ZUMTOBEL Group

H1 2024/25

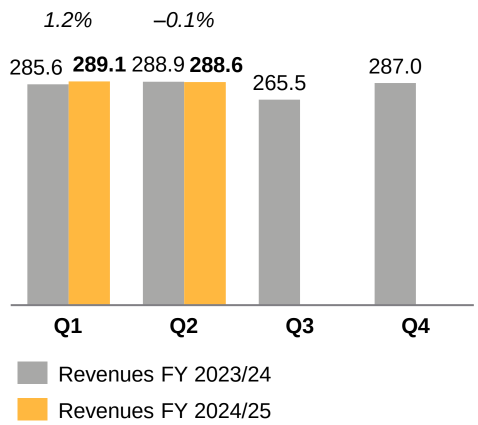
Half-Year Financial Report (May 2024 – October 2024)

Overview of the First Half-Year 2024/25

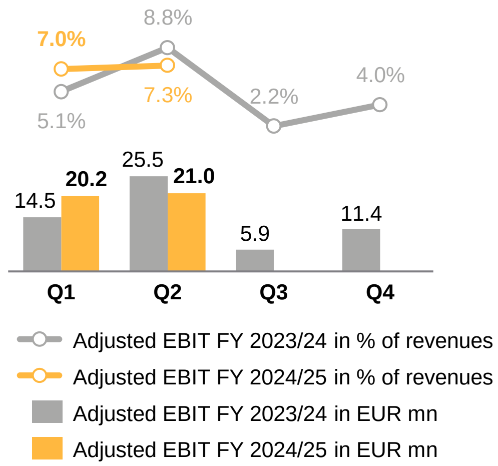
Key Data in EUR mn	Q2 2024/25	Q2 2023/24	Change in %	H1 2024/25	H1 2023/24	Change in %
Revenues	288.6	288.9	(0.1)	577.6	574.4	0.6
Adjusted EBITDA	34.3	39.2	(12.5)	67.7	68.2	(0.6)
as a % of revenues	*11.9*	*13.6*		*11.7*	*11.9*	
EBITDA	25.8	30.9	(16.4)	57.7	59.8	(3.5)
as a % of revenues	*8.9*	*10.7*		*10.0*	*10.4*	
Adjusted EBIT	21.0	25.5	(17.8)	41.2	40.0	3.0
as a % of revenues	*7.3*	*8.8*		*7.1*	*7.0*	
Special effects	(9.7)	(9.1)		(11.2)	(9.1)	
EBIT	11.2	16.4	(31.4)	30.0	30.9	(2.9)
as a % of revenues	*3.9*	*5.7*		*5.2*	*5.4*	
Net profit for the period	5.6	11.4	(50.4)	18.4	21.2	(13.0)
as a % of revenues	*2.0*	*3.9*		*3.2*	*3.7*	
Cash flow from operating results	25.7	31.3	(17.6)	58.1	60.4	(3.8)
CAPEX	15.6	19.2	(18.6)	29.0	27.7	4.7
thereof CAPEX excl. IFRS 16	*11.0*	*16.1*	*(31.7)*	*22.6*	*22.7*	*(0.3)*
				31 Oct 2024	30 April 2024	Change in %
Total assets				987.9	987.2	0.1
Equity				430.9	425.2	1.3
Equity ratio in %				*43.6*	*43.1*	
Net debt				89.5	77.1	16.1
Headcount incl. contract worker (full-time equivalent)				5,429	5,350	1.5

Development of business by quarter

Revenues development (in EUR mn)



Adjusted EBIT development



Letter to Shareholders

Dear Shareholders,

The Zumtobel Group recorded a 0.6% increase in revenues during the first half of 2024/25, with moderate growth in the Lighting Segment and more satisfactory development in the Components Segment where we also noted slightly stronger demand. Operating results improved with an increase in adjusted EBIT to EUR 41.2 mn and an EBIT margin of 7.1% for the first half year.

The economic and geopolitical situation remains challenging, and continues to have a negative effect on the construction industry. The price pressure on the market for professional lighting solutions is noticeable and, in some areas, we currently see a decline in the readiness to invest in professional lighting solutions.

