



CONSOLIDATED INTERIM REPORT OF HÖRMANN INDUSTRIES GMBH, KIRCHSEEON,  
FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2024

# Key figures at a glance

## Financial position and results of operations

(in EUR million)

	1 Jan. – 31 Mar. 2024	1 Jan. – 31 Mar. 2023
Sales	165.6	172.1
Total output <sup>1</sup>	180.9	195.3
Gross profit	82.1	79.7
EBITDA <sup>2</sup>	4.0	5.3
EBIT <sup>3</sup>	0.9	2.5
Cash flow from operating activities	-6.6	2.7
Cash flow from investing activities	-4.9	-8.6
Employees <sup>4</sup>	3,003	2,919

## Net assets

(in EUR million)

	31 Mar. 2024	31 Dec. 2023
Total assets	383.7	376.7
Equity	134.6	136.6
Equity ratio <sup>5</sup>	35.1%	36.3%
Working capital <sup>6</sup>	110.2	110.8
Net cash and cash equivalents <sup>7</sup>	47.0	59.2

<sup>1</sup> Sales plus change in inventories and other own work capitalised  
<sup>2</sup> Consolidated net income before depreciation and amortisation, financial result and income taxes  
<sup>3</sup> Consolidated net income before financial result and income taxes  
<sup>4</sup> Average number for the period excluding trainees  
<sup>5</sup> Equity/total assets  
<sup>6</sup> Inventories plus trade receivables minus trade payables  
<sup>7</sup> Bank balances incl. securities classified as current assets minus liabilities to banks

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# Broad diversification with four strong divisions





# Basic information on the Group

The Group (also referred to hereinafter as “HÖRMANN Industries”), comprising HÖRMANN Industries GmbH as the Group parent company and its direct and indirect subsidiaries, forms the industrial subgroup of the HÖRMANN Group. The Group is broken down into four divisions to which the individual companies are allocated.

Active subsidiaries also include HÖRMANN Digital GmbH, an overarching service provider for the development of software-based product solutions and enhancements, and HÖRMANN Informationssysteme GmbH (direct subsidiary of HÖRMANN Holding GmbH & Co. KG), a Group-wide service provider for IT infrastructure and software systems for business process digitalisation.

The material equity investments are allocated to the divisions as follows:

## AUTOMOTIVE

- ♦ HÖRMANN Automotive GmbH, Kirchseeon
- ♦ HÖRMANN Automotive Gustavsborg GmbH, Ginsheim-Gustavsborg
- ♦ HÖRMANN Automotive Slovakia s.r.o., Bánovce, Slovakia
- ♦ HÖRMANN Automotive St. Wendel GmbH, St. Wendel
- ♦ HÖRMANN Automotive Saarbrücken GmbH, Saarbrücken
- ♦ HÖRMANN Automotive Wackersdorf GmbH, Wackersdorf
- ♦ HÖRMANN Automotive Assets GmbH, Kirchseeon

In the **Automotive** division, HÖRMANN Industries is a supplier of metal components, modules and systems for the European commercial vehicle, construction and agricultural machinery industries.

The division covers the entire value chain with its engineering, technology development, production and logistics services.

The Group’s largest domestic location is HÖRMANN Automotive Gustavsborg GmbH, which specialises in the production of chassis and body parts and attachments for commercial vehicles. It is also a manufacturer of side members.

The other locations include HÖRMANN Automotive St. Wendel GmbH, a manufacturer of metal components for the agricultural machinery industry in particular; HÖRMANN Automotive Saarbrücken GmbH, a manufacturer of interior systems for buses, complex welded assemblies through to full chassis for agricultural machinery and turnkey installation systems; HÖRMANN Automotive Wackersdorf GmbH, which assembles electronic and mechanical modules and charging stations; and HÖRMANN Automotive Slovakia s.r.o., which produces labour-intensive metal components and chassis attachments for the commercial vehicle industry. HÖRMANN Automotive Assets GmbH holds assets and operating resources for companies in the Automotive division.

## COMMUNICATION

- ♦ Funkwerk AG, Köllda
- ♦ Funkwerk Technologies GmbH, Köllda
- ♦ Funkwerk StatKom GmbH, Köllda
- ♦ Funkwerk Systems GmbH, Köllda
- ♦ Funkwerk Systems Austria GmbH, Vienna, Austria
- ♦ Radionika Sp. z o.o., Krakow, Poland
- ♦ Funkwerk Security Solutions GmbH, Nuremberg
- ♦ Funkwerk IoT GmbH, Köllda
- ♦ Elektrotechnik und Elektronik Oltmann GmbH, Berlin
- ♦ HÖRMANN Kommunikation & Netze GmbH, Kirchseeon
- ♦ HÖRMANN Warnsysteme GmbH, Kirchseeon
- ♦ HÖRMANN - KMT Kommunikations- und Meldetechnik GmbH, Salzburg, Austria
- ♦ HÖRMANN Warnsysteme Bulgaria EOOD, Sofia, Bulgaria

Funkwerk AG and its subsidiaries (the Funkwerk Group) are providers of communication, information and security systems.

They focus on hardware and software components for railway companies, public transportation, inland shipping and airports in addition to smart security systems to protect buildings, public spaces, industrial properties, transport and people. Funkwerk also offers tailored solutions for voice and data communication using analogue and digital mobile networks (LTE, GSM-R) in rail transport.

