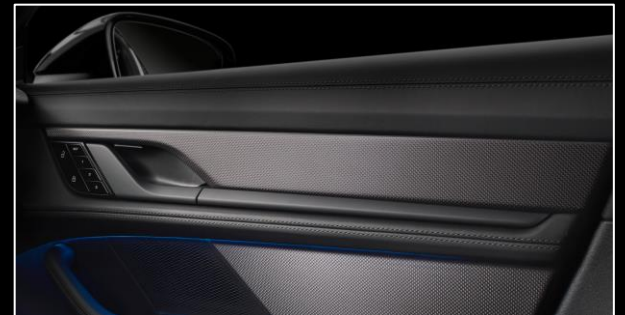
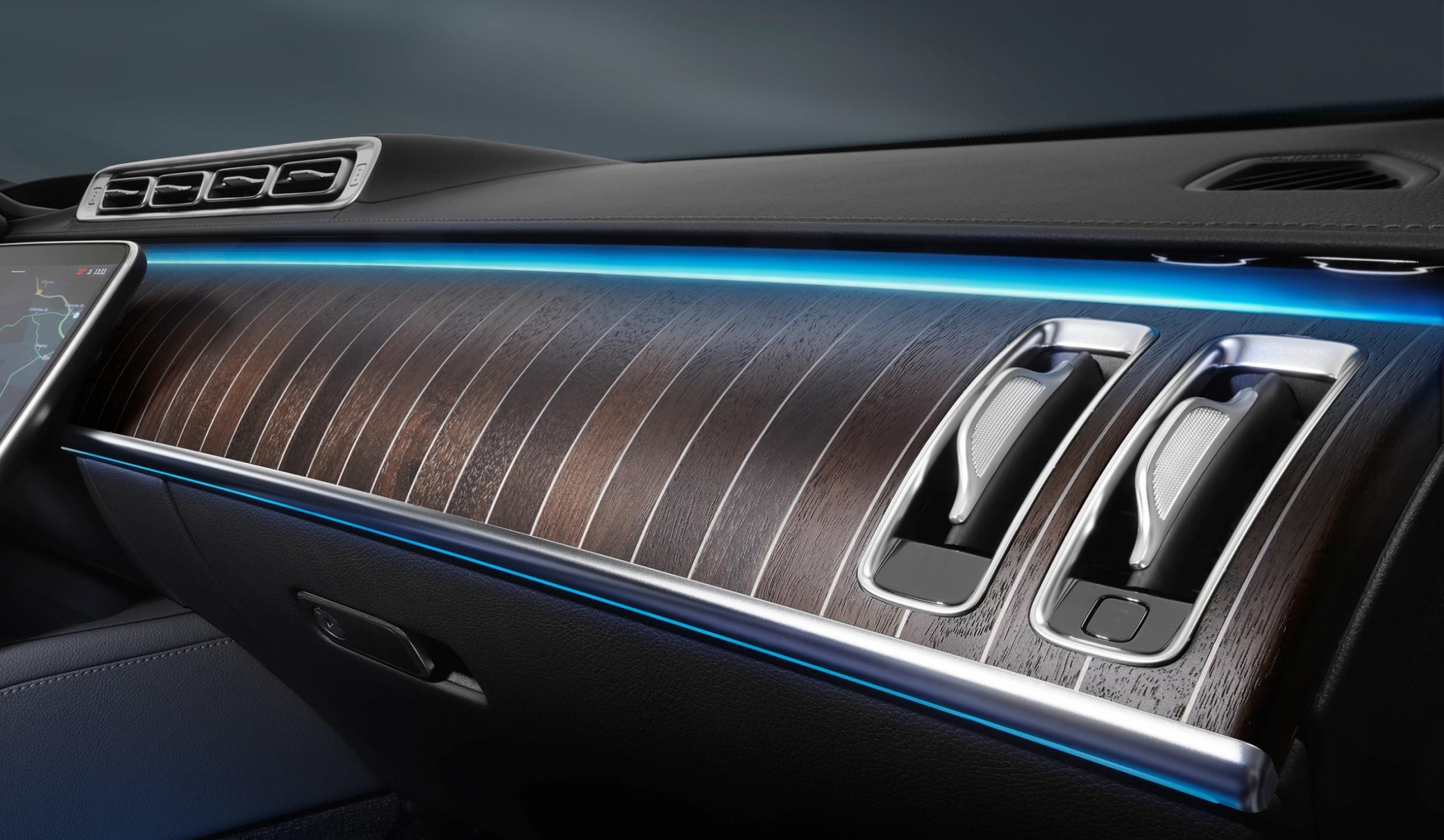




06 February 2025

# Q3 2024/25 Results





# 1 OVERVIEW







## Q3 2024/25 key events

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- Novem secured the third EV model of the Jaguar Panthera and successfully acquired the wooden surface for the Audi Q8 e-tron
- In Q3 2024/25, Novem reported total revenue of €124.0m (-10.6% y/y) in still hampered market conditions
- Top line suffered from extended customer plant holidays over Christmas and the turn of the year
- Fewer working days and revenue slowdown impacted Adj. EBIT and led to a profit margin of 8.1% for quarter under review
- Enduring disruptive discussions and their structural impact on the OEMs' model strategies are upholding adverse momentum
- Therefore, deterioration in demand and negative market dynamics persist, especially in Europe and Asia
- Considering the growing pressure, the envisaged recovery is no longer anticipated to materialise in the medium term
- In this light and on the back of the current budget process, Novem adjusts its mid-term guidance for Adj. EBIT margin to 11-12%