Against this backdrop, we introduced further measures to adjust our capacity and reduce costs. In October, we communicated that our French subsidiary ZG Europhane SAS was evaluating the termination of production in Les Andelys. This location with its 85 employees is, unfortunately, clearly underutilised and structurally unprofitable. Part of this process involves the search for a potential buyer who would establish new business activities at the location. Another objective is to develop a responsible solution for the workforce.

We recently also received more pleasant news: In October this year, we announced a strategic partnership with the international ABB Group for the marketing of intelligent building solutions and direct current (DC) applications in the industrial sector. Together with ABB, our team will accelerate the application of sensor-based lighting solutions that help our customers to optimise energy efficiency, increase the comfort for building users, and maximise the effectiveness of building controls (heating, ventilation, air conditioning). This cooperation – in addition to our partnership with the Siemens subsidiary Enlighted – is designed to create substantial added value for customers in the commercial, industrial and administrative sectors with an offering of integrated, intelligent solutions for sustainable buildings.

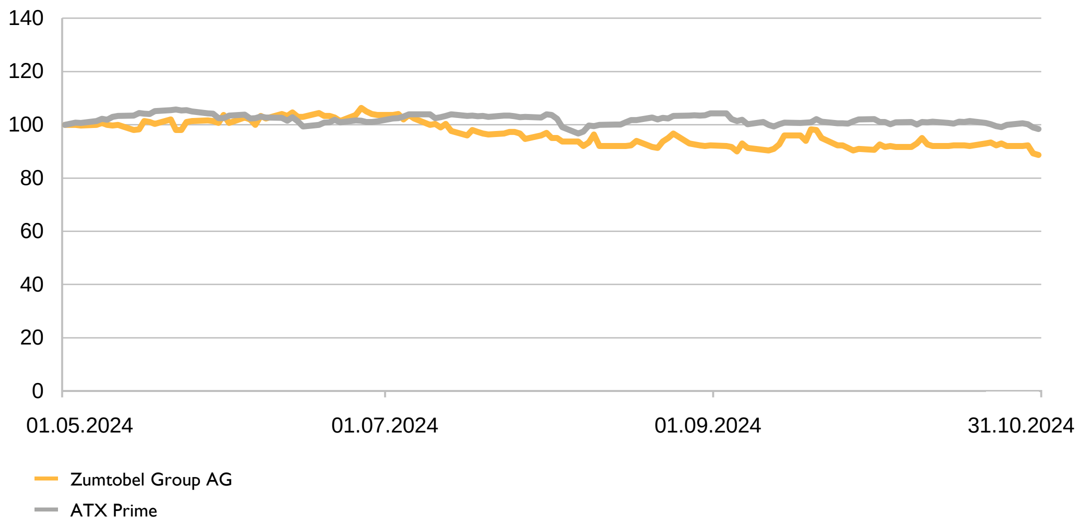
In view of the above uncertainties, we assume that revenues for 2024/25 will at least be slightly higher than the previous financial year. The adjusted EBIT margin is expected to range from 3% to 6%.

Alfred Felder
Chief Executive Officer (CEO)

The Zumtobel Group AG Share

Based on an unchanged number of 43,146,657 common shares outstanding, the market capitalisation of Zumtobel Group AG totalled EUR 229 mn at the end of October 2024. The shareholder structure has not changed significantly since the end of the 2023/24 financial year: The Zumtobel family continues to hold approximately 36% of the voting rights and has remained the stable core shareholder of Zumtobel Group AG since the IPO. Most of the remaining shares are held by institutional investors, none of whom exceeded the 4% reporting threshold as of 31 October 2024. The average daily turnover on the Vienna Stock Exchange amounted to 22,558 shares in the first half of 2024/25 (double count, as published by the Vienna Stock Exchange). The company held 566,821 treasury shares as of 31 October 2024.