In the first quarter of 2024, Funkwerk Systems GmbH acquired 100% of the shares in Elektrotechnik und Elektronik Oltmann GmbH, headquartered in Berlin. The company was consolidated for the first time when the shares were transferred on 31 March 2024.

HÖRMANN Kommunikation & Netze GmbH is a provider of installation, assembly and accompanying services for the public infrastructure relating to railway traffic and communication technology as well as energy supply.

HÖRMANN Warnsysteme GmbH, HÖRMANN – KMT Kommunikations- und Meldetechnik GmbH, Salzburg, Austria and newly founded HÖRMANN Warnsysteme Bulgaria EOOD, Bulgaria, bundle the Group’s siren warning systems for alerting the fire brigade and for civilian disaster warning. The project-specific solutions are performed from a single source, from planning, development and realisation to long-term maintenance.

## INTRALOGISTICS

- ♦ HÖRMANN Intralogistics GmbH, Kirchseeon
- ♦ HÖRMANN Intralogistics Solutions GmbH, Munich
- ♦ HÖRMANN Logistiek Polska Sp. z o.o., Gdansk, Poland
- ♦ HÖRMANN Intralogistics Solutions GesmbH, Graz, Austria
- ♦ HÖRMANN Klatt Conveyors GmbH, Neumarkt am Wallersee, Austria
- ♦ HÖRMANN Intralogistics Services GmbH, Salzgitter
- ♦ HÖRMANN Energy Solutions GmbH, Lehre/Wolfsburg

The dynamic market development and strong market demand in recent years for system solutions for intralogistics, for automation solutions for production, warehouse and distribution logistics as well as for services for these industries show long-term potential for growth.

The **Intralogistics** division, comprising HÖRMANN Intralogistics Solutions GmbH, HÖRMANN Logistiek Polska Sp. z o.o. and HÖRMANN Intralogistics Solutions GesmbH, operates as a general contractor in the planning and implementation of turnkey material flow systems. Using material flow concepts, complex storage

strategies and internally developed software, intralogistics solutions are implemented for individual requirements, thereby enabling international customers from a wide range of industries to achieve enhancements in productivity and efficiency. With HÖRMANN Klatt Conveyors GmbH, the portfolio has been expanded to include the products and conveyor systems developed, planned and manufactured by the company. HÖRMANN Klatt Conveyors GmbH has become an international provider of conveyor systems for industry, airports, mail sorting centres, waste disposal and hospitals.

HÖRMANN Intralogistics Services GmbH is expanding its existing range of services (conception, implementation, commissioning, including maintenance, servicing, periodic inspections, relocations, and life-cycle service for automated manufacturing and production facilities) with aftersales service in the Intralogistics division, and vertical integration is being increased with in-house assembly services and commissioning.

The HÖRMANN Energy Solutions GmbH unit is positioned in the field of renewable energy, where it plans, installs and maintains system solutions for generating and using regenerative energy.

## ENGINEERING

- ♦ HÖRMANN BauPlan GmbH, Chemnitz
- ♦ HÖRMANN Rawema Engineering & Consulting GmbH, Chemnitz
- ♦ HÖRMANN Vehicle Engineering GmbH, Chemnitz
- ♦ VacuTec Meßtechnik GmbH, Dresden

The **Engineering** division operates in building and industrial planning and in vehicle development. This service range is supplemented by the development and production of detectors for measuring ionising radiation.



› Dr.-Ing. Michael Radke, CEO (center) in conversation with Johann Schmid-Davis, CFO (left) and Dr.-Ing. Christian Baur, CTO (right)

HÖRMANN BauPlan GmbH provides engineering services within the construction industry, with a particular focus on commercial and residential construction and especially technical building services.

HÖRMANN Rawema Engineering & Consulting GmbH supplements the service range with general planning and realisation for new factories and the re-engineering and/or relocation of existing factories and facilities.

HÖRMANN Vehicle Engineering GmbH harnesses its expertise and resources in high-tech design engineering for the development of rail and road vehicles.

VacuTec Meßtechnik GmbH develops, produces and markets a broad range of detectors for measuring ionising radiation for use in medicine, industrial metrology and environmental monitoring.

» We are firmly convinced that our strategies and investments will create long-term value for our Group and our stakeholders. Our team is highly motivated to break new ground, capitalise on growth opportunities and strengthen our market position. «

DR. MICHAEL RADKE, CEO

# Economic report

## GENERAL ECONOMIC AND INDUSTRY CONDITIONS

According to the German Federal Statistical Office (Destatis), Germany’s gross domestic product (GDP) adjusted for inflation, seasonal and calendar effects increased slightly by 0.2% in the first quarter of 2024 as against the fourth quarter of 2023.<sup>1</sup> It had previously fallen by 0.5% at the end of 2023 as against the third quarter of 2023. After adjustment for inflation and calendar effects, GDP was 0.2% lower in the first three months of 2024 than in the first quarter of 2023. The slight growth at the beginning of the year was driven by increases in construction investment and exports. By contrast, private consumer spending decreased. Economic growth in Germany thus remains at a low level when compared internationally with other industrialised nations.

