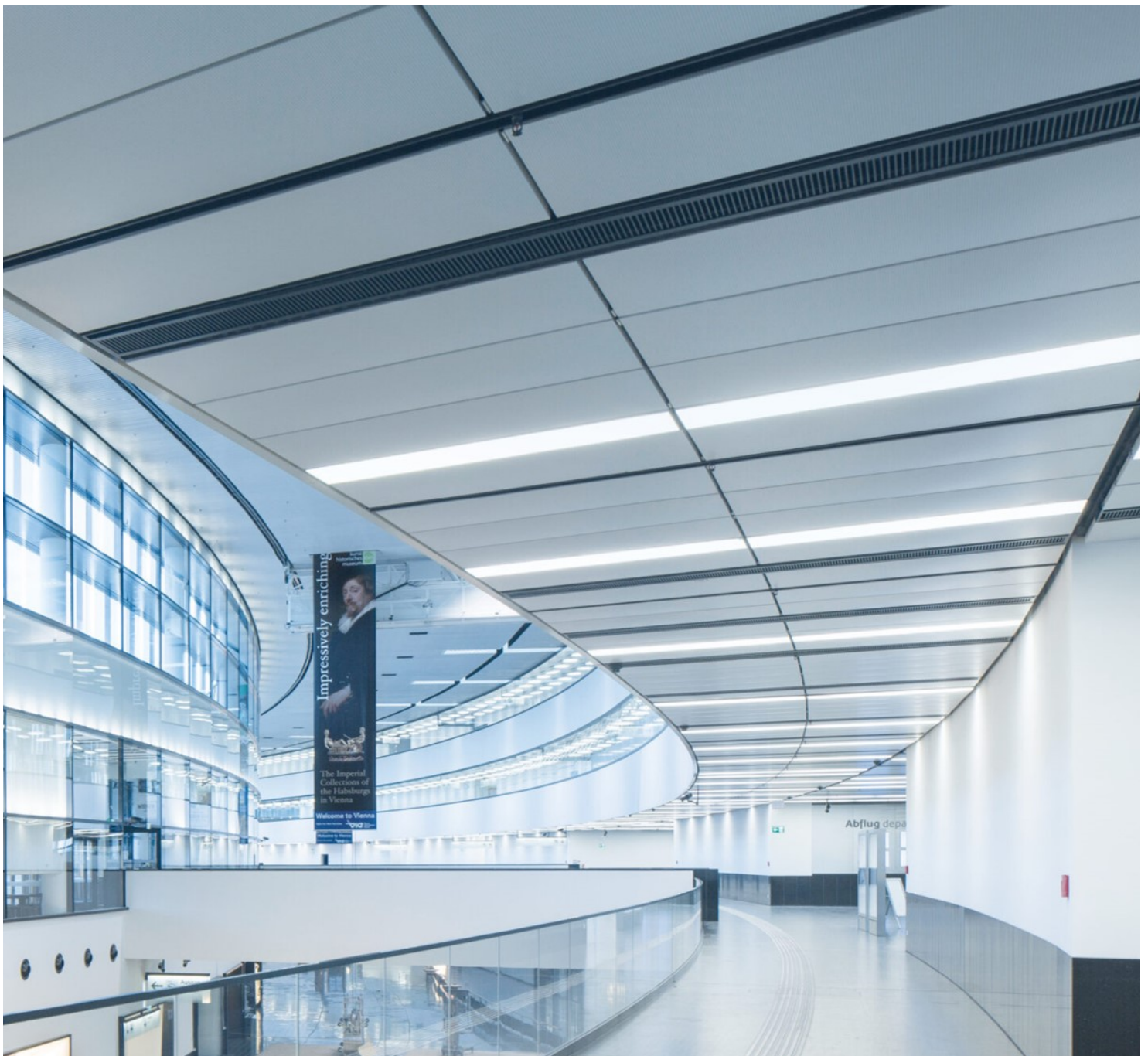


Q1 2024/25

Interim Report (May 2024 – July 2024)