Development of the Zumtobel Group AG Share (in %)



Key Data on the Zumtobel Group AG Share H1 2024/25

Closing price at 30.04.2024	EUR 5.98	Currency	EUR
Closing price at 31.10.2024	EUR 5.30	ISIN	AT0000837307
Performance HY 2024/25	(11.4)%	Ticker symbol Vienna Stock Exchange (XETRA)	ZAG
Market capitalisation at 31.10.2024	EUR 229 mn	Market segment	ATX Prime
Share price - high at 25.06.2024	EUR 6.36	Reuters symbol	ZUMV.VI
Share price - low at 31.10.2024	EUR 5.30	Bloomberg symbol	ZAG AV
Ø Turnover per day (shares)	22,558	Number of issued shares	43,146,657

Group Management Report

General Economic Environment

Weak development in Europe

The global economy has remained stable despite the political trouble spots in Ukraine/Russia and the Near East. Inflation is approaching the target levels, and interest rates are declining. However, growth remains weak in key core markets – above all in Europe and especially in Germany and Austria.

Global growth of roughly 3.2% projected for 2024 and 2025

According to the IMF's World Economic Outlook from October 2024, the global economy will grow by 3.2% in 2024 and the following year – which represents, in total, an unchanged forecast. However, the projections were revised upward for the USA and downward for several major European markets. The eurozone is expected to generate growth of 0.8% this year and 1.2% next year. The economic outlook for the USA remains positive with a projected increase of 1.8% in 2024 and 2.2% in 2025. Economic growth in China should also exceed 4% for both years. The IMF forecast for the D/A/CH region (Germany, Austria and Switzerland), an important market for the Zumtobel Group, points to stagnation and recession for Germany and Austria this year, with the only growth coming from Switzerland. In Great Britain, the economic should recover slightly with an increase of 1.1% in 2024 and 1.5% in 2025.

The macroeconomic situation has a direct impact on commercial construction. EUROCONSTRUCT data from June 2024 – more current data was not available when this report was prepared – show a further decline in most of our important European markets. In contrast, 2025 is expected to bring renewed growth with stronger development in the renovation market than in new construction.

Significant Events since 30 April 2024

Dividend of 25 euro cents per share

The General Meeting on 2 August 2024 approved the payment of a 25 euro cents dividend per share for the 2023/24 financial year. Dividends were distributed to shareholders on 9 August 2024.

Mr. Pachta-Reyhofen and Mr. Staake re-elected to the Supervisory Board

In addition, the 48th General Meeting of Zumtobel Group AG on 2 August 2024 confirmed Georg Pachta-Reyhofen and Thorsten Staake in their office and re-elected them to the Supervisory Board for terms extending to the General Meeting for the 2026/27 financial year. In the following constituent meeting, Karin Zumtobel-Chammah was re-elected chairwoman of the Supervisory Board.

Extension of contract with CEO Alfred Felder

The Supervisory Board of Zumtobel Group AG extended the contract of Management Board Chairman and Chief Executive Officer (CEO) Alfred Felder for a further two years up to 30 September 2027.

An announcement on 16 October 2024 confirmed that Zumtobel Group AG had approved a proposal by the management of ZG Europhane SAS to begin an evaluation of the possible termination of production at the plant in Les Andelys (France). Part of the process is the search for a potential buyer who would establish new business activities at this location. A total of 85 production employees would be affected by this measure. ZG Lighting France in Les Andelys will continue to operate as a Group-wide competence centre for exterior lighting and is not affected by the project. The Zumtobel Group assumes that any negative special effects from the potential termination of production in the Les Andelys plant will amortise over the coming years.

No other significant events occurred after the balance sheet date on 30 April 2024.

Subsequent Events

No other significant events occurred after the balance sheet date on 31 October 2024.

Development of revenues in the first half of 2024/25

- Slight growth of 0.6% in Group revenues (FX-adjusted 0.4%)
- Lighting Segment revenues with slight 0.4% year-on-year increase
- Components Segment revenues rise by 3.4%
- Adjusted EBIT reaches EUR 41.2 mn