Incoming orders in the manufacturing sector also reflect the muted economic situation in Germany. According to Destatis, real (inflation-adjusted) incoming orders in the manufacturing sector fell by 0.4% between February 2024 and March 2024 after adjustment for seasonal and calendar effects.<sup>2</sup> In the less volatile three-month comparison, incoming orders from January to March 2024 were 4.3% lower than in the three months before. Within the manufacturing sector, very different developments could be observed in the various sub-sectors in March 2024. In other vehicle construction (aircraft, ships, trains), incoming orders were down 2.3% on the previous month after adjustment for seasonal and calendar effects. By contrast, growth in incoming orders for electrical equipment production (+5.9%) had a positive impact.

Production in the manufacturing sector saw similar development: According to provisional figures from the Federal Statistical Office of Germany, production declined by 0.4% in real terms between February 2024 and March 2024 after adjustment for seasonal and calendar effects.<sup>3</sup> Looking at the first quarter of 2024 as a whole, production was 1.0% higher than in the fourth quarter of 2023. However, production in March 2024 was down 3.3% compared to March 2023 after adjustment for calendar effects.

<sup>1</sup> Destatis press release No. 173, 30 April 2024  
<sup>2</sup> Destatis press release No. 179, 7 May 2024  
<sup>3</sup> Destatis press release No. 182, 10 May 2024

According to the European Automobile Manufacturers’ Association (ACEA), the EU commercial vehicle market saw a 4% decline in registration volumes to 85,296 units in the truck segment despite growth on the market for electrically chargeable trucks.<sup>4</sup>

## RESULTS OF OPERATIONS

HÖRMANN Industries generated **sales** of EUR 165.6 million in the first quarter of 2024. This represented a decline of EUR 6.5 million or 3.8% as against the same quarter of previous year (EUR 172.1 million).

The reporting period was characterised by a larger than expected decline in market demand for commercial vehicles. MAN Truck & Bus AG, a TRATON SE brand, was again the main customer for the Automotive division in the first quarter of 2024. In the reporting period, the truck segment at MAN Truck & Bus AG recorded a 33% decline in incoming orders and a 23% decline in sales volumes as against the same quarter of the previous year.<sup>5</sup> In addition to MAN Truck & Bus AG, Daimler Truck Holding is another key customer in the Automotive division. According to the company, sales volumes in the Mercedes-Benz segment also decreased significantly by 8% in Europe (EU 30) in the first quarter of 2024.<sup>6</sup>

The agricultural machinery industry, which is another very important market segment for HÖRMANN Automotive, also saw a record low in production in the first quarter of 2024, according to the CEMA Business Barometer published in April 2024. The production volume of high-quality components for this sector accordingly declined by more than 20% compared to the same quarter of the previous year.

As a result of the unexpectedly sharp decline in demand from the truck industry and the agricultural machinery industry, sales at HÖRMANN Automotive were lower than planned and below the level of the prior-year quarter. In addition, the continued reluctance to invest that can be seen in Germany and Europe due to high interest rates is also negatively impacting the Intralogistics division, which fell short of the planning for both incoming orders and sales in the first quarter.

<sup>4</sup> ACEA press release, 30 April 2024  
<sup>5</sup> TRATON SE, Interim Statement as of 31 March 2024  
<sup>6</sup> Daimler Truck, Interim Report Q1 2024

Taking into account inventory changes of EUR 15.3 million and own work capitalised of EUR 0.1 million, **total output** at HÖRMANN Industries amounted to EUR 180.9 million, down EUR 14.5 million or 7.4% on the same period of the previous year (EUR 195.3 million).

The **cost of materials** of EUR 100.6 million (previous year: EUR 118.1 million) included costs of raw materials, consumables and supplies and of purchased merchandise (including energy) of EUR 81.9 million (previous year: EUR 100.0 million) and costs of purchased services of EUR 18.7 million (previous year: EUR 18.1 million). The cost of materials corresponded to 55.6% of total output, down 4.8 percentage points on the prior-year figure (60.4%).

**Other operating income** of EUR 1.8 million was down slightly on the previous year’s level (EUR 2.4 million) and included income from the reversal of provisions of EUR 0.1 million, income from investment and research grants of EUR 0.5 million, payments in kind of EUR 0.5 million, income from the reversal of write-downs of EUR 0.2 million and prior-period income of EUR 0.2 million.

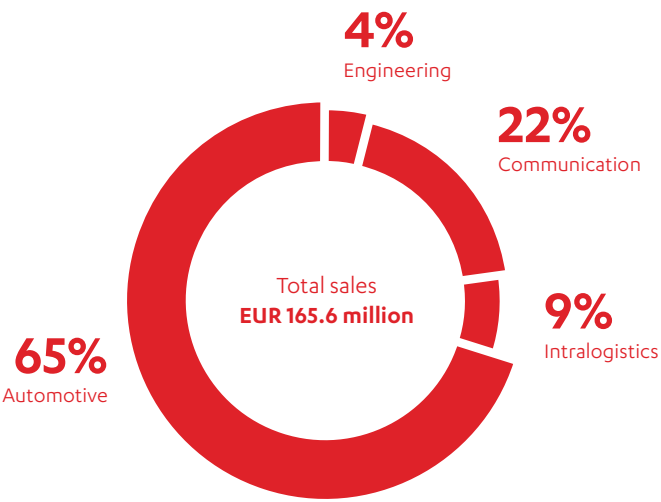
At EUR 82.1 million, **gross profit** increased by EUR 2.4 million compared with the prior-year figure of EUR 79.7 million. In the reporting year, the gross profit margin increased by 4.6 percentage points year-on-year to 45.4% of total output (previous year: 40.8%).