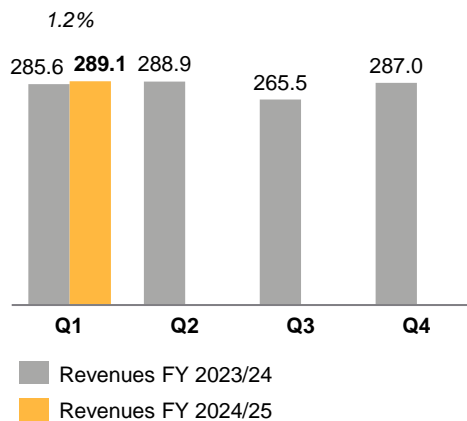


Overview of the First Quarter of 2024/25

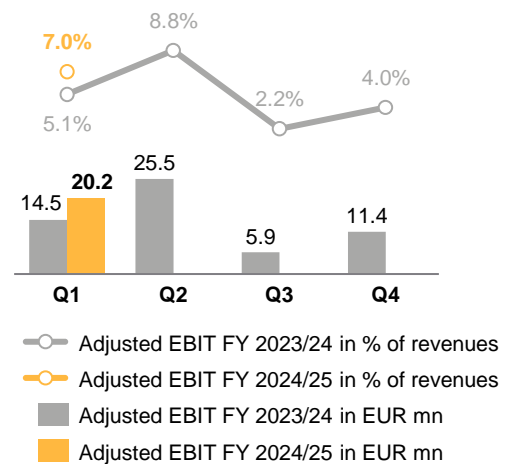
Key Data in EUR mn	Q1 2024/25	Q1 2023/24	Change in %
Revenues	289.1	285.6	1.2
Adjusted EBITDA	33.4	29.0	15.5
<i>as a % of revenues</i>	11.6	10.1	
EBITDA	32.0	29.0	10.3
<i>as a % of revenues</i>	11.1	10.1	
Adjusted EBIT	20.2	14.5	39.5
<i>as a % of revenues</i>	7.0	5.1	
Special effects	(1.5)	0.0	
EBIT	18.7	14.5	29.2
<i>as a % of revenues</i>	6.5	5.1	
Net profit for the period	12.8	9.8	30.3
<i>as a % of revenues</i>	4.4	3.4	
Cash flow from operating results	32.4	29.2	11.0
CAPEX	13.4	8.5	57.1
thereof CAPEX excl. IFRS 16	11.6	6.6	76.9
	31 July 2024	30 April 2024	Change in %
Total assets	1,007.0	987.2	2.0
Equity	438.2	425.2	3.0
Equity ratio in %	43.5	43.1	
Net debt	93.3	77.1	20.9
Headcount incl. contract worker (full-time equivalent)	5,368	5,350	0.3

Development of business by quarter

Revenues development (in EUR mn)



Adjusted EBIT development



Letter to Shareholders

Dear Shareholders,

We can be quite satisfied with the development of business in the first three months of this financial year. Recovery is taking hold, above all in the Components Segment, which produced the first signs of growth in six quarters with an increase of 4.3% in revenues. Our customers' previously high stock levels appear to have declined, as is evidenced by a slight revival in the demand for components that is also reflected in our order books. The Lighting Segment reported slight first quarter growth of 1.1%, and revenues recorded by the Zumtobel Group rose by 1.2% in total to EUR 289.1 million.

This positive first quarter development is also reflected in adjusted EBIT of EUR 20.2 million. Rising costs, especially in the personnel area, were more than offset by the increase in revenues and a better materials ratio. Our adjusted EBIT margin of 7.0% is also something we can be proud of. However, the first quarter is generally a comparatively strong period, and we must be careful not to overrate these positive results.

