and China varied in 2024, according to the IMF. Within the European Union, German economic performance stagnated at the previous year's level of (0.2)% in the 2024 calendar year, while growth of +0.8% was projected for the euro area. The IMF anticipated growth of +4.8% for China in 2024. Within the Americas region, growth of +2.8% was assumed for the United States with the Central and South America region expected to grow by +2.4% in the 2024 calendar year (Brazil: +3.7%; Mexico: +1.8%).

Factors affecting the economy in the 2024 calendar year again included the ongoing Russia-Ukraine war, the Israel conflict and the repercussions of these, as well as shortages of energy, raw materials and supplier products. Inflation was also exacerbated by high collective wage agreements in Germany and many other countries. Energy prices on the global markets declined substantially from November 2023 to May 2024 and have been stagnant ever since.

According to estimates by the ifo Institute as of the time of reporting, the average global rate of inflation forecast for the 2024 calendar year will be around 4.0%. In the EMEA region, inflation in the European Union (EU) amounted to around 2.5% in November 2024 and is therefore continuing to decline. Inflation was 2.4% in Stabilus' core market of Germany in November 2024 and is therefore also flattening off. Inflation in the Americas is also gradually easing. Inflation in Stabilus' core US market was around 2.7% in November 2024 and has therefore fallen further by (0.4) percentage points compared to November 2023. In comparison, inflation rates in the APAC region are lower and amounted to around 0.2% in Stabilus' core market of China in November 2024, which is slightly below market expectations of around 0.5%.

Sector developments

Development in the automotive industry

In light of the continuing tense economic situation, high interest rates, the ongoing Russia-Ukraine war, the Israeli conflict and the impacts of these, (0.3) million less light vehicles were produced worldwide in the months from October 2024 to December 2024 (Q1 FY 2025) than in the same period of the previous year, bringing the total number of vehicles produced to 23.9 million, according to S&P Global Mobility (as of December 2024). The highest increase in the number of cars produced was in the APAC region, where the number was up by +1.4% at 14.8 million units in the first quarter of fiscal 2025. The Americas region produced (0.6)% less units during the same period, bringing the total to 4.4 million units compared to the corresponding prior-year period (US: (0.1) million fewer units produced). Furthermore, the EMEA region saw a decline of (8.9)% compared with the same period of the previous year, with a total of 4.7 million units produced (Germany: 0.0 million units produced).

Development of the industrial sector

Sustained geopolitical tensions and the resulting uncertainty affecting the global markets will continue to shape the development of the industrial sector. In addition to the structural challenges (e. g., the geopolitical turning point) in conjunction with pronounced global economic downturn and the increasingly perceptible effects of a more restrictive monetary policy (e. g., changing interest rates), companies are also facing waning demand.

Development of the procurement markets

Compared with the previous year, the situation on the procurement markets for raw materials and intermediate products appears to be improving slightly as supply bottlenecks ease. This slow process of change will affect procurement prices for the Stabilus Group. The procurement prices for the key individual raw materials and components used by Stabilus will take some time to come down. However, global conflicts and geopolitical tensions could once again affect supply chain stability and create uncertainty. By its own estimate, the Stabilus Group forecasts that the price of direct materials such as plastics, metals, and steel will fall slightly in fiscal 2025.

Overall assessment of business performance

Overall statement on business performance and the economic situation of the Stabilus Group

Despite the economic challenges and the current geopolitical uncertainties, the Stabilus Group closed the first quarter of fiscal 2025 with revenue of €325,958 thousand (Q1 FY2024: €305,405 thousand), which corresponds to an acquisition-driven year-on-year increase in revenue of +6.7%, while organic revenue growth was (5.8)% compared to the first quarter of fiscal 2024. Stabilus was able to perform well overall despite the challenging market environment, partly due to geopolitical and inflation-induced uncertainty.

Revenue in the EMEA region rose from €118.2 million to €125.4 million, which can also be attributed to the initial inclusion of the Destaco Group with a revenue contribution of €12.9 million. Despite the (8.9)% decline in car production in the region reported by S&P Global Mobility (as of December 2024), Stabilus was able to achieve an organic revenue growth rate of (4.6)%, adjusted for currency and acquisition effects. Accordingly, Stabilus was able to maintain its market position. The challenging economic market conditions, partly a result of geopolitical uncertainties and the negative impact of high inflation, made for a difficult environment.

Revenue in the Americas region rose from €99.1 million to €113.7 million, which can also be attributed to the initial inclusion of the Destaco Group with a revenue contribution of €26.2 million. The organic revenue growth rate, adjusted for currency and acquisition effects, was (4.7)%. The growth momentum achieved in the first half of calendar year 2024 could not be maintained. Consumer demand fell, interest rates for consumer loans remained at a very high level and consumers are waiting for a more favorable environment with lower interest rates. The automotive industry is also waiting for impetus from the change of government in the US.

Revenue in the APAC region fell by €(1.2) million or (1.4)% from €88.1 million to €86.9 million. The initial inclusion of the Destaco Group contributed €5.9 million in revenue. The organic revenue growth rate, adjusted for currency and acquisition effects, was (8.6)% (disclosures on operating segments can be found on page 11 onwards).

In terms of divisions, Automotive Powerise® business generated organic revenue growth of (12.2)%. Revenue in the Automotive Gas Spring division decreased organically by (4.2)% compared to the first quarter of fiscal 2024. By contrast, organic revenue in the Stabilus Industrial Components and Automation division rose slightly by +0.7% compared to the first quarter of fiscal 2024.

The Stabilus Group closed the first quarter of fiscal 2025 with adjusted EBIT of €37.8 million (Q1 FY2024: €33.3 million). This represents an adjusted EBIT margin of 11.6% (Q1 FY2024: 10.9%), which is significantly higher than in the previous year. The Destaco Group contributed an adjusted operating result of €8.5 million, which corresponds to an adjusted EBIT margin of 18.9%.

Geopolitical developments and their associated effects, including high inflation rates worldwide, partially led to cost increases in procurement markets for individual precursors, such as for electronic components. High inflation also had a negative effect on staff costs. The Stabilus Group counters these expenses with ongoing process optimization in order to compensate for the forecast cost increase through efficiency programs as far as possible. In addition, only some of the higher costs were passed on to customers in the form of price increases and only after a delay, so the partial offsetting effect is realized later.

On October 25, 2024, Stabilus SE issued a promissory note loan in the form of a latecomer tranche to the promissory note loan transaction conducted in September 2024 totaling €40 million. The promissory note loan consists of two tranches with maturities of three and five years, each with fixed interest rate. In addition, to further reduce the variable portion of the existing debt financing, the Stabilus Group concluded two interest rate derivatives with a total nominal volume of €166 million in the first quarter of fiscal 2025, which have been recognized as hedge accounting (cash flow hedge). Roughly 60% of the existing external financing is therefore hedged as fixed-interest financial debt.

The financial covenants of the facility agreement were complied with at all times. The net debt ratio remains unchanged at 2.8x (September 30, 2024: 2.8x), which can primarily be attributed to the business combination with the Destaco Group in the previous fiscal year. The acquisition was financed using credit lines granted and own funds.

Results of operations of the Stabilus Group

Analysis of revenue development

The following table shows the development in the Stabilus Group's revenue for the first quarter of fiscal 2025 compared to the first quarter of fiscal 2024.