**Personnel expenses** of EUR 52.7 million were up EUR 3.9 million on the previous year (EUR 48.8 million). The staff cost ratio came to 29.2% of total output after 25.0% in the same period of the previous year. On average, HÖRMANN Industries employed 3,003 people during the year (2023: 2,919), not including trainees.

**Depreciation and amortisation** were up EUR 0.3 million above the previous year’s level and were at EUR 3.1 million (EUR 2.8 million). This included goodwill amortisation of EUR 0.6 million (previous year: EUR 0.4 million) as planned.

**Other operating expenses** were almost unchanged year-on-year at EUR 25.1 million (previous year: EUR 25.2 million). EUR 4.3 million of this related to the cost of buildings and premises, EUR 6.6 million to administrative expenses and EUR 9.9 million to operating and selling expenses. Other operating expenses corresponded to 13.8% of total output, which was slightly higher than in the first quarter of 2023 (12.9%).

Breakdown of sales by business division for Q1 2024 in EUR million



The **operating result**, which consists of gross profit less personnel expenses, depreciation and amortisation and other operating expenses, decreased by EUR 1.7 million or 58.3% to EUR 1.2 million in the reporting period as compared to the first quarter of 2023 (EUR 2.9 million).

After deducting **other taxes** of EUR 0.3 million (previous year: EUR 0.4 million), **EBIT** for the first quarter of 2024 amounted to EUR 0.9 million (previous year: EUR 2.5 million).

The **earnings before interest, taxes, depreciation and amortisation (EBITDA)** generated in the first quarter of 2024 amounted to EUR 4.0 million (previous year: EUR 5.3 million). Thus, an EBITDA margin of 2.4% of total output (previous year: 2.7%) was achieved.

At EUR –1.3 million, the **financial result** was lower than in the same period of the previous year (EUR –1.0 million). In the first quarter of the 2024 financial year, interest and similar expenses including commitment fees were incurred in the amount of EUR 2.0 million (previous year: EUR 1.4 million) for the 2023/2028 bond issued in July 2023, the credit facilities of EUR 40 million provided under the existing syndicated loan agreement, the tranche drawn down under the KfW entrepreneur loan and the note receivable of EUR 17.5 million borrowed in January 2024. These expenses were offset by interest and investment income of EUR 0.7 million (previous year: EUR 0.3 million).



The **income tax expense** for trade and corporation tax amounted to EUR 1.5 million in the first quarter of 2024 (previous year: EUR 1.4 million).

The reporting period ended with a **consolidated net loss** of EUR 1.9 million (previous year: consolidated net income of EUR 0.1 million).

**FINANCIAL POSITION**

**Capital structure**

**Total assets** rose by EUR 7.0 million from EUR 376.7 million at the end of the previous year (31 December 2023) to EUR 383.7 million as at 31 March 2024.

The Group’s **equity** including non-controlling interests amounted to EUR 134.6 million as at 31 March 2024 (31 December 2023: EUR 136.6 million). The equity ratio decreased to 35.1% as at 31 March 2024 (31 December 2023: 36.3%).

Including inventories of EUR 93.9 million and trade receivables of EUR 67.4 million and less trade payables of EUR 51.2 million, **working capital** remained essentially unchanged at EUR 110.2 million at the end of the first quarter of 2024 (31 December 2023: EUR 110.8 million).

Liabilities in connection with **bonds** amounted to EUR 50.0 million as at 31 March 2024 (31 December 2023: EUR 50.0 million). A bond of EUR 50.0 million with a coupon of 7.0% and a term of five years maturing as at 11 July 2028 was issued in July 2023.

There were **liabilities to banks** of EUR 22.2 million as at 31 March 2024 (31 December 2023: EUR 5.7 million). The KfW entrepreneur loan granted in 2020 with a nominal amount of EUR 10.0 million resulted in liabilities of EUR 3.8 million at the reporting date (31 December 2023: EUR 4.4 million). The loan has a term of five years with 16 quarterly repayment instalments beginning in the second year. By the end of the first quarter of 2024, cumulative repayments of EUR 6.2 million had been made.

Under the syndicated loan agreement concluded with a bank consortium comprising SaarLB, Commerzbank AG, HeLaBa and Oberbank AG, the Group has a credit facility of up to EUR 40.0 million until the end of 2025, of which up to EUR 15 million can be used as a current account credit line and up to EUR 25 million as a

revolving EURIBOR line. This loan had been utilised in the amount of EUR 0.2 million as at 31 March 2024 (31 December 2023: EUR 0.0 million). In addition, there is a local foreign credit facility (Volksbank Salzburg eG) of EUR 2.5 million that can be used as a current account credit line and a surety facility. Liabilities from this amounted to EUR 0.7 million as at 31 March 2024 (31 December 2023: EUR 1.4 million). In addition, a note receivable of EUR 17.5 million (31 December 2023: EUR 0.0 million) with a term of three years (EUR 7.5 million) and six years (EUR 10 million) was borrowed in the first quarter of 2024.

**Liquidity**

**Bank balances** amounted to EUR 69.2 million as at 31 March 2024 (31 December 2023: EUR 64.9 million). There were credit facilities of EUR 41.0 million available as at 31 March 2024 (31 December 2023: EUR 40.8 million).