Our intention to share this success with our shareholders whenever possible is demonstrated by the EUR 0.25 dividend per share that was paid in August. It represents a payout ratio of 44% and lies at the upper end of our dividend policy, which calls for the distribution of 30% to 50% of annual net profit to our shareholders. That was, by the way, the fifth dividend in succession – despite the obviously challenging economic conditions that influenced the 2023/24 financial year:

Dear Shareholders: As you well know, the Management Board of Zumtobel Group AG does not tend to make premature promises. We are only cautiously optimistic for good reason despite the apparent recovery in the Components Segment and a first quarter EBIT margin that topped the range projected for the full year. The geopolitical situation is currently more tense than ever, and the construction industry recovery in our core markets is proceeding at a very slow pace. That makes it difficult for us – and for other companies – to anticipate the development of the economy in 2024/25. Against this backdrop, our forecast for the current financial year remains intact: We expect revenues at least slightly above the previous year and an adjusted EBIT margin of 3% to 6%.

Alfred Felder
Chief Executive Officer (CEO)



Group Management Report

Development of revenues in the first quarter of 2024/25

- >> Slight growth of 1.2% in Group revenues (FX-adjusted 1.3%)
- >> Lighting Segment revenues with 1.1% year-on-year increase
- >> Components Segment revenues rise by 4.3%
- >> Adjusted EBIT reaches EUR 20.2 mn

Income statement in EUR mn	Q1 2024/25	Q1 2023/24	Change in %
Revenues Lighting Segment	226.6	224.1	1.1
Revenues Components Segment	80.3	77.0	4.3
Reconciliation	(17.8)	(15.5)	14.8
Revenues	289.1	285.6	1.2
Adjusted Cost of goods sold	(177.8)	(183.0)	(2.8)
Adjusted Gross profit	111.2	102.5	8.5
<i>as a % of revenues</i>	38.5	35.9	
Adjusted SG&A expenses	(91.0)	(88.0)	3.4
Adjusted EBIT Lighting Segment	20.1	17.3	16.6
<i>as a % of segment revenues</i>	8.9	7.7	
Adjusted EBIT Components Segment	4.7	2.2	>100
<i>as a % of segment revenues</i>	5.9	2.9	
Reconciliation	(4.6)	(5.0)	(7.5)
Adjusted EBIT	20.2	14.5	39.5
<i>as a % of revenues</i>	7.0	5.1	
Special effects	(1.5)	0.0	
EBIT Lighting Segment	18.6	17.3	8.0
<i>as a % of segment revenues</i>	8.2	7.7	
EBIT Components Segment	4.7	2.2	>100
<i>as a % of segment revenues</i>	5.9	2.9	
Reconciliation	(4.6)	(5.0)	(7.5)
EBIT	18.7	14.5	29.2
<i>as a % of revenues</i>	6.5	5.1	
Financial results	(4.6)	(3.5)	(29.9)
Profit before tax	14.2	11.0	29.0
Income taxes	(1.4)	(1.2)	18.7
Net profit for the period	12.8	9.8	30.3
Earnings per share (in EUR)	0.30	0.23	32.5

For information: EBITDA (EBIT plus depreciation and amortisation) totalled EUR 32.0 mn in Q1 2024/25.

Revenues recorded by the Zumtobel Group rose by 1.2% to EUR 289.1 mn in Q1 2024/25 (Q1 2023/24: EUR 285.6 mn), primarily due to growth in the UK, Austria and Croatia. After an adjustment for foreign exchange effects, the increase equalled 1.3%.

Group revenues increase by 1.2%

In the Lighting Segment, revenues increased by 1.1% to EUR 226.6 mn in Q1 2024/25 (Q1 2023/24: EUR 224.1 mn). This positive development was supported, above all, by growth in the UK, favourable foreign exchange trends and efficient price management.

Lighting Segment revenues rise by 1.1%

The Components Segment reported a 4.3% increase in revenues to EUR 80.3 mn in Q1 2024/25 (Q1 2023/24: EUR 77.0 mn). Higher revenues were recorded, above all, in the UK, D/A/CH region and Greater China, but were offset in part by negative foreign exchange developments.

Components Segment with revenue plus of 4.3%

Northern and Western Europe registered substantial revenue growth in the reporting period, in contrast to the weak first quarter of 2023/24. This increase was supported, above all, by the UK und Norway. Revenues in Belgium and Sweden fell below the previous year. The positive development in the D/A/CH region resulted primarily from Austria and Switzerland. In the Asia & Pacific region, the Components Segment recorded growth in Greater China. Revenues in the Southern and Eastern Europe region declined, primarily due to weakness in the Czech Republic and Poland. The negative development of revenues in the America & MEA region was the result of disappointing sales in the USA.