The Stabilus Group's revenue of €326.0 million (Q1 FY2024: €305.4 million) rose by +€20.6 million or +6.7% in the first quarter of fiscal 2025 compared to the first quarter of fiscal 2024. The acquisition effects shown here relate solely to the acquisition of the Destaco Group in the amount of €45.0 million. Adjusting for the exchange rate effect of €(6.7) million and the acquisition effect of +€45.0 million, the Stabilus Group recorded organic revenue growth of €(17.7) million or (5.8)% in the first quarter of fiscal 2025. The decline in organic revenue results here, on the one hand, from a volume effect due to lower demand for parts from the Stabilus Group, and on the other hand, from increased price pressure on the market.

Revenue by region and business unit T_001

	Q1 for the period from October 1 to December 31,					
IN € MILLIONS	2025	2024	% change	% acquisition effect	% currency effect	% organic growth
EMEA						
Automotive Gas Spring	29.0	30.2	(4.0)%	–	0.0%	(4.0)%
Automotive Powerise®	26.1	28.7	(9.1)%	–	(0.1)%	(9.0)%
Industrial Components	57.3	59.3	(3.4)%	–	(0.4)%	(3.0)%
Industrial Automation (Destaco)	12.9	–	n/a	n/a	–	n/a
Total EMEA[1]	**125.4**	**118.2**	**6.1%**	**10.9%**	**(0.2)%**	**(4.6)%**
Americas						
Automotive Gas Spring	25.5	27.7	(7.9)%	–	(5.2)%	(2.7)%
Automotive Powerise®	29.8	39.4	(24.4)%	–	(10.0)%	(14.4)%
Industrial Components	32.2	32.0	0.6%	–	(4.9)%	5.5%
Industrial Automation (Destaco)	26.2	–	n/a	n/a	–	n/a
Total Americas[1]	**113.7**	**99.1**	**14.7%**	**26.4%**	**(7.0)%**	**(4.7)%**
APAC						
Automotive Gas Spring	29.8	31.5	(5.4)%	–	0.5%	(5.9)%
Automotive Powerise®	44.6	50.6	(11.9)%	–	0.5%	(12.4)%
Industrial Components	6.7	6.0	11.7%	–	0.8%	10.9%
Industrial Automation (Destaco)	5.9	–	n/a	n/a	–	n/a
Total APAC[1]	**86.9**	**88.1**	**(1.4)%**	**6.7%**	**0.5%**	**(8.6)%**
Stabilus Group						
Total Automotive Gas Spring	84.3	89.4	(5.7)%	–	(1.5)%	(4.2)%
Total Automotive Powerise®	100.5	118.7	(15.3)%	–	(3.1)%	(12.2)%
Total Industrial Components	96.2	97.3	(1.1)%	–	(1.8)%	0.7%
Total Industrial Automation (Destaco)	45.0	–	n/a	n/a	–	n/a
Revenue[1]	**326.0**	**305.4**	**6.7%**	**14.7%**	**(2.2)%**	**(5.8)%**

[1] Revenue breakdown by location of Stabilus company (i.e., "billed-from view").

Earnings analysis

The following table shows the condensed consolidated income statement of the Stabilus Group for the first quarter of fiscal 2025 compared to the first quarter of fiscal 2024.

Cost of sales

The cost of sales increased by +3.4% from €(230.9) million in the first quarter of fiscal 2024 to €(238.7) million in the first quarter of fiscal 2025. This increase is mainly due to the initial inclusion of the Destaco Group in the amount of €(28.5) million. Revenue costs were impacted by the substantial rise in staff costs due to inflation compared with the same period of the previous year, which had an impact on the cost basis. Compared with the +6.7% rise in revenue, the cost of sales increased less sharply by +3.4%. As a percentage of revenue, the cost of sales saw a slight decline of (2.4)% from 75.6% in the first quarter of fiscal 2024 to 73.2% in the first quarter of fiscal 2025. The ratio was positively influenced by the increase in industrial business. Adjusted for the Destaco acquisition, the cost of sales fell by (0.8) percentage points to 74.8% in relation to the adjusted revenue. The measures introduced to increase efficiency in production were effective in this respect. Cost savings were also achieved, particularly in personnel costs, with the personnel structure being made more flexible. This partially offset the inflation-induced cost increases. As a result of the measures taken, the gross profit margin rose from 24.4% in the first quarter of fiscal 2024 to 26.7% in the first quarter of fiscal 2025.

Income statement T_002

IN € MILLIONS	Q1 for the period from October 1 to December 31, 2024	2023	% change
Revenue	326.0	305.4	6.7%
Cost of sales	(238.7)	(230.9)	3.4%
Gross profit	**87.2**	**74.5**	**17.0%**
Research and development expenses	(9.4)	(8.1)	16.0%
Selling expenses	(33.4)	(26.5)	26.0%
General administrative expenses	(20.9)	(21.2)	(1.4)%
Other income	5.1	2.2	>100.0%
Other expenses	(0.4)	(0.6)	(33.3)%
Profit from operating activities (EBIT)	**28.1**	**20.3**	**38.4%**
Finance income	2.9	5.1	(43.1)%
Finance costs	(10.2)	(8.5)	20.0%
Profit/(loss) before income tax	**20.9**	**16.9**	**23.7%**
Income tax income/(expense)	(6.6)	(4.7)	40.4%
Profit/(loss) for the period	**14.3**	**12.2**	**17.2%**

Research and development expenses

R&D costs (less capitalized development costs) increased by 16.0% from €(8.1) million in the first quarter of fiscal 2024 to €(9.4) million in the first quarter of fiscal 2025. The initial inclusion of the Destaco Group led to an increase in costs of €(1.1) million (less deferred development costs). The Stabilus Group is continuing to invest in research and development so that it can keep on offering new products and product applications moving ahead. This is particularly true for the ongoing development of the Powerise® product range and the cultivation of new innovation potential and forward-facing business areas such as radar technology and smart door opening technology, as well as LOMx – an innovative method for temperature compensation – and the electronic expansion of grippers from the Destaco product portfolio. The capitalization of development costs (less customer payments) increased from +€6.7 million in the first quarter of fiscal 2024 to +€8.4 million in the first quarter of fiscal 2025. As a percentage of revenue, R&D costs rose by +0.2 percentage points from 2.7% in the first quarter of fiscal 2024 to 2.9% in the first quarter of fiscal 2025. Adjusted for the Destaco acquisition, R&D costs rose by +0.3% to 3.0% in relation to the adjusted revenue.

Selling expenses

Selling expenses rose by +26.0% in the first quarter of fiscal 2024 compared to the first quarter of fiscal 2025, up from €(26.5) million to €(33.4) million. The increase compared with the same period of the previous year can be attributed to the initial inclusion of the Destaco Group acquisition in the amount of €(6.5) million. As a percentage of revenue, selling expenses rose by +1.6 percentage points from 8.7% in the first quarter of fiscal 2024 to 10.3% in the first quarter of fiscal 2025. Adjusted for the Destaco acquisition, selling expenses rose by +0.9 percentage points to 9.6% in relation to the adjusted revenue.

General administrative expenses

General administrative expenses fell by (1.4)% in the first quarter of fiscal 2025 compared to the first quarter of fiscal 2024, down from €(21.2) million to €(20.9) million. The year-on-year decline is due to the one-off consulting costs of €8.8 million in connection with the acquisition of the Destaco Group announced in October 2023. This decline was offset by the initial inclusion of the Destaco Group in the amount of €5.2 million. Both the higher headcount and the inflation-induced rise in salaries also led to higher expenses. As a percentage of revenue, general administrative expenses decreased by (0.5) percentage points from 6.9% in the first quarter of fiscal 2024 to 6.4% in the first quarter of fiscal 2025. Adjusted for the one-off consultancy costs in connection with the acquisition of the Destaco Group and the inclusion of the Destaco Group in the previous and current fiscal year, general administrative expenses rose from 4.1% to 5.0%. This figure includes non-recurring integration costs of €0.9 million for the Destaco Group.