HÖRMANN Industries had **net cash and cash equivalents** of EUR 47.0 million at the balance sheet date (31 December 2023: EUR 59.2 million). Net cash and cash equivalents are calculated as cash in hand and bank balances less liabilities to banks. With net cash and cash equivalents of EUR 47.0 million and the unutilised credit facilities of EUR 41.0 million, HÖRMANN Industries still has sufficient liquidity.

**Consolidated Cash Flow Statement**

The cash flow statement is structured in accordance with GAS 21. In the first quarter of 2024, **cash flow from operating activities** decreased to EUR –6.6 million (previous year: EUR 2.7 million).

**Cash flow from investing activities** amounted to EUR –4.9 million in the first quarter of 2024 and was thus lower than in the previous year (EUR –8.6 million).

**Cash flow from financing activities** amounted to EUR 15.5 million (previous year: EUR –1.4 million). In the first quarter of 2024, repayments of EUR 0.6 million were made on the KfW loan. Furthermore, payments for interest and dividends/distributions for shareholders of the parent company and other shareholders amounted to EUR 0.8 million (previous year: EUR 0.0 million). A note receivable of EUR 17.5 million (previous year: EUR 0.0 million) was also utilised.

Group companies were able to meet their payment obligations at all times.

**Assets and liabilities**

At EUR 3.5 million, additions to **tangible and intangible assets** were EUR 0.7 million above those made in the same period of the previous year (EUR 2.8 million) and EUR 0.4 million above depreciation and amortisation on fixed assets (EUR 3.1 million; previous year: EUR 2.7 million).

Financial assets amounted to EUR 19.5 million in the reporting period and were thus unchanged as against 31 December 2023 (EUR 19.5 million).

Total **inventories** (after deducting payments received on account of orders) rose from EUR 82.1 million as at 31 December 2023 to EUR 93.9 million as at 31 March 2024. The main reason for this was the increase in unfinished goods and services to EUR 131.8 million (31 December 2023: EUR 117.2 million) and the simultaneous increase in payments received on account of orders by EUR 6.6 million to EUR 96.3 million (31 December 2023: EUR 89.7 million). Days in inventory increased to 48.1 days (2023: 36.9 days). Daily sales were calculated by dividing inventories as at 31 March 2024 by the average sales per day in the period under review.

The positive economic development forecast for 2024 in the German federal government’s autumn report and made by key customers was not confirmed by real economic data in the first quarter. The reluctance on the part of industrial companies to invest that has been increasingly noticeable since the end of 2023 also continued in the first quarter of 2024, causing **incoming orders** to decline by EUR 87.9 million or 32.1% to EUR 186.2 million in the reporting period as against the same period of 2023 (EUR 274.1 million). **Orders on hand** amount to EUR 462.9 million as at 31 March 2024 (31 December 2023: EUR 449.8 million).

Due to reporting date and seasonal factors, **trade receivables** decreased from EUR 83.0 million to EUR 67.4 million in the first quarter of 2024, corresponding to 41.0 days (2023: 34.9 days). Daily sales were calculated by dividing receivables as at 31 March 2024 by the average sales per day in the period under review. As in previous years, the Automotive division is included in reverse factoring arrangements with two major customers under which current trade receivables with a short payment term of less than ten days are typically purchased on a fintech platform.

**Other assets** increased from EUR 23.6 million to EUR 26.2 million. As at the balance sheet date, this included receivables from income tax of EUR 12.1 million (31 December 2023: EUR 12.1 million).

**Deferred taxes** are taken over from the single-entity financial statements. Deferred tax assets mainly result from differences between the amounts recognised for provisions in the financial accounts and the tax accounts, and from tax loss carryforwards that could be used at a future date. As at 31 March 2023, this item had a value of EUR 17.0 million (31 December 2023: EUR 17.0 million).

**Pension provisions** were up slightly year-on-year at EUR 19.4 million as at 31 March 2024 (31 December 2023: EUR 19.2 million).

At EUR 5.5 million, **tax provisions** were down slightly compared to the carrying amount as at the end of the previous year (31 December 2023: EUR 5.8 million).

**Trade payables** decreased slightly from EUR 54.2 million to EUR 51.2 million as a result of reporting date and seasonal factors. The utilisation of trade credit for the cost of materials and other operating expenses increased from an average of 32.9 days (2023) to 37.8 days. The average duration of credit utilisation is calculated by dividing trade payables as at 31 March 2024 by the total of the average cost of materials and other operating expenses per day in the period under review.

Exchange rate effects had no material impact on the Group’s net assets, financial position and results of operations.



# Outlook

## GENERAL ECONOMIC CONDITIONS

According to the latest estimate by the International Monetary Fund (IMF) from April 2024, global economic growth is expected to come to 3.2% in 2024, ten basis points lower than had been anticipated in January.<sup>7</sup> By contrast, the IMF's forecast for the growth rate in industrialised countries in 2024 has improved slightly to 1.7% (January forecast: 1.5%). Growth in the euro area is expected to increase from its low level of 0.4% in 2023, which was primarily due to the negative effects of the Ukraine war, to 0.8% in 2024. For Germany, the forecast for economic growth has been revised downward by 0.3 percentage points on account of weak consumer sentiment, so the IMF now expects it to come to just 0.2% in 2024. This forecast of stagnation in economic growth of 0.2% has also been confirmed by the latest report from the German federal government's Council of Economic Experts.

