

I. Quarterly Statement 2024/25

Hoenle Group



Change in financial performance in T€	01/10/2024- 31/12/2024	01/10/2023- 31/12/2023	+/- %
Revenue	21,411	23,787	-10.0
Gross profit	14,271	14,425	-1.1
EBITDA	1,025	605	69.4
Operating profit/loss (EBIT)	-357	-779	54.2
Earnings before tax/EBT	-782	-1,274	38.6
Consolidated profit/loss	-578	-861	32.9
Earnings per share in €	-0.10	-0.15	34.9
Number of shares	6,062,930	6,062,930	0.0

Change in financial position in T€	31/12/2024	30/09/2024	+/- %
Non-current assets	95,133	95,075	0.1
Current assets	58,335	60,309	-3.3
Equity	79,188	79,686	-0.6
Non-current liabilities	43,408	44,299	-2.0
Current liabilities	30,871	31,400	-1.7
Total assets	153,468	155,384	-1.2
Equity ratio (%)	51.6	51.3	0.6

Change in cash flows in T€	01/10/2024- 31/12/2024	01/10/2023- 31/12/2023	+/- %
Cash generated from operations	-579	2,111	<-100.0
Net cash from operating activities	-217	1,723	<-100.0
Net cash from investing activities	-201	-541	62.8
Net cash from financing activities	348	-1,917	>100.0
Change in cash and cash equivalents	-38	-764	-95.0

Employees	01/10/2024- 31/12/2024	01/10/2023- 31/12/2023	+/- %
Average headcount	585	581	0.7

Market development

The global economy is showing a mixed picture against the backdrop of increasing geopolitical tensions and structural challenges. The USA is maintaining its role as a growth engine, while the eurozone and China continue to struggle. There are still no signs of recovery in the eurozone, with growth stagnating in the last quarter. Germany and France remain in problematic conditions. In Germany, real national output fell slightly for the second year in a row.

The International Monetary Fund expects the global economy to have grown by 3.2% in 2024. However, the figure hides both regional and sectoral shifts: a shift in consumption from goods towards services led to a revival of the services sector worldwide and to weakness in the manufacturing industry. Mechanical and plant engineering in particular felt the ongoing reluctance to invest.

Business performance

In the first quarter of the 2024/25 financial year, the continued reluctance of many customers to invest was noticeable. Also some larger orders were postponed from December to January and thus to the following quarter. In addition, the discontinuation of unprofitable product areas had a noticeable impact on sales. Overall, the Hoenle Group generated sales of T€ 21,411 in the first three months of the 2024/25 financial year. In the same quarter last year, sales were T€ 23,787. The cost-cutting measures implemented, including the termination of previously unprofitable product areas, led to an improvement in earnings despite the lower sales level. The operating result before depreciation (EBITDA) rose from T€ 605 in the previous year to T€ 1,025 in the current financial year. The operating result (EBIT) improved from T€ -779 to T€ -357.

Performance by Segment

The Hoenle Group achieved sales of T€ 8,109 in the **Adhesive Systems business unit** in the first quarter, compared to T€ 9,272 in the same period last year. In the German companies in particular, sales in the first three months of the financial year were below the previous year's figure in a difficult market environment. Delivery dates were also postponed from the first to the second quarter. The drop in sales contributed significantly to the EBITDA in this business unit falling from T€ 1,758 to T€ 1,119. The operating result (EBIT) fell from T€ 1,256 to T€ 649.

As already explained in the annual report, the Hoenle Group has separated from loss-making product areas and companies that are not part of Hoenle's core business. This led to sales revenues in the **Curing business unit** of T€ 7,634 in the first quarter, significantly below the previous year's revenues of T€ 8,918. Despite the decline in sales, EBITDA improved significantly from T€ -1,452 in the previous year to T€ -604 in the current financial year. This shows that the Hoenle Group is on the right track with its decision to focus on core competencies. Further steps to improve competitiveness have been initiated. The operating result improved from T€ -1,994 to T€ -1,121.