Revenues in EUR mn	Q1 2024/25	Change in %	in % of Group
D/A/CH	106.6	1.6	36.9
Northern and Western Europe	73.5	7.1	25.4
Southern and Eastern Europe	72.8	(4.2)	25.2
Asia & Pacific	23.4	5.5	8.1
Americas & MEA	12.7	(7.4)	4.4
Total	289.1	1.2	100.0

The adjusted cost of goods sold reflects a reduction in material costs and inventory write-downs. Development costs rose by EUR 2.0 mn to EUR 18.2 mn during the same period (Q1 2023/24: EUR 16.2 mn). The adjusted gross profit margin improved to 38.5% (Q1 2023/24: 35.9%), in particular due to revenue growth in higher margin regions and a decline in the material ratio.

Adjusted selling and administrative expenses (incl. research) rose by EUR 3.0 mn to EUR (91.0) mn (Q1 2023/24: EUR (88.0) mn), whereby the main drivers were the increase in personnel costs which resulted from collective agreements, costs for IT projects and transport expenses.

Adjusted EBIT rose from EUR 14.5 mn in Q1 2023/24 to EUR 20.2 mn in Q1 2024/25, and the adjusted EBIT margin equalled 7.0% (Q1 2023/24: 5.1%). The growth in revenues and an improvement in the materials ratio more than offset the increase in personnel and other costs.

Adjusted EBIT increases to EUR 20.2 mn

Adjusted EBIT in the Lighting Segment increased from EUR 17.3 mn in Q1 2023/24 to EUR 20.1 mn in Q1 2024/25. Rising fixed costs in this segment were more than offset by volume growth in higher margin markets. The Components Segment recorded an increase in both revenues and the margin in spite of the challenging market situation. Combined with strict cost discipline, adjusted EBIT in the Components Segments rose from EUR 2.2 mn to EUR 4.7 mn in Q1 2024/25.

Special effects of EUR (1.5) mn

Special effects of EUR (1.5) mn were recognised for personnel expenses in Q1 2024/25. EBIT rose to EUR 18.7 mn (Q1 2023/24: EUR 14.5 mn), and the EBIT margin equalled 6.5% (Q1 2023/24: 5.1%).

Financial result in EUR mn	Q1 2024/25	Q1 2023/24	Change in %
Interest expense	(2.8)	(2.6)	6.8
Interest income	0.2	0.2	2.7
Net financing costs	(2.6)	(2.4)	(7.1)
Other financial income and expenses	(2.0)	(1.1)	81.1
Result and impairment from associated companies	0.0	0.0	
Financial results	(4.6)	(3.5)	(29.9)

Financial results above previous year

Financial results amounted to EUR (4.6) mn in Q1 2024/25 (Q1 2023/24: EUR (3.5) mn). Interest expense, which consisted chiefly of the interest expense for current credit agreements and finance leases, totalled EUR (2.6) mn (Q1 2023/24: EUR (2.4) mn). The other financial income and expenses of EUR (2.0) mn consisted primarily of the interest expense on pension obligations, the earnings effects from exchange rate changes and the measurement of hedges.

Increase in net profit to EUR 12.8 mn

Profit before tax totalled EUR 14.2 mn in Q1 2024/25 (Q1 2023/24: EUR 11.0 mn), and income taxes equalled EUR (1.4) mn (Q1 2023/24: EUR (1.2) mn). Net profit for the reporting period rose to EUR 12.8 mn (Q1 2023/24: EUR 9.8 mn). Earnings per share for the shareholders of Zumtobel Group AG (basic EPS based on 42.8 mn shares) increased to EUR 0.30 (Q1 2023/24: EUR 0.23).