Other income and expenses

Other income rose by +2.9 million from +€2.2 million in the first quarter of fiscal 2024 to +€5.1 million in the first quarter of fiscal 2025. The first quarter of fiscal 2025 primarily included a +€2.6 million government subsidy program in China and Italy (PY: China: €1.5 million). Other income also includes, as a result of foreign currency translation, gains from operating activities in the amount of +€1.3 million (PY: net foreign exchange losses). which mainly occurred in the Americas region and resulted from the USD/MXN correlation.

Other expenses declined by €(0.2) million from €(0.6) million in the first quarter of fiscal 2024 to €(0.4) million in the first quarter of fiscal 2025. The decrease is exclusively due to currency translation losses in the previous year from operating business of €(0.4) million, which were mainly incurred in the Americas as the result of the USD/MXN correlation.

Finance income and costs

Finance income fell by €(2.2) million from +€5.1 million in the first quarter of fiscal 2024 to +€2.9 million in the first quarter of fiscal 2025. This decline primarily reflects non-recurring exchange rate gains in the previous year from currency forwards of €3.4 million entered into to hedge the exchange risk in connection with the Destaco Group. Net foreign exchange gains of €2.5 million were incurred from the translation of foreign currency cash and cash equivalents as well as from other financial liabilities (lease liabilities) in the first quarter of fiscal 2025 (PY: net foreign exchange losses).

Finance costs increased by €(1.7) million from €(8.5) million in the first quarter of fiscal year 2024 to €(10.2) million in the first quarter of fiscal year 2025. This rise is mainly due to the increase in interest expenses of €(5.5) million as a result of the increased debt in connection with the acquisition of the Destaco Group. Net foreign exchange losses of €(4.0) million were incurred from the translation of foreign currency cash and cash equivalents as well as from other financial liabilities (lease liabilities) in the previous year.

Interest expense for financial liabilities of €(10.2) million in the first quarter of fiscal 2025 (Q1 FY2024: €(4.5) million) relates in particular to the term loan facility, €(1.1) million of which (Q1 FY2024: €(1.8) million) relates to interest paid. Interest on provisions for pensions and early retirement contracts amounted to €(0.5) million (Q1 FY2024: €(0.5) million).

Income taxes

Following an income tax expense of €(4.7) million in the first quarter of fiscal 2024, the Stabilus Group reported an expense of €(6.6) million in the first quarter of fiscal 2025. The effective tax rate of the Stabilus Group was 31.6% in the first quarter of fiscal 2025 (Q1 FY2024: 27.8%).

Revenue and earnings development by segment

The Stabilus Group is organized and managed primarily on a regional level. The three reportable operating segments of the Group are EMEA (Europe, Middle East and Africa), the Americas (North and South America) and APAC (Asia-Pacific). The following table shows the development of revenue and the adjusted EBIT margin of the operating segments of the Stabilus Group for the first quarters of fiscal 2025 and fiscal 2024.

EMEA

External revenue for the EMEA region was +€7.2 million or +6.1% higher in the first quarter of fiscal 2025 than in the first quarter of fiscal 2024, rising from €118.2 million to €125.4 million. Adjusted for exchange rate effects of €(0.2) million and acquisition effects (from the Destaco Group) of +€12.9 million, organic revenue growth amounted to (4.6)%. The Stabilus Automotive Powerise® business fell by €(2.6) million, or (9.1)%, from €28.7 million to €26.1 million. Organic revenue growth in the Automotive Powerise® business amounted to (9.0)%. Revenue in Automotive Gas Spring fell less sharply, decreasing by €(1.2) million or (4.0)% from €30.2 million to €29.0 million. Organic growth in revenue for the Automotive Gas Spring business was (4.0)%. According to data from S&P Global Mobility (as of December 2024), passenger car production in the EMEA automotive market fell by (8.9)% compared with the first quarter of fiscal 2024 to 4.7 million units produced in the first quarter of fiscal 2025. The macroeconomic environment resulted in widespread consumer restraint. Geopolitical uncertainties continue to impact the market environment.

The automotive industry is currently in the midst of profound change, characterized by a weak economic outlook and intense competition.

Operating segments T_003

IN € MILLIONS	Q1 for the period from October 1 to December 31, 2024	2023	% change
EMEA			
External revenue[1]	125.4	118.2	6.1%
Intersegment revenue[1]	12.0	10.5	14.3%
Total revenue[1]	137.4	128.8	6.7%
Adjusted EBIT	11.2	9.9	13.1%
as % of total revenue	8.2%	7.7%	
as % of external revenue	8.9%	8.4%	
Americas			
External revenue[1]	113.7	99.1	14.7%
Intersegment revenue[1]	6.4	7.8	(17.9)%
Total revenue[1]	120.1	106.8	12.5%
Adjusted EBIT	9.7	5.3	83.0%
as % of total revenue	8.1%	5.0%	
as % of external revenue	8.5%	5.3%	
APAC			
External revenue[1]	86.9	88.1	(1.4)%
Intersegment revenue[1]	3.7	0.6	>100.0%
Total revenue[1]	90.6	88.7	2.1%
Adjusted EBIT	16.9	18.0	(6.1)%
as % of total revenue	18.7%	20.3%	
as % of external revenue	19.4%	20.4%	

[1] Revenue breakdown by location of Stabilus company (i. e., "billed-from view").

Industrial business (industrial components and industrial automation) was on an upward trajectory in the first quarter of fiscal 2025 compared to the first quarter of fiscal 2024, with its revenue rising by +€10.9 million or +18.4% from €59.3 million to €70.2 million, while organic revenue growth in the industrial business came to (3.0)%. The significant increase is due to the initial inclusion of the Destaco Group in the amount of +€12.9 million. Although the economic conditions that influence Stabilus' Industrial business unit are gradually stabilizing, growth in the European industrial sector is still low. This is also due to the effects of inflation and geopolitical uncertainties. The distributors, independent aftermarket and e-commerce segments are notable in this respect. By contrast, the aerospace, marine & rail, commercial vehicles, energy & construction, healthcare, recreation & furniture market segments experienced declines. Adjusted for the Destaco acquisition, the trend in revenue in the industrial machinery & automation market segment is more or less in line with the prior-year levels. The adverse effects of higher staff costs due to inflation and the geopolitical factors were only partially reduced by passing on price increases to our customers. The efficiency improvement measures initiated in production and stringent cost management also took effect. Adjusted EBIT in the EMEA region climbed by +€1.3 million or +13.1% from €9.9 million in the first quarter of fiscal 2024 to €11.2 million in the first quarter of fiscal 2025, of which +€2.1 million resulted from the Destaco acquisition. The adjusted EBIT margin rose by +0.5 percentage points from 8.4% in the first quarter of fiscal 2024 to 8.9% in the first quarter of fiscal 2025.

Americas

External revenue in the Americas region rose by +€14.6 million or +14.7% in the first quarter of fiscal 2025 compared to the first quarter of fiscal 2024, increasing from €99.1 million to €113.7 million. Adjusted for exchange rate effects of €(6.9) million and acquisition effects (from the Destaco Group) of +€26.2 million, organic revenue growth amounted to (4.7)%. The Automotive Gas Spring business contracted year-on-year by €(2.2) million, or (7.9)%, from €27.7 million to €25.5 million. The organic growth rate in revenue for the Automotive Gas Spring business was (2.7)%. The Stabilus Automotive Powerise® business also saw a decline of €(9.6) million, or (24.4)%, from €39.4 million to €29.8 million, corresponding to an organic revenue growth rate of (14.4)%. According to data from S&P Global Mobility (as of December 2024), the US automotive market contracted by (4.0)% year-on-year to 2.4 million units produced. Auto sales in the US have grown more slowly than expected, with e-car sales slowing in particular. The growth momentum achieved in the first half of calendar year 2024 cannot be maintained. There are many reasons for the downturn. Consumer demand is waning as a result of the substantial increase in interest rates on consumer loans. Consumers are holding out for an improved economic environment with lower interest rates as well as impetus from the upcoming political changes in the US. In addition, the ongoing trade conflict between the US and China is weighing heavily on procurement markets.