## OVERALL ASSESSMENT OF THE FUTURE DEVELOPMENT OF HÖRMANN INDUSTRIES

Geopolitical, economic, financial and industry developments will continue to influence HÖRMANN Industries' operating and financial performance in the 2024 financial year. The Group's forecasts for its expected business performance in 2024 are based on certain assumptions regarding the development of the economy in Germany, the euro area and specific industries. At the time of reporting, HÖRMANN Industries' forecasts are influenced by continued major uncertainty regarding economic developments, the aftermath of high inflation in the euro area, the ongoing war in Ukraine and the Middle East, and the possible associated economic and financial repercussions.

The 2024 production planning forecast by a key customer of the HÖRMANN Automotive division at the start of 2024 supported the Automotive division's planning assumption. The new forecasts recently communicated by the main customer came as a surprise and show an unexpectedly sharp reduction

in the 2024 production programme of around another –15% compared to the forecast from the beginning of the year and around –20% overall as against 2023. The detailed internal analysis shows that this unexpectedly sharp slump will have a significant negative impact on the positively planned sales and earnings performance of the HÖRMANN Automotive division in the current 2024 financial year, which is therefore likely to slip back into the red following the operating turnaround in 2023.

Taking into account and assessing the latest forecasts from the truck industry and the current order situation, management currently expects HÖRMANN Industries to generate sales of between EUR 680 million and EUR 700 million in the 2024 financial year (2023: EUR 830.9 million). This sales expectation is thus around EUR 20 million to EUR 30 million lower than that published in the outlook in the 2023 annual report (EUR 700 million to EUR 730 million), which will have an impact of around EUR 4 million on the earnings expectation from the 2023 management report. For operating activities, positive EBIT between EUR 16 million and EUR 20 million is currently targeted (2023: EUR 30.7 million). EBIT of between EUR 22 million and EUR 24 million was originally expected. This earnings forecast will depend to a large extent on whether price increases can be successfully implemented with HÖRMANN Automotive's customers.

Management is confident that HÖRMANN Industries will successfully overcome the challenges known to date on the basis of the stable net assets and financial position, taking into account the actions already initiated to reduce costs and given the broad diversification of its business activities.

Opportunities for the further development of HÖRMANN Industries will continue to be systematically pursued, taken and utilised in all subsidiaries as part of the regular strategy process. In addition to observing internal and external data and the development of competitors, this is achieved using regular reports, strategic product and project management and the establishment of a systematic strategy process.

Over the coming years, HÖRMANN Industries will continue to pursue the goal of profitable growth while focusing on the Group's strengths. With the continued and targeted strengthening of the Communication and Intralogistics divisions, HÖRMANN Industries is pursuing a strategy of positioning itself as a broadly diversified group built on four profitable pillars with strong future prospects and a high degree of resilience to economic fluctuations. This strategy withstood the test in the crisis years of 2020 to 2023, allowing the Group to generate consistently positive consolidated earnings even in a 2024 financial year characterised by stagnation – and despite another slump in the Automotive division and the current challenges in the Intralogistics division – thanks to the very good performance in the Communication and Engineering divisions.

In the medium term, intensive work will continue on generating a sustained EBIT margin of around 5% per year. The Group intends to achieve this goal not only through systematic income management and organic growth, but also through optimisation of the portfolio and supplementary acquisitions.

Overall, HÖRMANN Industries believes that its closely maintained relationship with its customers, which it is actively intensifying, is a key factor in the Group's success. In addition to its extensive existing customer base, it intends to press ahead with new business while also placing system solutions and services on the market. Another important factor for future success will be the continued intensification of interdisciplinary cooperation between the various specialist units and companies within HÖRMANN Industries, particularly across division boundaries. This can open up new services that will benefit long-standing customers.

The Group's strengths and opportunities also include the successful retention of specialists and the long service of its employees, which allow it to make the available expertise and specialist experience available across the various divisions so as to benefit customers.

Accordingly, attractive incentive systems, interesting training and development opportunities, a new programme to promote young talent and modern working concepts are used as means of further strengthening the perception of HÖRMANN Industries as an attractive employer.

Kirchseeon, May 2024

HÖRMANN Industries GmbH

The Management



Dr.-Ing. Michael Radke



Johann Schmid-Davis



Dr.-Ing. Christian Baur

<sup>7</sup> IWF World Economic Outlook April 2024

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# Consolidated Balance Sheet