Cash flow

Cash flow statement in EUR mn	Q1 2024/25	Q1 2023/24	Change in %
Cash flow from operating results	32.4	29.2	11.0
Change in working capital	(15.2)	(15.3)	0.7
Change in other operating items	(14.6)	(13.1)	(11.1)
Income taxes paid	(2.6)	(1.2)	<(100)
Cash flow from operating activities	0.0	(0.5)	94.2
Cash flow from investing activities	(11.2)	(6.2)	(81.1)
FREE CASH FLOW	(11.2)	(6.7)	(68.0)
Cash flow from financing activities	13.9	5.1	>100
CHANGE IN CASH AND CASH EQUIVALENTS	2.7	(1.5)	>100

Cash flow from operating results increased by a significant EUR 3.2 mn year-on-year from EUR 29.2 mn to EUR 32.4 mn, chiefly due to the growth in revenues and higher profitability.

Cash outflows from the changes in other operating positions amounted to EUR (14.6) mn (Q1 2023/24: EUR (13.1) mn) and resulted mainly from the reduction of provisions for bonuses. Cash flow from operating activities improved by EUR 0.5 mn year-on-year in Q1 2024/25.

Cash flow from investing activities amounted to EUR (11.2) mn in the reporting period (Q1 2023/24: EUR (6.2) mn). The increase in investments is related, above all, to the upgrade of the TECTON carrier rail system. In addition to investments in property, plant and equipment, this position also included cash outflows of EUR 2.8 mn (Q1 2023/24: EUR 2.3 mn) for capitalised development costs.

Free cash flow equalled EUR (11.2) mn in Q1 2024/25 (Q1 2023/24: EUR (6.7) mn).

**Free cash flow of
EUR (11.2) mn**

Cash flow from financing activities totalled EUR 13.9 mn in Q1 2024/25 (Q1 2023/24: EUR 5.1 mn) and reflects a EUR 10.0 mn increase in the use of the consortium credit agreement compared with the previous year.

Asset position

Balance sheet data in EUR mn	31 July 2024	30 April 2024
Total assets	1,007.0	987.2
Net debt	93.3	77.1
<i>Debt coverage ratio</i>	<i>0.86</i>	<i>0.73</i>
Equity	438.2	425.2
<i>Equity ratio in %</i>	<i>43.5</i>	<i>43.1</i>
<i>Gearing in %</i>	<i>21.3</i>	<i>18.1</i>
CAPEX	13.4	64.2
<i>thereof CAPEX excl. IFRS 16</i>	<i>11.6</i>	<i>50.8</i>
Working capital	242.7	225.6
<i>As a % of rolling 12 month revenues</i>	<i>21.5</i>	<i>20.0</i>

The balance sheet total of the Zumtobel Group equalled EUR 1,007.0 mn as of 31 July 2024 and remained nearly unchanged from the last balance sheet date on 30 April 2024 (EUR 987.2 mn).

**Stable and solid
balance sheet
structure**

Working capital totalled EUR 242.7 mn as of 31 July 2024 and was EUR 17.1 mn higher than on 30 April 2024 (EUR 225.6 mn). As a per cent of rolling 12-month revenues, working capital rose from 20.0% to 21.5%. The main driver compared with 30 April 2024 involved the settlement of trade payables.

The equity ratio improved to 43.5% as of 31 July 2024 (30 April 2024: 43.1%). Equity rose by EUR 13.0 mn from EUR 425.2 mn as of 30 April 2024 to EUR 438.2 mn. Net liabilities increased to EUR 93.3 mn as of 31 July 2024 (30 April 2024: EUR 77.1 mn). The balance sheet structure of the Zumtobel Group remains stable and strong.

Outlook for the 2024/25 financial year

- >> Revenue growth at least slightly higher year-on-year confirmed
- >> Adjusted EBIT margin of 3% to 6% confirmed

Outlook on 2024/25: Revenues at least slightly over previous year and adjusted EBIT margin of 3–6%

The management of the Zumtobel Group continues to see the current geopolitical and economic situation as stressed. That makes it difficult to predict economic developments in the 2024/25 financial year. The further course of the war in Ukraine and in the Near East, the development of energy, raw materials and transport prices, continuing higher personnel costs, and inflation and interest rate trends will have a significant influence on the global economy and, in turn, on the success of the Zumtobel Group. Against this backdrop and with reference to the above-mentioned uncertainties, the Management Board of Zumtobel Group expects moderate revenue growth at least slightly above the prior year level for the 2024/25 financial year. The adjusted EBIT margin is expected to range from 3% to 6%.