In the **Disinfection business unit**, sales increased slightly from T€ 5,597 to T€ 5,668. This is primarily due to the good business development of the Austrian company in the first quarter. EBITDA improved from T€ 299 to T€ 508 and the operating result from T€ -41 to T€ 113.

Segments in T€	01.10.2024- 31.12.2024	01.10.2023- 31.12.2023	+/- %
Adhesive Systems			
Revenue	8,109	9,272	-12.5
EBITDA	1,119	1,758	-36.3
Operating profit/loss (EBIT)	649	1,256	-48.3
Curing			
Revenue	7,634	8,918	-14.4
EBITDA	-604	-1,452	58.4
Operating profit/loss (EBIT)	-1,121	-1,994	43.8
Disinfection			
Revenue	5,668	5,597	1.3
EBITDA	508	299	69.9
Operating profit/loss (EBIT)	113	-41	>100.0

Financial performance

The Hoenle Group's sales revenues in the first quarter with T€ 21,411 were 10.0% lower compared to sales in the same period last year. The cost of materials ratio improved from 40.1% to 37.3%. The gross profit of T€ 14,271 therefore was only 1.1% lower than the previous year's figures. Personnel expenses were 1.2% higher at T€ 10,074 compared to the same period last year. Other operating expenses were reduced by 17.2% to T€ 3,168.

The operating result before depreciation (EBITDA) improved from T€ 605 to T€ 1,025. After depreciation, the operating result (EBIT) was T€ -357 (previous year: T€ -779) and after taxes the consolidated loss was T€ -578 (previous year: T€ -861), which corresponds to earnings per share of € -0.10 (previous year: € -0.15).

Change in financial performance in T€	01/10/2024- 31/12/2024	01/10/2023- 31/12/2023	+/- %
Revenue	21,411	23,787	-10.0
Gross profit	14,271	14,425	-1.1
EBITDA	1,025	605	69.4
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Earnings before tax/EBT	-782	-1,274	38.6
Consolidated profit/loss	-578	-861	32.9
Earnings per share in €	-0.10	-0.15	34.9
Number of shares	6,062,930	6,062,930	0.0

Cash flows

The increase of inventories as at December 31, 2024 in the first quarter of the 2024/25 financial year due to delivery date postponements, together with the payments for personnel liabilities and the low sales level, led to an operating cash flow of T€ -579, which was below the previous year's figure of T€ 2,111. After interest and income taxes, the cash flow from operating activities was T€ -217 (previous year: T€ 1,723).

The cash flow from investing activities was at a low level in the first quarter. It was characterised by payments for the acquisition of property, plant and equipment. It amounted to T€ -201 in the reporting period, after T€ -541 in the previous year's period.

The cash flow from financing activities amounted to T€ 348 (previous year: T€ -1,917). It was mainly characterised by the taking and repayment of bank liabilities.

Overall, liquid assets fell by T€ 38 in the first three months of the current financial year (previous year: T€-764).

Change in cash flows in T€	01/10/2024- 31/12/2024	01/10/2023- 31/12/2023	+/- %
Cash generated from operations	-579	2,111	<-100.0
Net cash from operating activities	-217	1,723	<-100.0
Net cash from investing activities	-201	-541	62.8
Net cash from financing activities	348	-1,917	>100.0
Change in cash and cash equivalents	-38	-764	-95.0

Financial position

On the assets side of the balance sheet, property, plant and equipment fell by T€ 413 to T€ 71,231 as at December 31, 2024 due to depreciation. Inventories rose by T€ 1,295 to T€ 31,749 to meet upcoming delivery orders.

Cash and cash equivalents remained almost unchanged at T€ 7,469 (previous year: T€ 7,508). The Hoenle Group has a solid equity ratio of 51.6%.