ASSETS (EUR thousand)	31 Mar. 2024	31 Dec. 2023
<b>A. FIXED ASSETS</b>	<b>88,115</b>	<b>86,419</b>
<b>I. Intangible assets</b>	<b>15,676</b>	<b>14,832</b>
1. Purchased concessions, industrial property rights and similar rights and assets and licenses in such rights and assets	2,927	2,851
2. Goodwill	12,423	11,827
3. Advance payments	326	153
<b>II. Tangible assets</b>	<b>52,947</b>	<b>52,093</b>
1. Land, leasehold rights and buildings on third-party land	14,431	14,489
2. Technical equipment and machinery	19,021	18,285
3. Other equipment, factory and office equipment	10,454	10,281
4. Advance payments and assets under construction	9,042	9,038
<b>III. Non-current financial assets</b>	<b>19,492</b>	<b>19,495</b>
1. Equity investments	357	357
2. Securities held as fixed assets	341	341
3. Other loans	18,793	18,797
<b>B. CURRENT ASSETS</b>	<b>275,798</b>	<b>270,770</b>
<b>I. Inventories</b>	<b>93,921</b>	<b>82,082</b>
1. Raw materials, consumables and supplies	38,656	35,375
2. Work in progress	131,831	117,187
3. Finished goods and merchandise	16,950	16,077
4. Advance payments	2,741	3,093
5. Payments received on account of orders	-96,257	-89,650
<b>II. Receivables and other assets</b>	<b>112,695</b>	<b>123,794</b>
1. Trade receivables	67,422	82,961
2. Receivables from affiliated companies	19,113	17,265
3. Other assets	26,160	23,568
<b>III. Cash-in-hand and bank balances</b>	<b>69,182</b>	<b>64,894</b>
<b>C. DEFERRED INCOME</b>	<b>2,554</b>	<b>2,284</b>
<b>D. DEFERRED TAX ASSETS</b>	<b>17,049</b>	<b>17,049</b>
<b>E. EXCESS OF PLAN ASSETS OVER PENSION LIABILITIES</b>	<b>185</b>	<b>185</b>
Total assets	383,701	376,707

# Consolidated Balance Sheet

EQUITY AND LIABILITIES (EUR thousand)	31 Mar. 2024	31 Dec. 2023
<b>A. EQUITY</b>	<b>134,596</b>	<b>136,646</b>
<b>I. Subscribed capital</b>	<b>200</b>	<b>200</b>
<b>II. Capital reserve</b>	<b>37,022</b>	<b>37,022</b>
<b>III. Equity difference from currency translation</b>	<b>121</b>	<b>93</b>
<b>IV. Consolidated balance sheet profit</b>	<b>73,165</b>	<b>75,494</b>
<b>V. Non-controlling interests</b>	<b>24,088</b>	<b>23,837</b>
<b>B. PROVISIONS</b>	<b>104,699</b>	<b>99,478</b>
1. Pension provisions and similar obligations	19,404	19,237
2. Tax provisions	5,534	5,849
3. Other provisions	79,761	74,392
<b>C. LIABILITIES</b>	<b>142,933</b>	<b>139,850</b>
1. Bonds	50,000	50,000
2. Liabilities to banks	22,176	5,723
3. Trade payables	51,181	54,234
4. Liabilities to affiliated companies	4,176	4,055
5. Other liabilities	15,400	25,838
<b>D. DEFERRED INCOME</b>	<b>1,473</b>	<b>733</b>
Total equity and liabilities	383,701	376,707

# Consolidated Income Statement

(EUR thousand)	1 Jan. – 31 Mar. 2024		1 Jan. – 31 Mar. 2023	
1. Total sales	165,548		172,071	
2. Increase in finished goods and work in progress	15,293		23,134	
3. Other own work capitalised	50		132	
4. Other operating income	1,770		2,424	
5. Cost of materials				
a) Expenses for raw materials, consumables and supplies and purchased goods	81,897		100,021	
b) Cost of purchased services	18,701	100,598	18,045	118,066
Gross profit	82,062		79,695	
6. Personnel expenses				
a) Wages and salaries	43,392		40,641	
b) Social contributions and expenses for pensions and social welfare	9,346	52,738	8,186	48,827
7. Depreciation and amortisation on tangible and intangible assets	3,074		2,755	
8. Other operating expenses	25,045		25,224	
9. Other interest and similar income	697		332	
10. Interest and similar expenses	1,990		1,349	
11. Taxes on income and earnings	1,499		1,382	
12. Earnings after taxes	-1,587		490	
13. Other taxes	321		359	
14. Consolidated net income/loss	-1,908		130	
15. Non-controlling interests	-390		-579	
16. Consolidated loss	-2,298		-449	
17. Profit carried forward from the previous year	75,463		72,691	
18. Consolidated balance sheet profit	73,165		72,242	

# Consolidated Cash Flow Statement

(EUR thousand)	1 Jan. – 31 Mar. 2024	1 Jan. – 31 Mar. 2023
Consolidated result (Consolidated net loss/-income including income/loss attributable to non-controlling interests)	-1,908	131
+/- (+) Depreciation/(-) Write-ups on fixed assets	3,074	2,755
+/- (+) Increase/(-) Decrease in provisions	4,164	14,564
+/- Other non-cash expenses/income	-6	-331
+/- (+) Decrease/(-) Increase in inventories, trade receivables and other assets that are not attributable to investing or financing activities	1,679	-12,877
+/- (-) Decrease/(+) Increase in liabilities from trade payables and other liabilities that are not attributable to investing or financing activities	-14,200	-2,660
+/- (-) Gain/(+) Loss from disposal of fixed assets	1	32
+/- Interest expenses/income	1,293	1,016
+/- Income tax expenses/income	1,499	1,382
- Income tax payments	-2,221	-1,283
= Cash flow from operating activities	-6,625	2,729
- Payments for investments in intangible assets	-591	-62
+ Proceeds from the disposal of tangible assets	42	87
- Payments for investments in tangible assets	-2,860	-2,690
+ Proceeds from the disposal non-current financial assets	4	61
- Payments for investments in financial assets	0	-53
- Payments for additions to (disposals from) the scope of consolidation	-1,849	-6,025
+ Interests received	372	94
= Cash flow from investing activities	-4,882	-8,588
+ Proceeds from (financial) loans	17,547	0
- Payments for redemption of (financial) loans	-1,257	-882
- Interests paid	-705	-480
- Dividends paid to other shareholders	-125	0
= Cash flow from financing activities	15,460	-1,362
Changes in cash and cash equivalents	3,953	-7,221
+/- Exchange rate and valuation-related changes in cash and cash equivalents	27	5
+/- Change in cash and cash equivalents due to changes in consolidated group	308	-23
Cash and cash equivalents at beginning of period	64,894	73,091
Cash and cash equivalents at end of period	69,182	65,852