**Business climate stays demanding**

## Q3 2024/25 financial highlights

	Q3 2023/24		Q3 2024/25
Revenue (€m)	138.7		124.0
Adj. EBIT (€m)	16.6		10.0
Adj. EBIT margin (%)	12.0%		8.1%
Free cash flow (€m)	-3.9		1.3
Net leverage (x Adj. EBITDA)	1.7x		2.1x

# YTD 2024/25 financial highlights

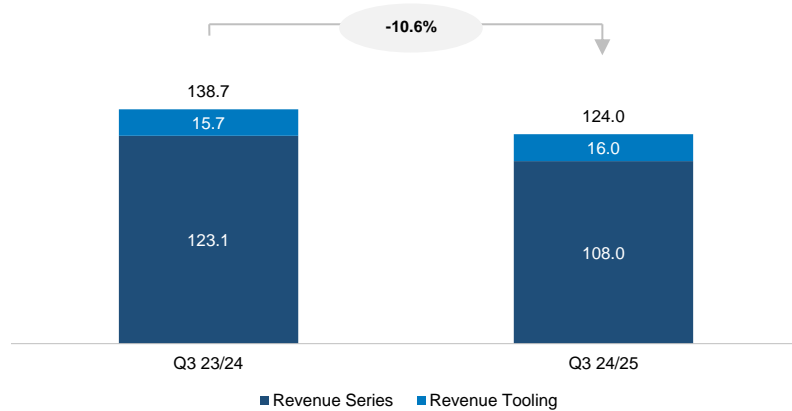
	YTD 2023/24		YTD 2024/25
Revenue (€m)	485.8		403.5
Adj. EBIT (€m)	54.6		36.2
Adj. EBIT margin (%)	11.2%		9.0%
Free cash flow (€m)	29.6		1.9
Net leverage (x Adj. EBITDA)	1.7x		2.1x



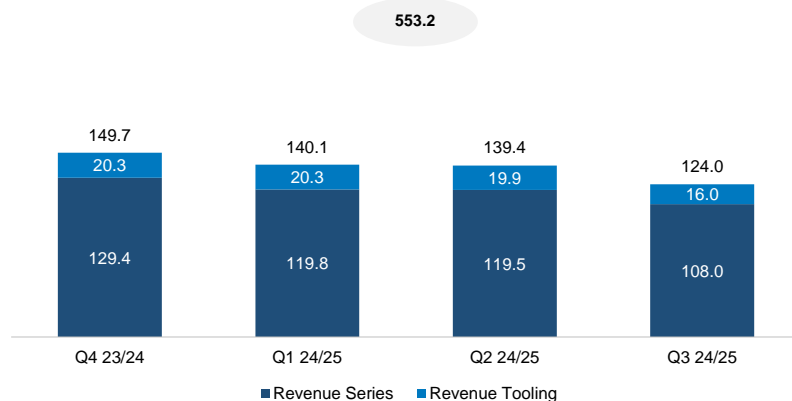
## 2 GROUP RESULTS

# Revenue

## Revenue (€m)



## LTM revenue (€m)

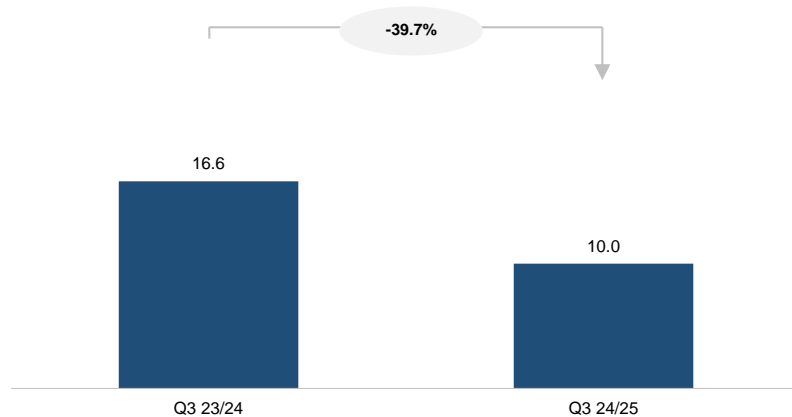


## Highlights

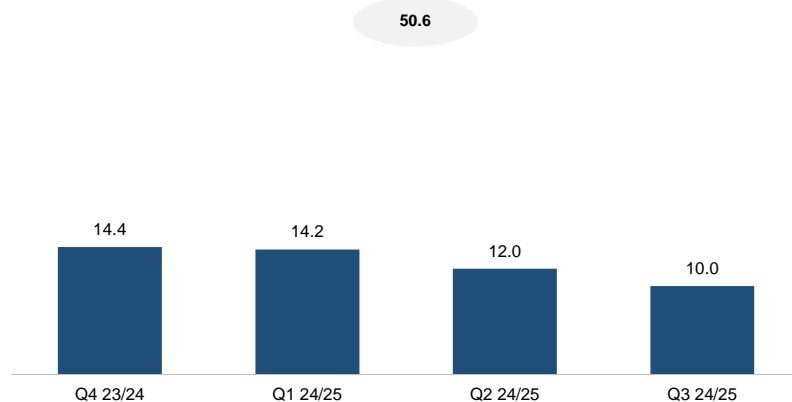
- In Q3 2024/25, total revenue of €124.0m fell short of prior year by €-14.7m or -10.6%
- Top line benefited from favourable FX effects; revenue in Q3 would have been lower by €-0.6m or -0.4% at constant FX rates
- Revenue Series of €108.0m diminished by €-15.1m or -12.2% versus prior year and contributed 87.1% to total revenue
- Shortfall in Series business predominantly driven by extended customer plant holidays and continued weak call-offs
- Latest publicly available LVP market data showed minor growth of +0.4% y/y for the period under review
- Tooling added €16.0m to total revenue and noted slightly above previous year by €+0.4m or +2.3%
- Total revenue recorded at €553.2m on a twelve-month basis and declined by -2.6% versus last quarter