Industrial business (Industrial Components and Industrial Automation) developed well, with revenue growing by +€26.4 million or +82.5% from €32.0 million to €58.4 million. The increase is primarily due to the first-time inclusion of the Destaco Group in the amount of +€26.2 million. Organic revenue growth in industrial business amounted to +5.5%. Incoming orders in US industrial business increased slightly in the first quarter of fiscal 2025 (October 1 to December 31, 2024). The division experienced strong growth thanks to new orders, in particular in the aerospace, marine & rail, industrial machinery & automation (adjusted for the Destaco acquisition) and distributors, independent aftermarket and e-commerce market segments. The energy & construction market segment is almost on a par with the same period of the previous year. By contrast, the commercial vehicles and healthcare, recreation & furniture market segments experienced declines. The division's performance shows that the Stabilus Group is benefiting from its broad product range and can more easily offset any declines in the individual areas through other market segments.

The Americas were also impacted by inflation-related increased personnel costs. It was not entirely possible to compensate for these with price increases. However, targeted efficiency boosting measures in production and stringent cost management significantly increased the adjusted EBIT margin. Adjusted EBIT in the Americas region climbed by +€13.3 million or +83.0% from €5.3 million in the first quarter of fiscal 2024 to €9.7 million in the first quarter of fiscal 2025, of which +€5.2 million resulted from the Destaco acquisition. The adjusted EBIT margin rose by +3.2 percentage points from 5.3% in the first quarter of fiscal 2024 to 8.5% in the first quarter of fiscal 2025.

APAC

External revenue in the APAC region fell by €(1.2) million or (1.4)% in the first quarter of fiscal 2025 compared to the first quarter of the fiscal 2024 from €88.1 million to €86.9 million. Adjusted for exchange rate effects of +€0.4 million and acquisition effects (from the Destaco Group) of +€5.9 million, organic revenue growth amounted to (8.6)%. The Automotive Powerise® business recorded a decline in revenue of

€(6.0) million or (11.9)% from €50.6 million to €44.6 million. Organic revenue growth amounted to (14.4)%. The Automotive Gas Spring business also recorded a drop in revenue, falling by €(1.7) million or (5.4)% from €31.5 million to €29.8 million. The organic growth rate in revenue for the Automotive Gas Spring business was (5.9)%. Economic development in the APAC region, especially in China, experienced poor growth in the first quarter of fiscal 2025 (October 1 to December 31) compared to the same period of the previous year. The Chinese automotive market picked up by about +12.6% year-on-year (CAAM – China Association of Automobile Manufacturers). This growth can largely be attributed to subsidies and buyback programs introduced by the Chinese government and car manufacturers. According to data from S&P Global Mobility (as of December 2024), China's passenger car production increased by +5.7% compared with the first quarter of fiscal 2024 to 9.2 million units produced in the first quarter of fiscal 2025, while the APAC region saw growth of +1.4% to a total of 14.8 million units produced. The uncertain economic outlook is dampening consumer demand and consumers are holding back on investments. In addition, the real estate crisis has continued and is weighing on overall economic development.

Industrial business (industrial components and industrial automation) was on an upward trajectory in the first quarter of fiscal 2025 compared to the first quarter of fiscal 2024, with its revenue rising by +€6.6 million or +110.0% from €6.0 million to €12.6 million. The increase is primarily due to the initial inclusion of the Destaco Group in the amount of €5.9 million. Organic revenue growth for industrial business amounted to +10.9%. The industrial market also reported increased business in virtually all market segments. The distributors, independent aftermarket, e-commerce, industrial machinery & automation (adjusted for the Destaco acquisition) healthcare, recreation & furniture market segments enjoyed particularly solid growth rates. The commercial vehicles market segment is more or less in line with the same period of the previous year. By contrast, the aerospace, marine & rail and energy & construction market segments contracted and even recorded double-digit falls in revenue. The APAC region was also squeezed by a higher cost base. The region was also subject to increased price pressure on the market. Adjusted EBIT in the APAC region fell by €(1.1) million or (6.1)% from €18.0 million in the first quarter of fiscal 2024 to €16.9 million in the first quarter of fiscal 2025, of which €1.2 million resulted from the Destaco acquisition. The adjusted EBIT margin fell by (1.0) percentage points from 20.4% in the first quarter of fiscal 2024 to 19.4% in the first quarter of fiscal 2025.

Reconciliation of adjusted EBIT

The following table shows the reconciliation to adjusted EBIT for the first quarter of fiscal 2025 and the first quarter of fiscal 2024. Adjusted EBIT is EBIT adjusted for non-recurring items (for example, restructuring expenses or non-recurring M&A consulting expenses) and depreciation/amortization of fair value adjustments from purchase price allocations (PPA). The Stabilus Group reports adjusted EBIT as its management is of the opinion that adjusted EBIT is more meaningful and therefore contributes to a better understanding of the operating performance of the Stabilus Group on the part of users of the financial statements. Further details of segment reporting can be found in the supplementary financial information on page 25.

The effects of PPAs from previous company acquisitions came to €8.9 million in the first quarter of fiscal 2025 (Q1 FY2024: €4.2 million). This is the straight-line depreciation of the revaluation of assets allocated to the corresponding fiscal years and shown in the table to the right.

In addition to PPA effects, expenses of €0.8 million incurred in connection with the acquisition of the Destaco Group (Q1 FY2024: 8.8 million) were adjusted for in the first quarter of fiscal 2025.

Reconciliation of EBIT to adjusted EBIT

T_004

IN € MILLIONS	Q1 for the period from October 1 to December 31, 2024	2023	% change
Profit from operating activities (EBIT)	**28.1**	**20.3**	**38.4%**
PPA adjustments – depreciation and amortization	8.9	4.2	>100.0%
Consulting	0.8	8.8	(90.9)%
Adjusted EBIT	**37.8**	**33.3**	**13.5%**

Reconciliation of PPA adjustments

T_005

IN € MILLIONS	Q1 for the period from October 1 to December 31, 2024	2023	% change
PPA in fiscal 2010	1.2	1.2	0.0%
PPA in fiscal 2016	2.0	2.0	0.0%
PPA in fiscal 2019	0.2	0.2	0.0%
PPA in fiscal 2023	0.5	0.9	(35.7)%
PPA in fiscal 2024	5.0	–	n/a
PPA adjustments	**8.9**	**4.2**	**>100.0%**

Financial position of the Stabilus Group

Analysis of net assets

Total assets

The Stabilus Group's total assets increased by +€53.2 million or 2.8%, from €1,910.9 million as of September 30, 2024, to €1,964.1 million as of December 31, 2024.

