

GRAMMER AG achieves guidance for 2022 and anticipates significant earnings growth in fiscal year 2023

- *Preliminary figures show consolidated revenue of around EUR 2.2 billion and operating EBIT between around EUR 35 million and EUR 36 million*
- *EBIT impacted by impairment losses on property, plant and equipment and intangible assets of around EUR 74 million*
- *Outlook for 2023: Stable revenue development with doubling of operating EBIT expected*

Ursensollen, February 13, 2023 – The GRAMMER Group today published its preliminary figures for fiscal year 2022. With revenue expected to amount to around EUR 2.2 billion and operating EBIT between around EUR 35 million and EUR 36 million, the Company's performance was in line with its guidance for fiscal year 2022 (outlook: revenue of around EUR 2.0 billion and operating EBIT of EUR 35-40 million). Compared with the previous year, operating EBIT increased by more than 50% (previous year: EUR 22.8 million). Free cash flow amounted to around EUR 31 million (previous year: EUR -5.6 million). As anticipated during the year, these good figures were driven by strong performance in the second half of the year and, in particular, an extremely positive fourth quarter.

Jurate Keblyte, CFO of GRAMMER AG: "Like so many companies in our industry, we faced huge challenges in 2022, including the consequences of the war in Ukraine - which led to dramatic rises in material and energy costs - disruption to supply chains, the ongoing global semiconductor shortage and COVID-19 lockdowns in China. Together with our employees and in close cooperation with our customers, we were able to curb the impact of the difficult macroeconomic conditions and achieve a result within our expectations."

In addition, GRAMMER AG today recognized impairment losses on goodwill, property, plant and equipment and other intangible assets in the consolidated statement of financial position on the basis of the impairment tests performed in preparing the consolidated financial statements for the year ended December 31, 2022. Amounting to around EUR 74 million, the impairment losses relate to the AMERICAS region and are attributable to the sharp rise in interest rates. Based on

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preliminary figures, this reduced the carrying amounts of goodwill, property, plant and equipment and other intangible assets as of December 31, 2022. Accordingly, EBIT for fiscal year 2022 is also expected to decline to around EUR -44 million (previous year: EUR 18.9 million). However, the non-recurring impairment losses do not affect operating EBIT as well as free cash flow.

Outlook for 2023: Stable revenue development with a doubling of operating EBIT

In light of the continued macroeconomic and industry-specific uncertainty, the GRAMMER Group is forecasting revenue at the prior-year level of around EUR 2.2 billion in fiscal year 2023. GRAMMER expects its operating EBIT to double to around EUR 70 million compared to fiscal year 2022. This substantially higher earnings guidance reflects the progress made by the Company on the measures forming part of the P2P restructuring project in the AMERICAS region, as well as the additional efficiency-enhancing measures that it intends to systematically pursue over the coming months. With margins also expected to increase, GRAMMER is on track to achieve the medium-term guidance it announced in April 2022, which involves an operating EBIT margin in excess of 5% by 2025.

GRAMMER AG will publish the consolidated financial statements for fiscal year 2022 on March 30, 2023.

Company profile

GRAMMER AG, which has its head office in Ursensollen, specializes in the development and production of complex components and systems for automotive interiors as well as suspension driver and passenger seats for onroad and offroad vehicles. In the Automotive segment, we supply headrests, armrests, center console systems, high-quality interior components and operating systems and innovative thermoplastic solutions for the automotive industry to prominent premium car manufacturers and Tier 1 suppliers in the vehicle industry. The Commercial Vehicles segment comprises the business segments of truck and offroad seats (tractors, construction machinery and forklifts) and train and bus seats. GRAMMER has around 14,000 employees and operates in 19 countries around the world. GRAMMER shares are listed in the Prime Standard and traded on the Munich and Frankfurt stock exchanges via the Xetra electronic trading platform.