# Adj. EBIT

## Adj. EBIT (€m)



## LTM Adj. EBIT (€m)



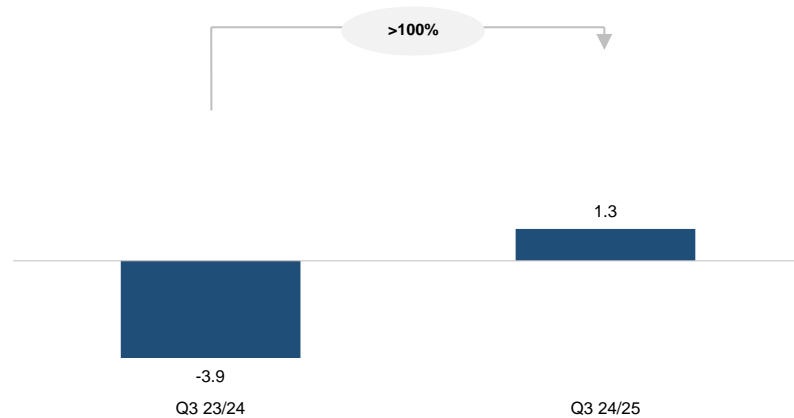
## Highlights

- Adj. EBIT in Q3 2024/25 of €10.0m declined by €-6.6m, resulting in a profit margin of 8.1% for the period under review
- Operational result suffered from extended customer plant holidays and lower call-offs, above all in Europe and Asia
- Profit margin was negatively impacted by poor cost coverage, primarily personnel costs could not be adjusted to the same extent as revenue
- Moreover, bottom line was negatively affected by an unfavourable product mix as well as model changes
- Strict cost management and restructuring initiatives well underway to mitigate the aforementioned negative impacts
- In addition, Adj. EBIT benefited from customer compensation payments and the release of accruals
- As with turnover, last-twelve-month Adj. EBIT dropped to €50.6m and decreased by -11.5% compared to last quarter

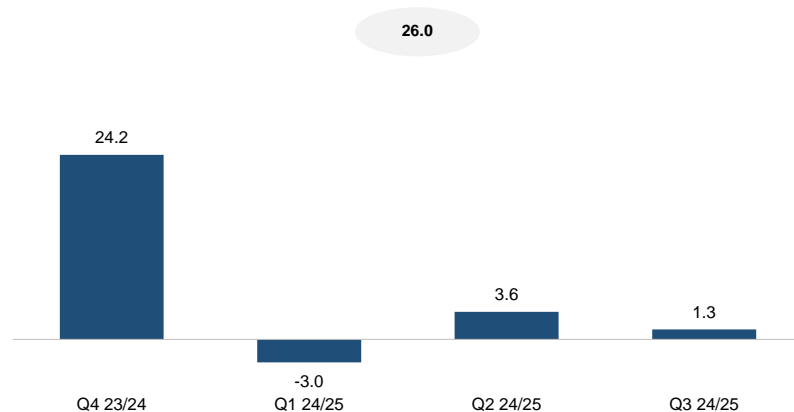


# Free cash flow

## Free cash flow (€m)



## LTM free cash flow (€m)

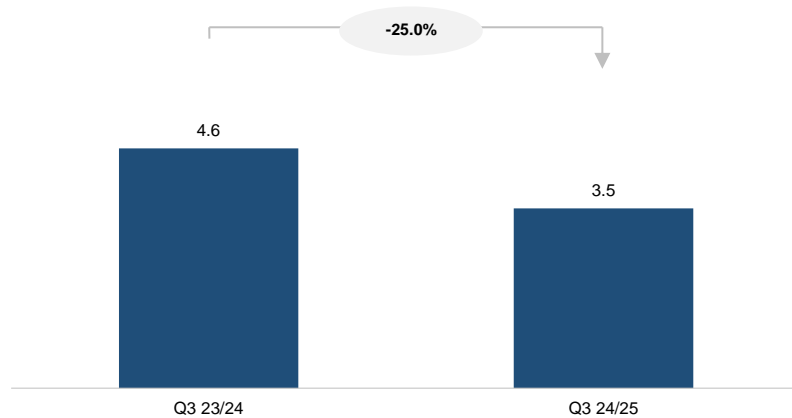


## Highlights

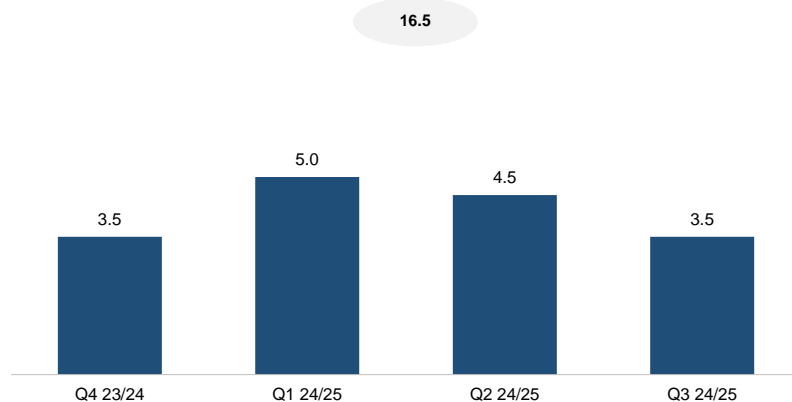
- In Q3 2024/25, Novem generated a free cash flow of €1.3m and outperformed last year by €+5.2m
- Cash flow from operating activities of €3.6m was ahead of prior year by €+3.9m due to the following reasons:
  - Lower decline in trade payables (€+13.6m), reduced inventories (€+10.7m) and lower decrease in provisions (€+8.8m); conversely, loss for the period (€-15.7m), other non-cash income (€-13.1m) as well as Others (€-0.4m)
- Favourable development in trade payables mainly driven by prior year's drop in trade payables resulting from reduced volume
- Cash flow from investing activities of €-2.3m came in below previous year's figure of €-3.6m
- As a result, LTM free cash flow of €26.0m exceeded previous quarter by €+5.2m or +24.8%<sup>14</sup>