# Consolidated Statement of Changes in Fixed Assets

CONSOLIDATED STATEMENT OF CHANGES IN FIXED ASSETS FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2024

(EUR thousand)	ACQUISITION/CONSTRUCTION COSTS							DEPRECIATION AND AMORTISATION				BOOK VALUES	
	Balance on 1 Jan. 2024	Addition	Additions due to changes in the scope of consolidation	Disposal	Transfers	Currency exchange differences	Balance on 31 Mar. 2024	Balance on 1 Jan. 2024	Addition	Disposal	Balance on 31 Mar. 2024	Book value 31 Mar. 2024	Book value 31 Dec. 2023
A. FIXED ASSETS													
I. Intangible assets													
1. Purchased concessions, industrial property rights and similar rights and assets and licenses in such rights and assets	7,830	418	5	0	0	0	8,253	4,979	347	0	5,326	2,927	2,851
2. Goodwill	43,299	1	1,196	0	0	0	44,495	31,472	600	0	32,072	12,423	11,827
3. Advance payments	455	173	0	0	0	0	628	302	0	0	302	326	153
Total intangible assets	51,584	591	1,201	0	0	0	53,376	36,752	947	0	37,699	15,676	14,832
II. Tangible assets													
1. Land, leasehold rights and buildings on third-party land	18,388	39	0	0	0	0	18,427	3,899	97	0	3,996	14,431	14,489
2. Technical equipment and machinery	34,183	480	0	0	1,239	1	35,903	15,897	985	0	16,882	19,021	18,285
3. Other equipment, factory and office equipment	19,894	919	162	-287	35	1	20,725	9,613	901	-244	10,270	10,454	10,281
4. Advance payments and assets under construction	9,085	1,421	0	0	-1,274	0	9,232	47	143	0	190	9,042	9,038
Total tangible assets	81,550	2,860	162	-287	0	2	84,288	29,456	2,127	-244	31,339	52,947	52,093
III. Non-current financial assets													
1. Equity investments	6,182	0	0	0	0	0	6,182	5,825	0	0	5,825	357	357
2. Securities held as fixed assets	926	0	0	0	0	0	926	585	0	0	585	341	341
3. Other loans	18,797	0	0	-4	0	0	18,793	0	0	0	0	18,793	18,797
Total non-current financial assets	25,905	0	0	-4	0	0	25,900	6,410	0	0	6,410	19,492	19,495
Total fixed assets	159,039	3,451	1,362	-290	0	2	163,564	72,620	3,074	-244	75,448	88,115	86,419

# Consolidated Statement of Equity Changes

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2024

(EUR thousand)

	EQUITY OF THE PARENT COMPANY				
	Subscribed capital	Capital reserve	Equity difference from currency translation	Consolidated balance sheet profit	Total
Balance on 1 Jan. 2023	200	42,758	-13	72,691	115,636
Consolidated net profit	0	0	0	4,188	4,188
Currency translation	0	0	106	0	106
Distribution	0	0	0	-2,500	-2,500
Changes in the scope of consolidation	0	0	0	-228	-228
Other changes	0	-5,736	0	1,343	-4,393
Balance on 31 Dec. 2023	200	37,022	93	75,494	112,809
Balance on 1 Jan. 2024	200	37,022	93	75,494	112,809
Consolidated net loss	0	0	0	-2,298	-2,298
Currency translation	0	0	28	4	32
Distributions	0	0	0	0	0
Other changes	0	0	0	-35	-35
Balance on 31 Mar. 2024	200	37,022	121	73,165	110,509

NON-CONTROLLING INTERESTS				CONSOLIDATED EQUITY	
Non-controlling interests before equity difference from currency translation and net income	Equity difference from currency translation attributable to non-controlling interests	Income/loss attributable to non-controlling interests	Total	Total	
15,558	0	5,185	20,743	136,379	
0	0	5,283	5,283	9,471	
0	54	0	54	160	
-3,701	0	0	-3,701	-6,201	
1,747	0	0	1,747	1,519	
-289	0	0	-289	-4,682	
13,315	54	10,468	23,837	136,646	
13,315	54	10,468	23,837	136,646	
0	0	390	390	-1,908	
0	0	0	0	32	
-139	0	0	-139	-139	
0	0	0	0	-35	
13,176	54	10,858	24,088	134,596	



» We are in times of stagnation and the challenges HÖRMANN Group faces are correspondingly great. Nevertheless, we look to the future with confidence, as our diversification strategy continues to offer good stability for the entire HÖRMANN Group and provides a solid basis for further investments. «

JOHANN SCHMID-DAVIS, CFO

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