Statement of financial position T_006

IN € MILLIONS	December 31, 2024	September 30, 2024	% change
Assets			
Non-current assets	1,380.1	1,339.0	3.1%
Current assets	584.1	571.9	2.1%
Total assets	**1,964.1**	**1,910.9**	**2.8%**
Equity and liabilities			
Equity	736.2	677.7	8.6%
Non-current liabilities	947.9	942.5	0.6%
Current liabilities	280.0	290.7	(3.7)%
Total liabilities	1,227.9	1,233.2	(0.4)%
Total equity and liabilities	**1,964.1**	**1,910.9**	**2.8%**

Non-current assets

As of December 31, 2024, the non-current assets of the Stabilus Group increased by +€41.1 million, or +3.1%, as against September 30, 2024, from €1,339.0 million to €1,380.1 million. This increase is mainly due to capital expenditure of +€13.6 million, of which +€1.2 million related to new leases and +€12.4 million to property, plant and equipment. Furthermore, investments in intangible assets of +€8.5 million were capitalized in connection with research and development costs. Non-current assets also increased due to carrying amount adjustments attributable to exchange rate effects (e.g. an increase in goodwill of +€17.2 million). The amortization on other intangible assets of €(11.4) million, which results in part from purchase price allocation in previous fiscal years, had an offsetting effect, as did depreciation of property, plant and equipment in the amount of €(10.5) million.

Current assets

As of December 31, 2024, the current assets of the Stabilus Group rose by +€12.2 million or +2.1% as against September 30, 2024, from €571.9 million to €584.1 million. This was due to the higher level of inventories as against September 30, 2024, having risen by +€15.6 million. Other assets increased by +€9.1 million, primarily due to advance payments for insurance premiums and higher VAT receivables. On the other hand, cash and cash equivalents declined by €(11.9) million to €97.5 million. In October 2024, Stabilus issued two further promissory note loan tranches in the amount of €40 million, which were subsequently used to make partial repayments of the credit facility taken out for the Destaco acquisition in the amount of €37.6 million. Working capital loans amounting to €19.6 million were also repaid in China.

Equity

As of December 31, 2024, the equity of the Stabilus Group rose by +€58.5 million or +8.6% as against September 30, 2024, from €677.7 million to €736.2 million. This rise is essentially attributable to the change in other reserves (accumulated other comprehensive income), which increased by +€41.0 million from €(53.2) million to €(12.2) million as a result of unrealized losses from foreign currency translation of +€40.5 million, unrealized actuarial losses from pensions (after tax) of €(1.0) million and the remeasurement in equity of derivatives acquired for hedging purposes, which changed by +€1.5 million. At +€13.9 million, profit for the first quarter of fiscal 2025 offset this.

Non-current liabilities

As of December 31, 2024, the non-current liabilities of the Stabilus Group rose by +€5.4 million or +0.6% as against September 30, 2024, from €942.5 million to €947.9 million. The increase is mainly due to financial liabilities, which rose by +€2.2 million. Deferred tax liabilities also rose by +€2.5 million. Pension obligations increased by +€1.5 million due to changes in actuarial assumptions.

Current liabilities

As of December 31, 2024, the current liabilities of the Stabilus Group fell by €(10.7) million or (3.7)% as against September 30, 2024, from €290.7 million to €280.0 million. Current liabilities were influenced by multiple transactions. Current financial liabilities fell by €(18.7) million, mainly due to the redemption of working capital loans in China in the amount of €19.6 million. Other liabilities declined by €(4.5) million, chiefly due to the payment of the collectively agreed Christmas bonus in Germany and the reduction in provisions for vacations by a total of €(4.6) million. This was offset by the +€10.6 million increase in provisions, which was mainly attributable to interest provisions in the amount of +€7.9 million and the increase in personnel provisions in the amount of +€2.6 million.

Analysis of the financial position

Cash flow from operating activities

Cash flow from operating activities declined in the first quarter of fiscal 2025, down by €(20.1) million from €49.8 million in the first quarter of fiscal 2024 at €29.7 million. This decline is primarily due to the increase in working capital and was countered by lower income tax payments of €(4.5) million.

Cash flow from investing activities

Cash flow from investing activities changed by €(5.4) million from €(17.4) million in the first quarter of fiscal 2024 to €(22.8) million in the first quarter of fiscal 2025, in particular as a result of investments in property, plant and equipment and intangible assets. Purchases of intangible assets rose by +€1.7 million and capital expenditure for property, plant and equipment increased by +€3.0 million as against the previous year.

Cash flow from financing activities

Cash flow from financing activities declined in the first quarter of fiscal 2025, down by €(17.2) million from €(4.2) million in the first quarter of fiscal 2024 at €(21.4) million. This is primarily due to the higher repayments of financial liabilities totaling €17.3 million, which were assumed in connection with the Destaco acquisition.

Cash flows T_007

IN € MILLIONS	Q1 for the period from October 1 to December 31, 2024	2023	% change
Cash flow from operating activities	29.7	49.8	(40.4)%
Cash flow from investing activities	(22.8)	(17.4)	31.0%
Cash flow from financing activities	(21.4)	(4.2)	>100.0%
Net increase/(decrease) in cash and cash equivalents	**(14.5)**	**28.3**	**>(100.0)%**
Effect of movements in exchange rates on cash and cash equivalents held	2.5	(2.7)	>(100.0)%
Cash and cash equivalents as of beginning of the reporting period	109.4	193.1	(43.3)%
Cash and cash equivalents as of end of the reporting period	**97.5**	**218.7**	**(55.4)%**

Reconciliation of free cash flow, adjusted free cash flow and net leverage ratio

Free cash flow

Free cash flow is defined as the total of cash flows from operating activities and cash flows from investing activities. Management reports free cash flow because this alternative performance measure aids in assessing the ability of the Stabilus Group to generate cash flows that can be used for debt repayment, further investment or distributions. Free cash flow fell by €(25.5) million in the first quarter of fiscal 2025 compared to the first quarter of fiscal 2024, declining from €32.4 million to €6.9 million. Free cash flow decreased year-on-year due to the lower cash inflow from operating activities and higher payments not related to acquisitions of €(4.7) million in the first quarter of fiscal 2025. The calculation of free cash flow for the first quarter of fiscal 2025 and fiscal 2024 is shown in the table to the right.

Adjusted free cash flow

Adjusted free cash flow is defined as the total of cash flows from operating activities and cash flows from investing activities before acquisitions, divestments and factors considered in EBIT adjustment (e.g. restructuring costs or non-recurring M&A consulting costs). Management has defined adjusted free cash flow as another key performance indicator from fiscal 2025 onwards in light of its increased importance as part of Group-level internal management. As a result, this key performance indicator will be defined as another key performance indicator from fiscal 2025 onwards. Management reports adjusted free cash flow because this material performance measure aids in assessing the ability of the Stabilus Group to generate cash flows from organic growth (i.e., disregarding acquisitions and divestments). Adjusted free cash flow fell by €(27.3) million in the first quarter of fiscal 2025 as against the first quarter of fiscal 2024 from +€36.2 million to +€8.9 million, primarily the result of changes in working capital. The adjustment of €2.0 million in the first quarter of fiscal 2025 relates to the subsequent purchase price payment from the adjustment of net working capital at the time of the transfer and consulting costs paid in connection with the Destaco acquisition, as well as to bioremediation (EPA Colmar). The adjustments in fiscal 2024 relate to the consulting costs paid in connection with the Destaco acquisition and to bioremediation (EPA Colmar). The calculation of adjusted free cash flow for the first quarter of fiscal 2025 and fiscal 2024 is shown in the table below.