# Capital expenditure

## Capital expenditure (€m)



## LTM capital expenditure (€m)

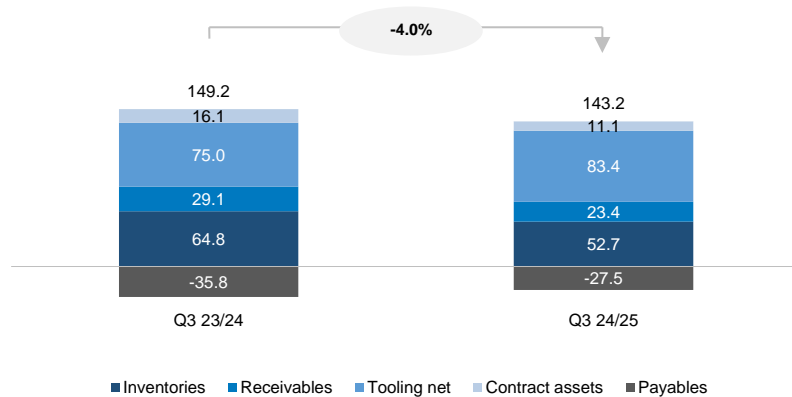


## Highlights

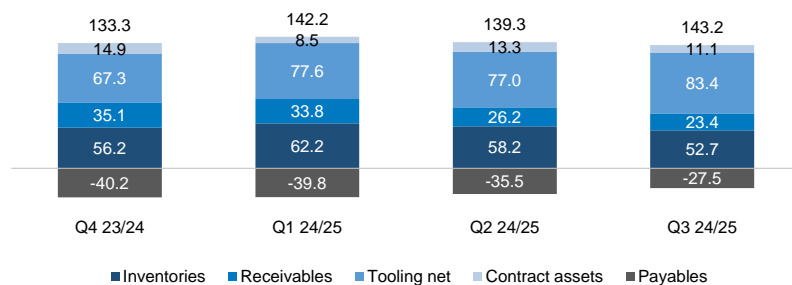
- Capital expenditure reached €3.5m in Q3 2024/25 and therefore €-1.2m below previous year's level
- Reduced investments resulted in an underlying capex ratio of 2.8% compared to last year's number of 3.3%
- Nearly half of the capital expenditure in the third quarter was invested at Novem's largest plant in Querétaro (€1.8m)
- Majority of the investments in Q3 2024/25 was linked to the industrialisation of a large US EV platform
- On a last-twelve-month basis, capital expenditure of €16.5m was slightly below last quarter (€17.7m)
- Based on LTM total revenue of €553.2m, capex ratio recorded at 3.0%, which was slightly below previous quarter (3.1%)

# Total working capital

## Total working capital (€m)



## LTM total working capital (€m)

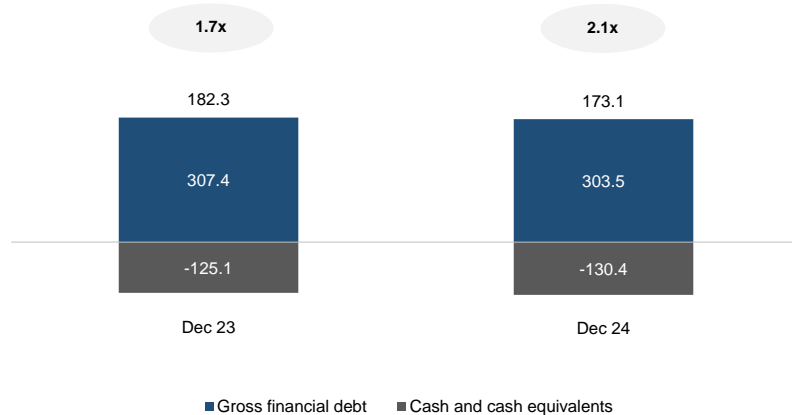


## Highlights

- As of 31 December 2024, total working capital stood -4.0% below prior year at €143.2m (€149.2m PY)
- Variance of €+6.0m came from lower inventories (€+12.1m), trade receivables (€+5.6m) and contract assets (€+5.0m); conversely, higher tooling net (€-8.4m) and lower trade payables (€-8.3m)
- Decrease in inventories driven by the volume-related decline in stock of raw materials; on the other hand, higher tooling net caused by increased tooling receivables and lower tooling-related deferred income
- As a percentage of last-twelve-month revenue, total working capital recorded at 25.9% as of 31 December 2024 (22.6% PY)
- Trade working capital, excluding tooling net and contract assets, also developed favourably from €58.1m to €48.7m y/y
- Reported in days outstanding, DSO of 29 (33 PY) and DIO of 44 (47 PY) improved, while DPO of 39 (45 PY) deteriorated