Dornbirn, 5 September 2024

The Management Board

Alfred Felder
Chief Executive Officer (CEO)

Thomas Erath
Chief Financial Officer (CFO)

Bernard Motzko
Chief Operating Officer (COO)

Marcus Frantz
Chief Digital Transformation Officer (CDTO)

Condensed Consolidated Interim Financial Statements
as of 31 July 2024

Zumtobel Group AG has adjusted the scope of the interim reports due to the changed requirements of the “Prime Market Rules“ of the Vienna Stock Exchange for first and third quarter interim reporting. Financial information presented in the interim report for the first quarter of 2024/25 is fundamentally based on the same accounting and valuation methods underlying the consolidated financial statements of the Zumtobel Group AG for the 2023/24 financial year.

Consolidated Income Statement

in TEUR	Q1 2024/25	Q1 2023/24
Revenues	289,066	285,553
Cost of goods sold	(178,932)	(183,043)
Gross profit	110,134	102,510
Selling expenses	(80,805)	(75,670)
Administrative expenses	(10,827)	(11,930)
Other operating income	341	193
Other operating expenses	(95)	(597)
Operating profit	18,748	14,506
Interest expense	(2,769)	(2,592)
Interest income	163	159
Other financial income and expenses	(1,959)	(1,082)
Financial results	(4,565)	(3,515)
Profit before tax	14,183	10,991
Income taxes	(1,418)	(1,195)
Net profit for the period	12,765	9,796
<i>thereof due to non-controlling interests</i>	(121)	(147)
<i>thereof due to shareholders of the parent company</i>	12,886	9,943
Average number of shares outstanding – basic (in 1,000 pcs.)	42,834	43,147
Average number of shares outstanding – diluted (in 1,000 pcs.)	42,834	43,147
Earnings per share (in EUR)		
Earnings per share (diluted and basic)	0.30	0.23

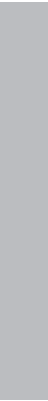
Consolidated Balance Sheet

in TEUR	31 July 2024	30 April 2024
Goodwill	194,740	193,783
Other intangible assets	49,591	49,510
Property, plant and equipment	255,742	255,288
Financial assets	5,379	5,323
Other assets	3,266	3,309
Deferred taxes	33,320	32,629
Non-current assets	542,038	539,842
Inventories	184,750	180,362
Trade receivables	172,435	171,862
Financial assets	3,295	4,373
Other assets	44,721	30,419
Liquid funds	59,741	60,375
Current assets	464,942	447,391
ASSETS	1,006,980	987,233
Share capital	107,867	107,867
Additional paid-in capital	333,687	334,638
Reserves	(4,497)	(18,536)
Capital attributed to shareholders of the parent company	437,057	423,969
Capital attributed to non-controlling interests	1,140	1,273
Equity	438,197	425,242
Provisions for pensions	46,217	47,109
Provisions for termination benefits	37,381	37,217
Provisions for other employee benefits	8,288	8,233
Other provisions	19,699	19,744
Borrowings	62,050	43,212
Other liabilities	18,529	18,808
Deferred taxes	3,938	3,903
Non-current liabilities	196,102	178,226
Provisions for taxes	12,980	13,108
Other provisions	26,783	27,275
Borrowings	92,650	95,738
Trade payables	91,056	105,774
Other liabilities	149,212	141,870
Current liabilities	372,681	383,765
EQUITY AND LIABILITIES	1,006,980	987,233