Free cash flow T_008

IN € MILLIONS	Q1 for the period from October 1 to December 31, 2024	2023	% change
Cash flow from operating activities	29.7	49.8	(40.4)%
Cash flow from investing activities	(22.8)	(17.4)	31.0%
Free cash flow	**6.9**	**32.4**	**(78.7)%**

Adjusted free cash flow T_009

IN € MILLIONS	Q1 for the period from October 1 to December 31, 2024	2023	% change
Cash flow from operating activities	29.7	49.8	(40.4)%
Cash flow from investing activities	(22.8)	(17.4)	31.0%
Free cash flow	**6.9**	**32.4**	**(78.7)%**
Acquisition of assets and liabilities within the business combination, net of cash acquired	1.1	–	n/a
Consulting	0.8	3.6	(77.4)%
Bioremediation	0.1	0.1	0.0%
Adjusted FCF	**8.9**	**36.2**	**(75.4)%**

Net leverage ratio

The net leverage ratio is defined as net financial debt divided by adjusted EBITDA. Net financial debt is the nominal amount of financial liabilities, i. e., current and non-current financial liabilities less cash and cash equivalents. Adjusted EBITDA is defined as adjusted EBIT before depreciation/amortization and before extraordinary non-recurring items (e.g. restructuring or non-recurring M&A consulting expenses). Management reports the net leverage ratio because this alternative performance measure is a useful indicator for assessing the debt and financing structure of the Stabilus Group. The net leverage ratio increased from 0.2x in the first quarter of fiscal 2024 to 2.8x in the first quarter of fiscal 2025 (September 30, 2024: 2.8x). This is mainly due to the acquisition of the Destaco Group, which was financed by means of credit facilities granted and existing own funds. The earnings of the Destaco Group from January 1, 2024, to March 31, 2024, were included on a pro forma basis in the EBITDA LTM (last twelve months) calculation. The calculation of the net leverage ratio for the first quarter of fiscal 2025 and fiscal 2024 is shown in the table to the right.

Net leverage ratio T_010

	Q1 as of December 31,		
IN € MILLIONS	2024	2023	% change
Financial liabilities	761.2	257.6	>100.0%
Cash and cash equivalents	(97.5)	(218.7)	55.4%
Net financial debt	663.7	38.9	>100.0%
Adjusted EBITDA (LTM, Dec 31)	241.1	219.0	10.1%
Net leverage ratio[1]	**2.8x**	**0.2x**	

[1] The net leverage ratio is defined as net financial debt divided by adjusted EBITDA for the last 12 months (LTM).

Financial liabilities T_011

	Q1 as of December 31,		
IN € MILLIONS	2024	2023	% change
Financial liabilities (non-current)	759.4	250.7	>100.0%
Financial liabilities (current)	1.8	6.8	(73.5)%
Financial liabilities	**761.2**	**257.6**	**>100.0%**

Adjusted EBITDA (LTM, Dec 31) T_012

	Q1 as of December 31,		
IN € MILLIONS	2024	2023	% change
Profit from operating activities (EBIT)[1]	**133.6**	**130.6**	**2.3%**
Depreciation	48.4	40.2	20.4%
Amortization	18.6	17.4	6.9%
PPA adjustments – depreciation and amortization	31.9	14.7	>100.0%
EBITDA	**232.5**	**202.9**	**14.6%**
Consulting	5.5	12.9	(57.4)%
Purchase price allocation (PPA) adjustment – increase in inventories	3.1	0.4	>100.0%
Bioremediation	–	2.6	(100.0)%
Purchase price adjustments	–	0.2	(100.0)%
Adjusted EBITDA	**241.1**	**219.0**	**10.1%**

[1] The operating result (EBIT) was calculated pro forma to include the result of the Destaco Group from January 1, 2024, to March 31, 2024.

Report on risks and opportunities

In the reporting period (October 1, 2024 to December 31, 2024), there were no significant changes to the disclosures made in the 2024 Annual Report or the overall assessment of the opportunities and risks of the Stabilus Group. Please refer to page 56 onwards in the annual report of September 30, 2024.

In order to reduce the portion of liabilities attributable to floating interest loans, the Stabilus Group concluded two interest rate derivatives with a total nominal volume of €166 million in the first quarter of fiscal 2025, which have been recognized as hedge accounting (cash flow hedge). Nevertheless, negative effects can arise from its market value and influence the financial position and results of operations. In addition, due to the announced tariffs on US imports from Mexico, the risk of an increase in tariffs as of December 31, 2024, was newly added with an assessment of "high" (risk class) and a probability of occurrence of "likely".

The aggregated total risk level had no material impact on the risk-bearing capacity in the first quarter of fiscal 2025, as the Group's overall risk profile did not change significantly year-on-year.

Report on expected developments

General economic outlook

As in the previous year, the development of the global economy in fiscal 2025 (Stabilus fiscal year from October 1, 2024 to September 30, 2025) will be accompanied by considerable challenges and depend on the stability of the key markets such as the US, EU, and China. The ongoing Russia-Ukraine war, the Israel conflict and the effects thereof, such as the shortage of energy, raw materials, and subcontracted products, are expected to influence general economic performance. The macroeconomic outlook may be volatile in the context of various uncertainties and geopolitical risks stemming from current developments. Declining inflationary momentum and further foreseeable cuts in key interest rates go hand in hand with moderate economic activity. Nevertheless, the economic outlook remains subject to significant downside risks – the current geopolitical crises in particular harbor high risks to economic growth and inflation. However, a tightening or a delayed loosening of monetary policy and the associated high interest rates could also influence the development of the world economy.

The macroeconomic challenges are reflected in the forecast published by the International Monetary Fund (January 2025 World Economic Outlook). In light of the forecast, an increase in global gross domestic product of 3.3% is expected for the 2025 calendar year. Within the European Union, very low growth of +1.0% is forecast for the euro area, while even lower growth of just +0.3% is expected for Germany. Within the Americas region, growth of +2.7% is assumed for the United States with Central and South America expected to grow by +2.5% (Brazil: +2.2%; Mexico: +1.4%). Significantly higher growth rates are projected in the APAC region. For instance, gross domestic product of +4.6% is expected for Stabilus' core market of China.

Following the decision of the ECB to lower interest rates to 3.4% in October 2024, the ECB decided to once again reduce interest rates by (0.25) percentage points to the present 3.15% in December 2024. It can be assumed that the ECB will continue to cut interest rates in 2025 and aim to reach a key interest rate level of 2%. The Fed lowered its rate by (0.25) percentage points in both November and December 2024 to the present 4.25%. The Fed announced that fewer interest rate hikes are to be expected in the coming year.

The Stabilus Group counters all these burdens with ongoing process optimizations in order to compensate as far as possible for the forecast cost increase in the entire business model through efficiency programs.

The global economy has lost momentum recently. Overall, the latest economic indicators show no sign of a recovery in the coming months. The subdued macroeconomic environment as well as the economic trend are unlikely to lead to any significant improvement after the end of the year.

Forecast industry development

Forecast development in the automotive industry

Based on the S&P Global Mobility forecasts for the automotive sector (December 2024), the Stabilus Group is anticipating a slight decline in global automotive production of around (0.2)%, to approximately 89.1 million units in fiscal 2025. According to S&P Global Mobility, the APAC region will produce more vehicles in fiscal 2025 than in fiscal 2024. S&P Global Mobility anticipates lower production figures in the EMEA and Americas regions. The APAC region is expected to take the lead with around +1.1 million more vehicles produced, followed by the Americas ((0.2) million) and EMEA ((1.1) million) regions with fewer vehicles produced.

Forecast development in the industrial sector

Sustained geopolitical tension and the resulting uncertainty affecting the global markets will continue to shape the development of the industrial sector. In addition to the structural challenges (e.g., the geopolitical turning point) in conjunction with pronounced global economic downturn and the increasingly perceptible effects of a more restrictive monetary policy (e.g., changing interest rates), companies are also facing waning demand, which may lead to risks if economic growth slows down.