# Capital structure

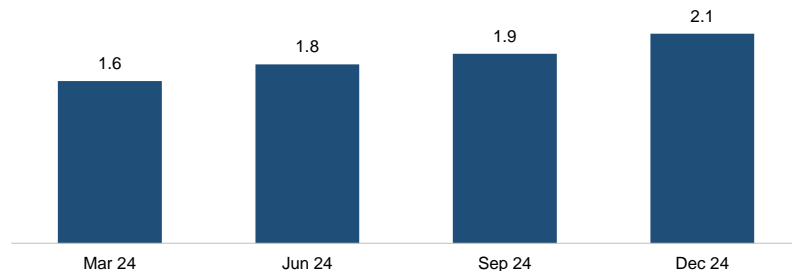
## Net financial debt (€m)



## Highlights

- As of 31 December 2024, gross financial debt of €303.5m was slightly below last year's figure by €-3.9m (€307.4 PY)
- Lease liabilities, by definition included in the gross financial debt, stood at €53.3m (€57.7m PY)
- Principal sources of funds comprised €130.4m cash (€125.1m PY) and €36.3m from non-recourse factoring (€37.2m PY)
- In summary, net financial debt was at €173.1m and showed a noticeable improvement against prior year (€182.3m)
- However, the net leverage ratio worsened to 2.1x compared to previous year (1.7x Adj. EBITDA)