Long-term loans continued to decline in the first quarter, from T€ 37,774 to T€ 36,752. Short-term loans rose by T€ 1,771 to T€ 14,749. Payments to personnel liabilities led to a decrease in other short-term liabilities by T€ 2,229 to T€ 5,000.

Change in financial position

in T€	31/12/2024	30/09/2024	+/- %
Non-current assets	95,133	95,075	0.1
Current assets	58,335	60,309	-3.3
Equity	79,188	79,686	-0.6
Non-current liabilities	43,408	44,299	-2.0
Current liabilities	30,871	31,400	-1.7
Total assets	153,468	155,384	-1.2
Equity ratio (%)	51.6	51.3	0.6

Outlook

Overall market

The global economy is in a phase of moderate momentum and is facing increased economic policy uncertainty due to the announcements of the US President and their possible impact on the economic development of individual regions. While the economy in the United States is expected to continue to expand, economic momentum in Europe should gradually gain momentum from a low level. Falling interest rates are likely to provide positive impetus for investment activity over the course of the year, particularly in the mechanical and plant engineering sector.

Despite significant economic-political impetus, a sustainable turnaround towards accelerated economic development is not in sight in China given the weaker prospects for exports.

Overall, the International Monetary Fund expects economic growth of 3.3% for 2025, following 3.2% in 2024.

Focus on core business and improvement of profitability

The Hoenle Group has initiated several measures and has already implemented some of them, thus laying the foundation for successful business development. These include the implementation of cost-saving measures that will take effect in the course of the 2024/25 financial year. Unprofitable product lines will no longer be pursued and have been discontinued. Investments that were not part of the core business were sold. In the future, R&D activities will focus more on a platform strategy and modularisation. In order to increase the profitable after-sales, Hoenle has set up a Life Cycle Solutions organisation. And the restructuring of the business units already described will also have a positive effect on the processes. It is geared far more towards the needs and requirements of customers than the previous segmentation. All measures form the basis for prospective increasing sales in the business units and improving EBITDA in these business units.

Outlook for the Hoenle Group

Incoming orders and sales of the Hoenle Group in the first quarter of the 2024/25 financial year were below the previous year's figures due to the weak market environment, particularly in mechanical and plant engineering. However, the Management Board assumes that the reluctance to invest will partially resolve over the course of the year and, in conjunction with the measures initiated to improve profitability and focus market activities, it will lead to higher demand and increasing incoming orders for the Hoenle Group. This assumption is supported by the strong business development at the beginning of the second quarter.

Overall, the Management Board continues to expect sales of between €95 million and €105 million for the Hoenle Group in the 2024/25 financial year (FY 2023/24: €98.7 million). Due to the cost control measures initiated, it also expects an operating result before depreciation and amortisation (EBITDA) that will be significantly higher than the adjusted EBITDA result for the 2023/24 financial year (€5.5 million).

Business Unit Adhesive Systems

Hoenle has bundled UV-curing adhesives and the UV-curing devices that go with them in the newly created Adhesive Systems business unit. This enables customer-specific solutions to be offered for industrial manufacturing processes that meet all the requirements of application-specific joining technology.

Hoenle offers this solution expertise in the three focus areas of Electronics, Medical and Optics. All three focus areas are growing rapidly, and adhesives are playing an increasing role in joining parts, creating structural stability or protecting against environmental influences. UV-curing adhesives in particular also have the advantage of low heat input and rapid processing. Not least due to the targeted expansion of the regional presence in East Asia and North America, Hoenle is currently working on promising projects in automotive electronics, consumer electronics and medical implants, among others.

Overall, the Management Board expects significantly increasing sales and earnings in the Adhesive Systems business unit in the coming years.

Business Unit Curing

In the Curing business unit, Hoenle has brought together curing systems for the printing industry, particularly for packaging printing, for coatings on two- and three-dimensional objects, as well as for technical films and labels. Hoenle sees good growth opportunities in many industrial application areas in particular, where high demands are placed on functional surface coatings.