Consolidated Cash Flow Statement

in TEUR	Q1 2024/25	Q1 2023/24
Profit before tax	14,183	10,991
Depreciation and amortisation	13,202	14,456
Gain/loss on the disposal of property, plant and equipment and intangible assets	(5)	221
Other non-cash financial results	1,959	1,082
Interest income/ Interest expense	2,606	2,433
Changes in the scope of consolidation	444	0
Cash flow from operating results	32,389	29,183
Inventories	(4,361)	(4,228)
Trade receivables	1,445	5,721
Trade payables	(14,896)	(9,766)
Prepayments received	2,586	(7,053)
Change in working capital	(15,226)	(15,326)
Non-current provisions	(1,405)	(1,614)
Current provisions	(528)	(2,271)
Other assets	(14,671)	(2,296)
Other liabilities	2,020	(6,945)
Change in other operating items	(14,584)	(13,126)
Income taxes paid	(2,608)	(1,231)
Cash flow from operating activities	(29)	(500)
Cash inflows from the disposal of property, plant and equipment and other intangible assets	163	18
Cash outflows for the purchase of property, plant and equipment and other intangible assets	(11,617)	(6,567)
Change in non-current and current financial assets	120	225
Interest received	166	158
Cash flow from investing activities	(11,168)	(6,166)
FREE CASH FLOW	(11,197)	(6,666)
Cash proceeds from non-current and current borrowings	20,000	10,000
Cash repayments of non-current and current borrowings	(3,201)	(3,019)
Share buyback	(951)	0
Interest paid	(1,907)	(1,843)
Cash flow from financing activities	13,941	5,138
CHANGE IN CASH AND CASH EQUIVALENTS	2,744	(1,528)
Cash and cash equivalents at the beginning of the period	47,625	36,483
Cash and cash equivalents at the end of the period	49,906	33,376
Effects of exchange rate changes on cash and cash equivalents	(463)	(1,579)
Change absolute	2,744	(1,528)

Service



Service

General Information

The use of automatic data processing equipment can lead to rounding differences.

Financial Terms

CAPEX	Capital expenditure
Debt coverage ratio	= Net debt divided by EBITDA
EBIT	Earnings before interest and taxes
Adjusted EBIT	EBIT adjusted for special effects
Adjusted EBIT margin	= Adjusted EBIT as a percentage of revenues
EBITDA	Earnings before interest, taxes, depreciation and amortisation
Adjusted EBITDA	EBITDA adjusted for special effects
Equity ratio	= Equity as a percentage of assets
Gearing	= Net debt as a percentage of equity
Net debt	= Non-current borrowings + current borrowings – liquid funds – current financial receivables from associated companies – receivables from credit institutions from a continuing involvement based on the factoring agreement
Working capital	= Inventories + trade receivables – trade payables – prepayments received – customer bonuses, discounts and rebates

Financial Calendar

Half-Year Financial Report 2024/25 (1 May 2024 – 31 October 2024)	05 December 2024
Interim Report Q1 – Q3 2024/25 (1 May 2024 – 31 January 2025)	06 March 2025

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Financial Reports

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More Information

on Zumtobel Group AG and our brands can be found on the Internet under: <https://z.lighting/>

Imprint

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Disclaimer

This quarterly report includes statements on future developments, which are based on information available at the present time and involve risks and uncertainties that could cause the results realised at a later date to vary from these forward-looking statements. These statements on future developments are normally characterised by expressions like "preview", "outlook", "believe", "expect", "estimate", "intend", "plan", "goal", "evaluation", "can/could", "become" or similar terms or can be interpreted as a statement on future developments because of the context. The statements on future developments are not to be understood as guarantees. On the contrary, future developments and results are dependent on a wide range of factors and connected with various risks and incalculable events. They are also based on assumptions that may prove to be incorrect. Included here, for example, are unforeseeable changes in the political, economic and business environment, especially in the regions where the Zumtobel Group operates as well as the competitive situation, interest rates and foreign exchange rates, technological developments and other risks and incalculable events. Risks may also arise as a result of price developments, unforeseeable events in the operating environments of acquired companies or Group companies as well as ongoing cost optimisation programmes. Neither the Zumtobel Group nor any persons involved in the preparation of this quarterly report accepts any liability whatsoever for the correctness and completeness of the statements on future developments contained in this report. The Zumtobel Group does not plan to update these forward-looking statements. The quarterly report is also presented in English, but only the German text is binding. This quarterly report does not represent a recommendation or invitation to buy or sell securities issued by the Zumtobel Group.