## LTM net leverage ratio

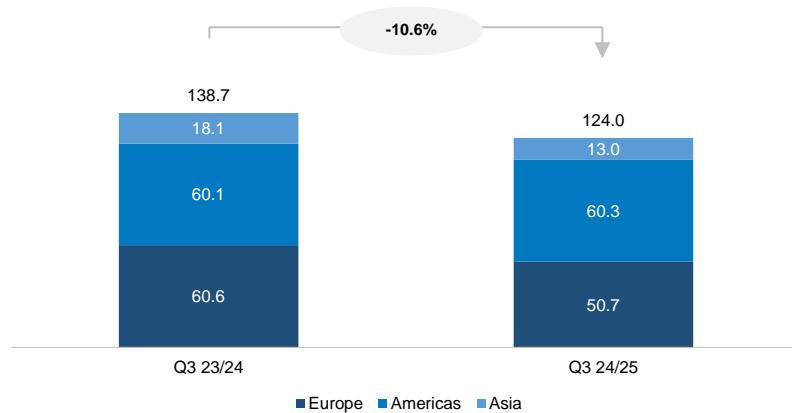




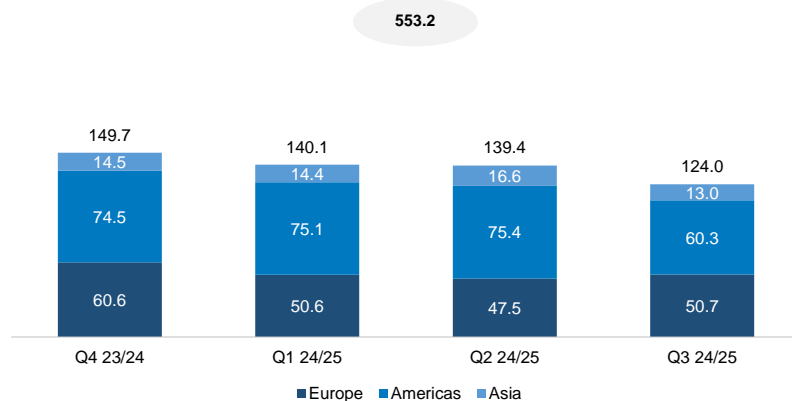
### 3 RESULTS BY OPERATING SEGMENTS

# Revenue by operating segments

## Revenue by region (€m)



## LTM revenue by region (€m)

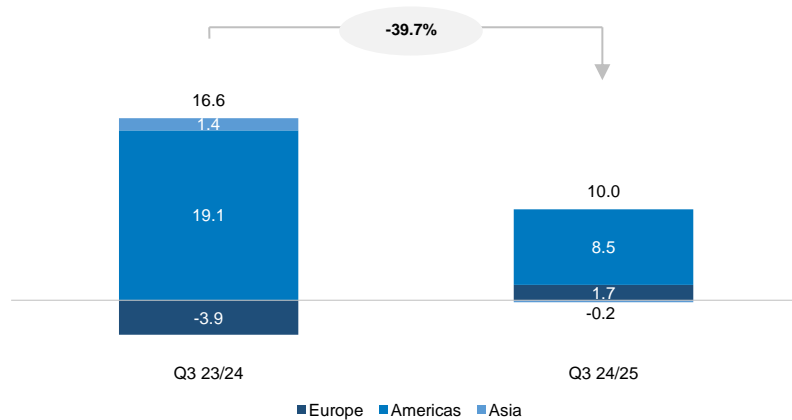


## Highlights

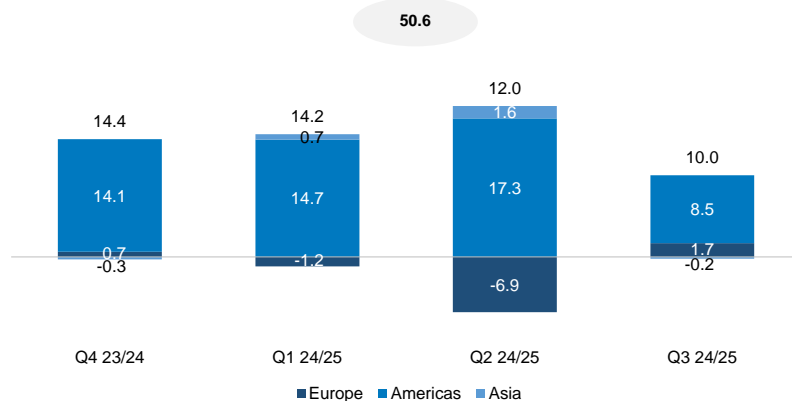
- From a geographic perspective, revenue declined both in Europe and Asia, while Americas remained stable on prior year's level
- Reduced revenue in Europe (€-9.8m y/y) was again mainly driven by revenue Series, which could not be offset by revenue Tooling
- Above all, unfavourable development was driven by the EOP of BMW 5-series, lower volumes on BMW 7-series as well as the model change on Volvo XC90
- Stable development in Americas (€+0.1m y/y) was positively influenced by higher revenue Tooling, which was almost completely offset by Series business
- Lower top line in Asia (€-5.0m y/y) was attributable to both Tooling and Series with EOP of BMW X3 as well as weaker call-offs of BMW X5
- LTM revenue showed the following distribution across all regions: 51.6% Americas, 37.9% Europe and 10.6% Asia

# Adj. EBIT by operating segments

## Adj. EBIT by region (€m)



## LTM Adj. EBIT by region (€m)



## Highlights

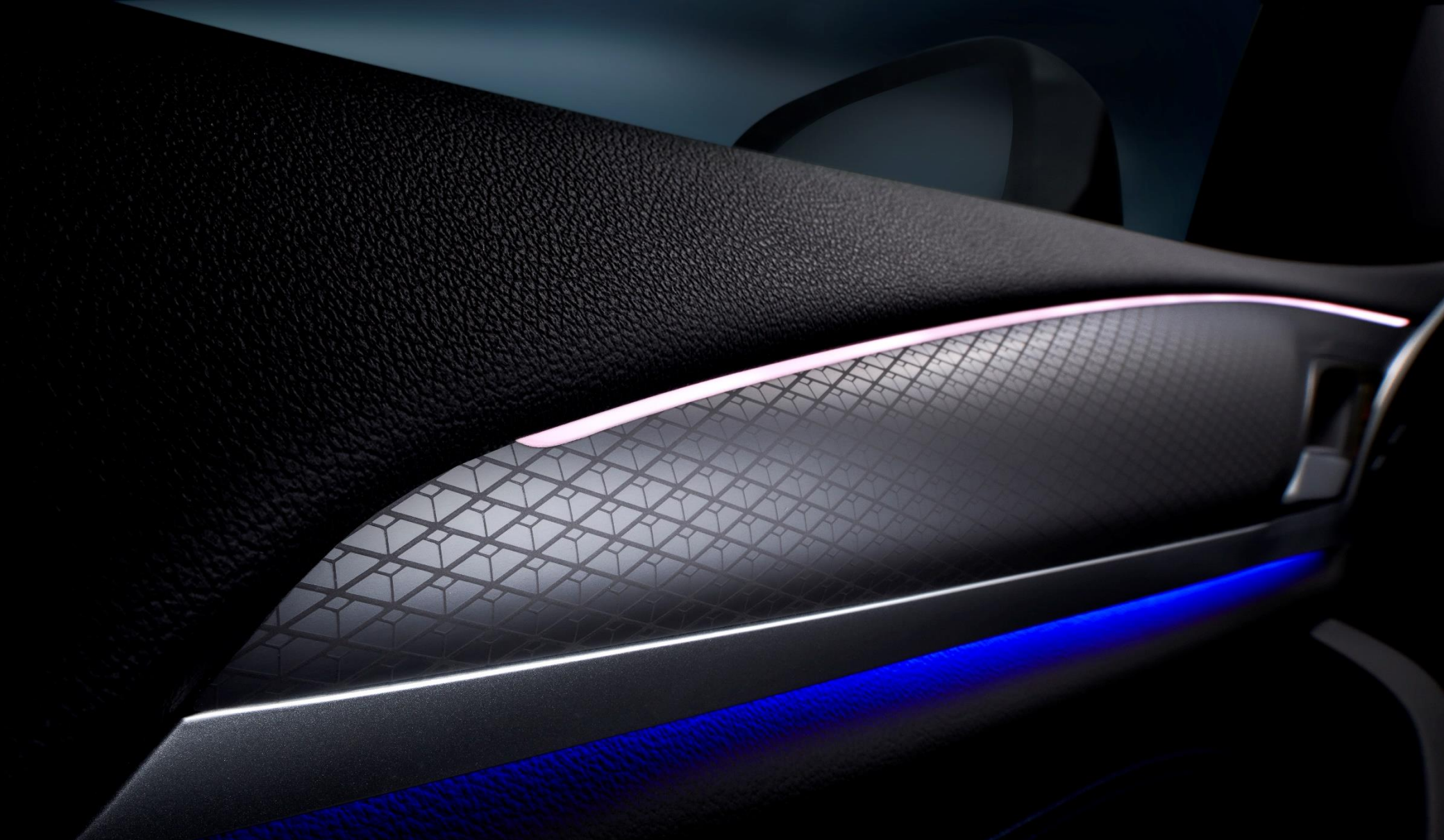
- Adj. EBIT showed a sharp increase in Europe, while Americas dropped significantly and Asia was slightly below prior year
- Turnaround in Europe from loss-making Adj. EBIT of €-3.9m in prior year to €1.7m primarily supported by customer compensation payments as well as release of accruals
- In addition, cost savings and improved input costs such as leased workers and freight costs also increased the operational result, despite the continued negative development in the top line
- Adj. EBIT of €8.5m (€19.1m PY) in Americas fell short of prior year due to lower release of accruals as well as an unfavourable product mix, while input costs remained on a stable level
- In Asia, Adj. EBIT of €-0.2m (€1.4m PY) below prior year, mainly driven by reduced revenue in both Series and Tooling
- In Q3 2024/25, LTM Adj. EBIT was down by -11.5% from €57.2m to €50.6m in comparison to preceding quarter