In close coordination with key customers and their requirements, the Hoenle Group is investing in modern and modular curing solutions. In addition to the use of UV lamps and IR units, a special focus is on the development of high-performance solutions with UV LEDs, which enable customers to accelerate processes while at the same time reducing electricity and consumption costs. With the innovative, high-precision UV dose measurement, Hoenle offers its customers optimized process control. The profitability is to be achieved through the development of a modular platform strategy and a streamlining of the supplier structure. In order to increase the profitable after-sales, Hoenle has also set up a Life Cycle Solutions organisation. The Management Board expects positive earnings contributions in the Curing BU in the coming years with increasing sales.

Business Unit Disinfection

The Disinfection business unit brings together systems for the UV-based disinfection of water, surfaces and air. The focus is on the application areas of ballast water in container ships, process water as well as drinking and waste water. Hoenle supplies leading manufacturers of water treatment systems with lamps and components. In addition, disinfection solutions are offered for the food industry, with the Hoenle Group covering the entire performance range for the disinfection process with pulsed UV light, low-pressure lamps, medium-pressure lamps and LEDs. This unique product range, including microbiological analyses for quality assurance, is receiving a broad response in industry.

New fields of application for ultraviolet radiation are currently emerging in the pharmaceutical industry and in the semiconductor industry for the treatment of ultrapure water, among others.

Disinfection using ultraviolet radiation is reliable, efficient and environmentally friendly and is therefore increasingly being used as the method of choice. Overall, the Management Board expects increasing sales and earnings for the Hoenle Group in the BU Disinfection in the coming years due to growing demand in existing markets and new fields of application.

Consolidated Income Statement

in T€	01/10/2024- 31/12/2024	01/10/2023- 31/12/2023
Revenue	21,411	23,787
Change in inventories of finished goods and work in progress	748	10
Other operating income	371	172
Cost of purchased materials and services	-8,259	-9,545
Personnel expenses	-10,074	-9,954
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-1,020	-1,013
Amortisation of rights of use (IFRS 16)	-362	-371
Other operating expenses	-3,168	-3,819
Impairment pursuant to IFRS 9	-5	-47
Operating profit/loss (EBIT)	-357	-779
Profit/loss from investments accounted for using the equity method	0	0
Finance income	82	3
Finance costs	-507	-497
Financial result	-425	-494
Earnings before taxes/EBT	-782	-1,274
Income taxes	204	412
Consolidated profit or loss	-578	-861
Share of profit attributable to non-controlling interests	14	40
Share of profit attributable to equity holders of Dr. Hoenle AG	-592	-901
Earnings per share (basic) in €	-0,10	-0,15
Earnings per share (diluted) in €	-0,10	-0,15
Average number of shares in circulation (basic)	6,061,854	6,061,854
Average number of shares in circulation (diluted)	6,061,854	6,061,854

Consolidated Statement of Financial Position

in T€	31/12/2024	30/09/2024
ASSETS		
NON-CURRENT ASSETS		
Goodwill	11,043	11,043
Intangible assets	1,593	1,604
Property, plant and equipment	71,231	71,645
Investments accounted for using the equity method	263	262
Financial assets	237	237
Other non-current assets	4,453	4,529
Deferred tax assets	6,313	5,756
Total non-current assets	95,133	95,075
CURRENT ASSETS		
Inventories	31,749	30,454
Trade receivables	12,487	14,920
Receivables from other long-term investees and investors	64	64
Finance lease receivables	281	327
Other current assets	1,995	1,693
Current tax assets	2,272	3,384
Cash and cash equivalents	7,469	7,508
Assets held for sale	2,018	1,959
Total current assets	58,335	60,309
TOTAL ASSETS	153,468	155,384
EQUITY AND LIABILITIES		
EQUITY		
Subscribed Capital	6,063	6,063
Treasury shares	-8	-8
Capital reserves	41,979	41,979
Retained earnings	30,875	31,387
Equity attributable to equity holders of Dr. Hoenle AG	78,909	79,420
Non-controlling interests	280	266
Total equity	79,188	79,686
NON-CURRENT LIABILITIES		
Non-current loans (less current portion)	36,752	37,774
Non-current finance lease liabilities	1,284	1,133
Other non-current liabilities	131	140
Pension provisions	4,423	4,407
Accrued public investment grants	59	60
Deferred income tax liabilities	759	784
Total non-current liabilities	43,408	44,299
CURRENT LIABILITIES		
Trade payables	6,314	6,366
Liabilities to other long-term investees and investors	7	2
Contract liabilities	1,922	1,971
Current finance lease liabilities	1,449	1,357
Current liabilities to banks and current portion of non-current loans	14,749	12,978
Other current liabilities	5,000	7,228
Other provisions	330	334
Income tax liabilities	1,101	1,165
Total current liabilities	30,871	31,400
TOTAL EQUITY AND LIABILITIES	153,468	155,384