Forecast development on the procurement markets

Compared with the previous year, the situation on the procurement markets for raw materials and intermediate products appears to be improving slightly as supply bottlenecks ease. This slow process of change will affect procurement prices for the Stabilus Group. The procurement prices for the key individual raw materials and components used by Stabilus will take some time to come down. However, global conflicts and geopolitical tensions could once again affect supply chain stability and create uncertainty. By its own estimate, the Stabilus Group forecasts that the price of direct materials such as plastics, metals, and steel will decline slightly in fiscal 2025. Prices on the energy market have settled further as a result of government intervention along with lower procurement and distribution costs, in Germany in particular, and Stabilus estimates that average energy prices will be similar to the level of late summer 2021.

Forecast development of the Stabilus Group

In consideration of the slowing momentum of the economic landscape, negative repercussions are possible for the business performance of the Stabilus Group in fiscal 2025. The range of the guidance communicated by the Management Board for revenue and adjusted EBIT reflects the current macroeconomic and geopolitical uncertainty.

The Stabilus Group's management still anticipates revenue in the range of around €1,300.0 million to €1,450.0 million and adjusted EBIT of 11% to 13% of revenue for fiscal 2025. In addition, the Stabilus Group expects adjusted operating free cash flow in a range of €90 million to €140 million.

The Stabilus Group made a commitment in its "STAR 2030" strategy to profitable and sustainable growth. The long-term goal of the Stabilus Group is to achieve revenue of €2 billion with an adjusted EBIT margin of around 15% by fiscal 2030.

Subsequent events

As of January 23, 2025, there were no events or developments that could have materially affected the measurement and presentation of the Group's assets and liabilities as of December 31, 2024.

Koblenz, January 23, 2025

DR. MICHAEL BÜCHSNER

STEFAN BAUERREIS **DAVID SABET**

Stabilus SE
The Management Board

SUPPLEMENTARY FINANCIAL INFORMATION

as of and for the three months ended December 31, 2024

Consolidated statement of comprehensive income

for the period from October 1 to December 31 (unaudited)

Consolidated statement of comprehensive income T_013

IN € THOUSANDS	Q1 for the period from October 1 to December 31, 2024	2023
Revenue	325,958	305,405
Cost of sales	(238,739)	(230,888)
Gross profit	**87,219**	**74,517**
Research and development expenses	(9,411)	(8,148)
Selling expenses	(33,441)	(26,480)
General administrative expenses	(20,893)	(21,170)
Other income	5,057	2,229
Other expenses	(401)	(644)
Profit from operating activities (EBIT)	**28,130**	**20,304**
Finance income	2,908	5,072
Finance costs	(10,169)	(8,495)
Profit/(loss) before income tax	**20,869**	**16,881**
Income tax income/(expense)	(6,577)	(4,725)
Profit/(loss) for the period	**14,292**	**12,156**
thereof attributable to non-controlling interests	439	610
thereof attributable to shareholders of Stabilus	13,853	11,546
Other comprehensive income/(expense)		
Foreign currency translation differences	43,645	(10,013)
Hedge of cash flows from financial instruments	1,554	(15,340)
Items that can be reclassified to consolidated profit or loss in future periods	**45,199**	**(25,353)**
Unrealized actuarial gains and losses	(989)	(2,944)
Items not to be reclassified to consolidated profit or loss in future periods	**(989)**	**(2,944)**
Other comprehensive income/(expense), net of taxes	**44,210**	**(28,297)**
Total comprehensive income for the period	**58,502**	**(16,141)**
thereof attributable to non-controlling interests	3,625	1,328
thereof attributable to shareholders of Stabilus	54,877	(17,469)
Earnings per share (in €):		
basic (EPS)	0.56	0.47
diluted (DEPS)	0.56	0.47

Consolidated statement of financial position

as of December 31, 2024 (unaudited)

Consolidated statement of financial position

T_014

IN € THOUSANDS	Dec 31, 2024	Sept 30, 2024
Assets		
Property, plant and equipment	309,085	300,311
Goodwill	557,254	539,999
Other intangible assets	489,176	477,903
Investments in entities accounted for using the equity method and other investments	6,000	6,000
Other financial assets	736	41
Other assets	1,936	1,807
Deferred tax assets	15,863	12,960
Total non-current assets	**1,380,050**	**1,339,021**
Inventories	239,175	223,590
Trade and other receivables	203,062	203,386
Income tax receivables	5,333	5,559
Other financial assets	760	759
Other assets	38,268	29,147
Cash and cash equivalents	97,475	109,426
Total current assets	**584,073**	**571,867**
Total assets	**1,964,123**	**1,910,888**

Consolidated statement of financial position

T_014

IN € THOUSANDS	Dec 31, 2024	Sept 30, 2024
Equity and liabilities		
Issued capital	24,700	24,700
Capital reserves	201,395	201,395
Retained earnings	490,801	476,948
Other reserves	(12,150)	(53,174)
Equity attributable to shareholders of Stabilus	**704,746**	**649,869**
Non-controlling interests	31,461	27,859
Total equity	**736,207**	**677,728**
Financial liabilities	759,430	757,246
Other financial liabilities	58,463	58,626
Provisions	14,567	15,083
Pension plans and similar obligations	48,819	47,334
Deferred tax liabilities	66,650	64,180
Total non-current liabilities	**947,929**	**942,469**
Trade accounts payable	161,731	159,652
Financial liabilities	1,806	20,546
Other financial liabilities	9,868	10,825
Income tax liabilities	14,907	14,194
Provisions	47,904	37,257
Other liabilities	43,771	48,217
Total current liabilities	**279,987**	**290,691**
Total liabilities	**1,227,916**	**1,233,160**
Total equity and liabilities	**1,964,123**	**1,910,888**

Consolidated statement of changes in equity

as of December 31, 2024 (unaudited)

Consolidated statement of changes in equity T_015

IN € THOUSANDS	Issued capital	Capital reserves	Retained earnings	Other reserves	Equity attributable to shareholders of Stabilus	Non-controlling interests	Total equity
Balance as of September 30, 2023	**24,700**	**201,395**	**458,285**	**(650)**	**683,730**	**28,271**	**712,001**
Profit/(loss) for the period	–	–	11,546	–	11,546	610	12,156
Other comprehensive income/(expense)	–	–	–	(29,015)	(29,015)	718	(28,297)
Total comprehensive income for the period	–	–	11,546	(29,015)	(17,469)	1,328	(16,141)
Balance as of December 31, 2023	**24,700**	**201,395**	**469,831**	**(29,665)**	**666,261**	**29,599**	**695,860**
Balance as of September 30, 2024	**24,700**	**201,395**	**476,948**	**(53,174)**	**649,869**	**27,859**	**677,728**
Profit/(loss) for the period	–	–	13,853	–	13,853	439	14,292
Other comprehensive income/(expense)	–	–		41,024	41,024	3,163	44,187
Total comprehensive income for the period	–	–	13,853	41,024	54,877	3,602	58,479
Balance as of December 31, 2024	**24,700**	**201,395**	**490,801**	**(12,150)**	**704,746**	**31,461**	**736,207**

Consolidated statement of cash flows

for the period from October 1 to December 31 (unaudited)