4

## QUESTIONS & ANSWERS





5 APPENDIX

# Profit and loss statement

<b>Profit and loss statement (€m)</b>				
	Q3 2023/24	Q3 2024/25	YTD 2023/24	YTD 2024/25
Revenue	138.7	124.0	485.8	403.5
Increase or decrease in finished goods and work in process	2.5	3.1	-9.0	5.6
<b>Total operating performance</b>	<b>141.3</b>	<b>127.2</b>	<b>476.8</b>	<b>409.1</b>
Other operating income	8.2	6.5	13.1	11.8
Cost of materials	-67.7	-64.3	-231.6	-204.4
Personnel expenses	-40.5	-37.3	-125.9	-112.2
Depreciation, amortisation and impairment	-8.2	-8.0	-24.7	-24.0
Other operating expenses	-16.5	-14.0	-53.1	-44.0
<b>Adj. EBIT</b>	<b>16.6</b>	<b>10.0</b>	<b>54.6</b>	<b>36.2</b>
<b>Adjustments</b>	<b>-1.4</b>	<b>-0.2</b>	<b>-6.0</b>	<b>-3.1</b>
<b>Operating result (EBIT)</b>	<b>15.3</b>	<b>9.8</b>	<b>48.6</b>	<b>33.1</b>
Finance income	7.6	1.2	7.8	3.7
Finance costs	-5.1	-14.2	-14.4	-24.9
<b>Financial result</b>	<b>2.5</b>	<b>-13.0</b>	<b>-6.6</b>	<b>-21.2</b>
Income taxes	-2.1	-4.4	-8.3	-9.0
Deferred taxes	-2.4	5.3	-2.2	5.9
<b>Income tax result</b>	<b>-4.5</b>	<b>0.8</b>	<b>-10.5</b>	<b>-3.0</b>
<b>Profit for the period</b>	<b>13.3</b>	<b>-2.4</b>	<b>31.4</b>	<b>8.8</b>

# Balance sheet

## Balance sheet (€m)

	31 Dec 2023	31 Dec 2024		31 Dec 2023	31 Dec 2024
			<b>Total equity</b>	<b>83.6</b>	<b>97.8</b>
Intangible assets	2.0	2.9	Pensions and similar obligations	27.1	28.8
Property, plant and equipment	197.6	178.6	Other provisions	2.1	2.3
Trade receivables	54.3	44.0	Financial liabilities	248.6	249.2
Other non-current assets	14.8	16.9	Trade payables	-	-
Deferred tax assets	4.6	16.6	Other liabilities	56.2	52.0
			Deferred tax liabilities	-0.8	1.3
<b>Total non-current assets</b>	<b>273.3</b>	<b>259.0</b>	<b>Total non-current liabilities</b>	<b>333.2</b>	<b>333.5</b>
Inventories	110.6	99.6	Tax liabilities	14.4	2.5
Trade receivables	39.1	41.4	Other provisions	46.4	34.9
Other receivables	28.2	22.1	Financial liabilities	1.1	1.0
Other current assets	17.5	13.6	Trade payables	40.1	31.4
Cash and cash equivalents	125.1	130.4	Other liabilities	75.2	65.0
<b>Total current assets</b>	<b>320.5</b>	<b>307.2</b>	<b>Total current liabilities</b>	<b>177.0</b>	<b>134.9</b>
<b>Assets</b>	<b>593.8</b>	<b>566.1</b>	<b>Equity and liabilities</b>	<b>593.8</b>	<b>566.1</b>

# Cash flow statement

## Cash flow statement (€m)

	Q3 2023/24	Q3 2024/25	YTD 2023/24	YTD 2024/25
Profit for the period	13.3	-2.4	31.4	8.8
Income tax expense (+)/income (-)	2.1	4.4	8.3	9.0
Financial result (+)/(-) net	4.1	13.0	10.1	21.2
Depreciation, amortisation and impairment (+)	8.7	8.0	25.2	24.0
Other non-cash expenses (+)/income (-)	1.1	-12.0	-0.6	-3.9
Increase (-)/decrease (+) in inventories	-5.7	5.0	6.8	0.4
Increase (-)/decrease (+) in trade receivables	3.4	-0.7	-1.2	3.0
Increase (-)/decrease (+) in other assets	-1.2	2.9	5.6	5.2
Increase (-)/decrease (+) in deferred taxes	2.4	-5.3	2.2	-5.9
Increase (-)/decrease (+) in prepaid expenses/deferred income	0.3	1.1	-1.3	2.2
Increase (+)/decrease (-) in provisions	-8.2	0.5	-4.4	-9.1
Increase (+)/decrease (-) in trade payables	-17.0	-3.4	-21.9	-12.0
Increase (+)/decrease (-) in other liabilities	0.6	0.0	-10.9	-13.0
Gain (-)/loss (+) on disposals of non-current assets	0.0	-	0.0	0.0
Cash received (+) from/cash paid (-) for income taxes	-4.2	-7.8	-11.6	-18.7
<b>Cash flow from operating activities</b>	<b>-0.3</b>	<b>3.6</b>	<b>37.9</b>	<b>11.2</b>