Consolidated Statement of Cash Flows

in T€	01/10/2024- 31/12/2024	01/10/2023- 31/12/2023
Cash flows from operating activities		
Profit for the year before non-controlling interests and taxes	-782	-1,274
Adjustments for:		
Depreciation and amortisation of intangible assets, property, plant and equipment and investment property	1,382	1,384
Finance income	-82	-3
Finance costs	507	497
Other non-cash expenses and income	259	-183
Operating profit before changes to net current assets	1,284	421
Increase/decrease in provisions	-29	-97
Increase/decrease in trade receivables	2,428	3,992
Increase/decrease in receivables from other long-term investees and investors	0	-21
Increase/decrease in other assets	-315	354
Increase/decrease in reinsurance	-61	-12
Increase/decrease in inventories	-1,628	78
Increase/decrease in trade payables	19	-1,003
Increase/decrease in liabilities to other long-term investees and investors	6	0
Increase/decrease in contract liabilities	-49	131
Increase/decrease in other current liabilities	-2,234	-1,733
Cash generated from operations	-579	2,111
Interest paid	-387	-462
Income taxes paid	750	74
Net cash from operating activities	-217	1,723
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	-299	-219
Payments received for non-current receivables	18	2
Interest received	7	1
Payments made for acquisitions of businesses	0	-325
Payments from dividends received	74	0
Net cash from investing activities	-201	-541
Cash flows from financing activities		
Payments received for loans and liabilities to banks	1,840	0
Payments made for loans and liabilities to banks	-1,098	-1,547
Payments made for the repayment portion of lease liabilities	-394	-369
Net cash from financing activities	348	-1,917
Net foreign exchange difference	31	0
Currency and consolidation-related change in cash and cash equivalents	0	-29
Net change in cash and cash equivalents	-38	-764
Cash and cash equivalents at the beginning of the reporting period	7,508	9,317
Cash and cash equivalents at the end of the reporting period	7,469	8,553

Financial calendar

25 March 2025
Ordinary Shareholder Meeting

8 May 2025
Half-Year Report 2024/25

7 August 2025
III. Quarterly Statement 2024/25

Disclaimer

For reasons of better readability, the masculine form is generally used when referring to persons. The masculine form refers to all genders equally (male, female, non-binary). It is used solely for reasons of expediency and does not imply any judgment.

The interim consolidated financial statements have not been audited. The quarterly statement was prepared on the basis of the accounting principles applied in the last Group Annual Report. The figures and percentages contained in this report may be subject to rounding differences.

The management report contains statements and information provided by Dr. Hoenle AG that relate to future periods. The forward-looking statements represent assessments that were made on the basis of information available at the time when this report was prepared. Should the assumptions underlying the forecasts prove to be incorrect or should risks, such as those mentioned in the risk report of the last annual report, materialise, actual developments and results may deviate from current expectations. The Company assumes no obligation to update the statements contained in this management report, with the exception of publishing such updates as required by statutory provisions.



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