Consolidated statement of cash flows

T_016

IN € THOUSANDS	Q1 for the period from October 1 to December 31, 2024	2023
Profit/(loss) for the period	14,292	12,156
Income tax income/(expense)	6,577	4,725
Net financial result	7,261	3,423
Interest received	375	1,627
Depreciation and amortization (incl. impairment losses)	24,573	18,288
Gains/losses from the disposal of assets	98	(14)
Changes in inventories	(15,585)	(151)
Changes in trade and other receivables	324	15,953
Changes in trade payables	3,151	18,307
Changes in other assets and liabilities	(6,724)	(16,754)
Changes in provisions	1,849	3,229
Income tax payments	(6,463)	(10,983)
Cash flow from operating activities	**29,728**	**49,806**
Proceeds from disposal of property, plant and equipment	407	79
Purchase of intangible assets	(8,543)	(6,838)
Purchase of property, plant and equipment	(13,592)	(10,592)
Acquisition of assets and liabilities within the business combination	(1,072)	–
Cash flow from investing activities	**(22,801)**	**(17,351)**

Consolidated statement of cash flows

T_016

IN € THOUSANDS	Q1 for the period from October 1 to December 31, 2024	2023
Receipts under promissory note loans	40,000	–
Payments for redemption of financial liabilities	(57,607)	(275)
Payments for lease liabilities	(2,683)	(2,019)
Payments for interest	(1,125)	(1,858)
Cash flow from financing activities	**(21,415)**	**(4,152)**
Net increase/(decrease) in cash and cash equivalents	**14,488**	**28,303**
Effect of movements in exchange rates on cash held	2,537	(2,674)
Cash and cash equivalents as of beginning of the period	109,426	193,099
Cash and cash equivalents as of end of the period	**97,475**	**218,728**

Segment reporting

Segment information for the first quarter of fiscal 2025 compared to the first quarter of fiscal 2024 is as follows:

Segment reporting T_017

	EMEA		Americas		APAC	
	Q1 for the period from October 1 to December 31,		Q1 for the period from October 1 to December 31,		Q1 for the period from October 1 to December 31,	
IN € THOUSANDS	2024	2023	2024	2023	2024	2023
External revenue[1]	125,369	118,245	113,702	99,063	86,887	88,097
Intersegment revenue[1]	12,009	10,549	6,370	7,768	3,683	648
Total revenue[1]	137,378	128,794	120,072	106,831	90,570	88,745
Depreciation and amortization (incl. impairment losses)	(11,603)	(9,853)	(7,687)	(4,253)	(4,119)	(3,018)
EBIT	7,677	(986)	5,235	4,475	16,382	17,979
Adjusted EBIT	11,220	9,931	9,696	5,298	16,900	18,033
Adjusted EBIT margin as % of external revenue	8.9%	8.4%	8.5%	5.3%	19.5%	20.4%

	Segment total		Other/consolidation		Stabilus Group	
	Q1 for the period from October 1 to December 31,		Q1 for the period from October 1 to December 31,		Q1 for the period from October 1 to December 31,	
IN € THOUSANDS	2024	2023	2024	2023	2024	2023
External revenue[1]	325,958	305,405	–	–	325,958	305,405
Intersegment revenue[1]	22,062	18,965	(22,062)	(18,965)	–	–
Total revenue[1]	348,020	324,370	(22,062)	(18,965)	325,958	305,405
Depreciation and amortization (incl. impairment losses)	(23,409)	(17,124)	(1,164)	(1,164)	(24,573)	(18,288)
EBIT	29,294	21,468	(1,164)	(1,164)	28,130	20,304
Adjusted EBIT	37,816	33,262	–	–	37,816	33,262
Adjusted EBIT margin as % of external revenue	11.6%	10.9%	–	–	11.6%	10.9%

[1] Revenue breakdown by location of Stabilus company (i. e. “billed-from view”).

FINANCIAL CALENDAR

Financial calendar T_018

DATE[1), 2)]	PUBLICATION/EVENT
February 5, 2025	2025 General Meeting
May 5, 2025	Publication of interim report H1 FY2025
August 4, 2025	Publication of quarterly statement Q3 FY2025
December 8, 2025	Publication of 2025 Annual Report

1) We cannot rule out changes of dates. We recommend looking at the information in the Investors/Financial Calendar section of the Stabilus website (ir.stabilus.com/investor-relations/financial-calendar).
2) Please note that the Stabilus fiscal year (FY) ends in September (e. g. FY2025 comprises a twelve-month period from October 1, 2024 to September 30, 2025).

DISCLAIMER

This quarterly statement is published in German and English. The German version takes precedence in case of doubt.

Forward-looking statements

This quarterly statement contains forward-looking statements relating to Stabilus SE management's current plans, targets, forecasts and estimates. These statements account only for information available up to and including the date on which this quarterly statement was prepared. Stabilus SE management does not guarantee that these forward-looking statements will prove correct. The future performance of Stabilus SE and its subsidiaries and the results actually achieved are subject to a number of risks and uncertainties that could cause actual events or results to deviate significantly from the forward-looking statements. Many of these factors are beyond the control of Stabilus SE and its subsidiaries and so cannot be predicted accurately. These factors include changes in economic circumstances and the competitive situation, changes in the law, fluctuations in interest or exchange rates, legal disputes and investigations, and the availability of funding. These and other risks and uncertainties are discussed in this quarterly statement. Other factors can also have a negative impact on the performance and results achieved by Stabilus.

Stabilus SE does not intend, nor is it separately obliged, to update or amend forward-looking statements to reflect events or developments that occur after this quarterly statement is published.

Rounding

Certain figures in this quarterly statement have been rounded up or down. This can result in discrepancies between the actual amounts of individual amounts in tables and the total amounts reported, as well as between figures in tables and figures in in-text analysis sections of this quarterly statement. All percentage changes and performance indicators in this quarterly statement were calculated based on the data available in millions of euro to one decimal place (€ million).

QUARTERLY OVERVIEW

Quarterly overview[1] T_019

IN € MILLIONS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Revenue	326.0	336.3	350.7	313.5	305.4
EBIT	28.1	22.9	39.3	30.9	20.3
Adjusted EBIT	37.8	41.9	43.1	38.9	33.3
Profit/(loss) for the period	14.3	17.5	24.3	18.1	12.2
Capital expenditure (capex)	(22.1)	(22.8)	(23.4)	(19.3)	(17.4)
Free cash flow (FCF)	6.9	52.7	28.9	(634.4)	32.4
Adjusted free cash flow	8.9	54.9	37.9	3.7	36.2
EBIT margin as % of revenue	8.6%	6.8%	11.2%	9.9 %	6.6%
Adjusted EBIT margin as % of revenue	11.6%	12.5%	12.3%	12.4%	10.9%
Profit/(loss) for the period as % of revenue	4.4%	5.2%	6.9%	5.8%	4.0%
Capital expenditure (capex) as % of revenue	6.8%	6.8%	6.7%	6.2%	5.7%
FCF as % of revenue	2.1%	15.7%	8.2%	(202.4)%	10.6%
Adjusted FCF as % of revenue	2.7%	16.3%	10.8%	1.2%	11.9%
Net leverage ratio	2.8x	2.8x	2.8x	2.8x	0.2x
Employees[2]	7,940	7,984	7,987	8,173	7,450
Total assets[3]	1,964.1	1,910.9	1,971.3	1,956.4	1,343.7
Equity[3]	736.2	677.7	704.6	692.6	695.9
Equity ratio[3]	37.5%	35.5%	35.7%	35.4%	51.8%

[1] The sum totals of quarterly figures may deviate slightly from the figures for the year as a whole due to rounding.
[2] Active and inactive employees excluding temporary workers, apprentices, trainees and graduates.
[3] Figures at the end of the quarter.

OTHER INFORMATION

Further information including news, reports, and publications can be found in the Investors section of the Stabilus website at IR.STABILUS.COM.

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