## Cash flow statement (cont'd)

### Cash flow statement (€m)

	Q3 2023/24	Q3 2024/25	YTD 2023/24	YTD 2024/25
Cash received (+) from disposals of property, plant and equipment	0.0	-	0.0	0.0
Cash paid (-) for investments in intangible assets	-0.1	-0.2	-0.2	-0.5
Cash paid (-) for investments in property, plant and equipment	-4.5	-3.3	-12.4	-12.5
Interest received (+)	1.0	1.1	4.3	3.7
<b>Cash flow from investing activities</b>	<b>-3.6</b>	<b>-2.3</b>	<b>-8.3</b>	<b>-9.3</b>
Cash paid (-) for subsidies/grants	-	-	-0.0	-
Cash paid (-) for lease liabilities	-2.7	-0.2	-7.7	0.8
Interest paid (-)	-4.4	-4.0	-12.5	-13.1
Dividends paid (-)	-	-	-49.5	-
<b>Cash flow from financing activities</b>	<b>-7.1</b>	<b>-4.2</b>	<b>-69.7</b>	<b>-12.3</b>
<b>Net increase (+)/decrease (-) in cash and cash equivalents</b>	<b>-11.0</b>	<b>-2.9</b>	<b>-40.1</b>	<b>-10.5</b>
Effect of exchange rate fluctuations on cash and cash equivalents	-0.5	0.8	-0.3	-0.7
Cash and cash equivalents at the beginning of the reporting period	136.6	132.4	165.5	141.5
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>125.1</b>	<b>130.4</b>	<b>125.1</b>	<b>130.4</b>

# EBIT adjustments

<b>EBIT adjustments (€m)</b>					
	Q3 2023/24	Q3 2024/25	YTD 2023/24	YTD 2024/25	
Revenue	138.7	124.0	485.8	403.5	
<b>EBIT</b>	<b>15.3</b>	<b>9.8</b>	<b>48.6</b>	<b>33.1</b>	
EBIT margin	11.0%	7.9%	10.0%	8.2%	
Restructuring	0.7	0.0	5.2	0.0	
Single impairments	-	-	-	2.6	
Others	0.7	0.2	0.8	0.5	
Exceptional items	0.7	0.2	0.8	3.1	
Discontinued operations	-	-	-	-	
Adjustments	1.4	0.2	6.0	3.1	
<b>Adj. EBIT</b>	<b>16.6</b>	<b>10.0</b>	<b>54.6</b>	<b>36.2</b>	
Adj. EBIT margin	12.0%	8.1%	11.2%	9.0%	

## Definitions and basis of preparation of the financial information

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- **Adj. EBIT** is defined as EBIT as adjusted for certain adjustments which management considers to be non-recurring in nature, as Novem believes such items are not reflective of the ongoing performance of the business
- **Adj. EBIT margin** is defined as Adj. EBIT divided by revenue
- **Adj. EBITDA** is defined as profit for the year before income tax result, financial result and amortisation, depreciation and write-downs as adjusted for certain adjustments which management considers to be non-recurring in nature, as Novem believes such items are not reflective of the ongoing performance of the business
- **Adj. EBITDA margin** is defined as Adj. EBITDA divided by revenue
- **Capital expenditure** is defined as the sum of cash paid for investments in property, plant and equipment and cash paid for investments in intangible assets excluding currency translation effects
- **Cash conversion** is defined as free cash flow divided by Adj. EBITDA
- **Days inventory outstanding (DIO)** is defined by dividing inventories (as shown in the consolidated statement of financial position, but excluding tooling) by revenue generated from the sale of series trim elements in the last three months
- **Days payables outstanding (DPO)** is defined by dividing trade payables (as shown in the consolidated statement of financial position, but excluding tooling) by net costs series incurred in the three months
- **Days sales outstanding (DSO)** is defined by dividing trade receivables (as shown in the consolidated statement of financial position, but excluding tooling) by revenue generated from the sale of series trim elements in the last three months
- **EBIT** is defined as profit for the year before income tax result and financial result
- **EBITDA** is defined as profit for the year before income tax result, financial result and amortisation and depreciation
- **Free cash flow** is defined as the sum of cash flow from operating and investing activities
- **Gross financial debt** is defined as the sum of liabilities to banks and lease liabilities
- **Net financial debt** is defined as gross financial debt less cash and cash equivalents
- **Net leverage ratio** is defined as the ratio of net financial debt to Adj. EBITDA
- **Total operating performance** is defined as the sum of revenue and increase or decrease in finished goods
- **Total working capital** is defined as the sum of inventories, trade receivables and contract assets excluding expected losses less trade payables, tooling received advance payments received and other provisions related to tooling
- **Trade working capital** is defined as the sum of inventories non-tooling and trade receivables related to non-tooling less trade payables related to non-tooling

# Further information and disclaimer

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## Date of publication

06 February 2025

## Contact

[investor.relations@novem.com](mailto:investor.relations@novem.com) | All information is constantly updated and available. Please visit the Investor Relations Portal on the Company website: <https://ir.novem.com>

## Editor

Novem Group S.A. | 19, rue Edmond Reuter | 5326 Contern | Luxembourg | [www.novem.com](http://www.novem.com)

## Financial information

This presentation contains unaudited financial information for Novem, which may be subject to change.

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Novem Group S.A.  
19, rue Edmond Reuter | 5326 Contern | Luxembourg

Email: [investor.relations@novem.com](mailto:investor.relations@novem.com)  
[www.novem.com](http://www.novem.com)