Income statement in EUR mn	Q2 2024/25	Q2 2023/24	Change in %	H1 2024/25	H1 2023/24	Change in %
Revenues Lighting Segment	229.5	230.3	(0.4)	456.1	454.4	0.4
Revenues Components Segment	77.0	75.1	2.5	157.3	152.1	3.4
Reconciliation	(18.0)	(16.6)	8.2	(35.8)	(32.1)	11.4
Revenues	288.6	288.9	(0.1)	577.6	574.4	0.6
Adjusted Cost of goods sold	(179.5)	(182.8)	(1.8)	(357.3)	(365.9)	(2.3)
Adjusted Gross profit	109.1	106.0	2.8	220.3	208.6	5.6
as a % of revenues	*37.8*	*36.7*		*38.1*	*36.3*	
Adjusted SG&A expenses	(88.1)	(80.6)	9.4	(179.1)	(168.6)	6.2
Adjusted EBIT Lighting Segment	17.8	26.9	(33.7)	38.0	44.2	(14.0)
as a % of segment revenues	*7.8*	*11.7*		*8.3*	*9.7*	
Adjusted EBIT Components Segment	6.5	3.2	99.4	11.2	5.5	>100
as a % of segment revenues	*8.4*	*4.3*		*7.1*	*3.6*	
Reconciliation	(3.4)	(4.7)	(27.9)	(8.0)	(9.7)	(17.4)
Adjusted EBIT	21.0	25.5	(17.8)	41.2	40.0	3.0
as a % of revenues	*7.3*	*8.8*		*7.1*	*7.0*	
Special effects	(9.7)	(9.1)		(11.2)	(9.1)	
EBIT Lighting Segment	8.1	25.6	(68.2)	26.8	42.8	(37.5)
as a % of segment revenues	*3.5*	*11.1*		*5.9*	*9.4*	
EBIT Components Segment	6.5	(4.5)	>100	11.2	(2.3)	>100
as a % of segment revenues	*8.4*	*(6.0)*		*7.1*	*(1.5)*	
Reconciliation	(3.4)	(4.7)	(27.9)	(8.0)	(9.7)	(17.4)
EBIT	11.2	16.4	(31.4)	30.0	30.9	(2.9)
as a % of revenues	*3.9*	*5.7*		*5.2*	*5.4*	
Financial results	(5.0)	(3.8)	(28.9)	(9.5)	(7.4)	(29.4)
Profit before tax	6.3	12.5	(49.9)	20.5	23.5	(13.0)
Income taxes	(0.6)	(1.2)	(45.8)	(2.0)	(2.4)	(13.0)
Net profit for the period	5.6	11.4	(50.4)	18.4	21.2	(13.0)
Earnings per share (in EUR)	0.13	0.26	(49.9)	0.43	0.49	(11.7)

For information: EBITDA (EBIT plus depreciation and amortisation) totalled EUR 57.7 mn in H1 2024/25 (H1 2023/24: EUR 59.8 mn).

Revenue growth of 0.6%

Revenues recorded by the Zumtobel Group rose by a slight 0.6% to EUR 577.6 mn in H1 2024/25 (H1 2023/24: EUR 574.4 mn), primarily due to growth in the UK and Ireland, Austria and Switzerland. After an adjustment for foreign exchange effects, the increase equalled 0.4%.

Lighting Segment revenues rise by 0.4%

In the Lighting Segment, revenues increased by 0.4% to EUR 456.1 mn in H1 2024/25 (H1 2023/24: EUR 454.4 mn). This slight improvement was supported, above all, by growth in the UK and Ireland and by favourable foreign exchange trends.

Components Segment with revenue plus of 3.4%

The Components Segment reported a 3.4% increase in revenues to EUR 157.3 mn in H1 2024/25 (H1 2023/24: EUR 152.1 mn). Higher revenues were recorded, above all, in the UK, D/A/CH region and Greater China, but were offset in part by negative price and foreign exchange developments.

In the D/A/CH region, Austria, Switzerland and Germany contributed to the positive results. Revenues increased substantially year-on-year, especially in the Northern and Western Europe region and primarily due to support from the UK. Revenues in Belgium fell below the previous year. In the Southern and Eastern Europe region, weakness in the Czech Republic and France was the main cause of the decline in revenues. In the Asia & Pacific region, the Components Segment recorded growth in Greater China. The negative development of revenues in the America & MEA region resulted mainly from disappointing sales in the USA.

Revenues in EUR mn	Q2 2024/25	Change in %	H1 2024/25	Change in %	in % of Group
D/A/CH	110.5	4.2	217.1	2.9	37.6
Northern and Western Europe	72.9	8.8	146.4	7.9	25.3
Southern and Eastern Europe	69.3	(9.6)	142.1	(6.9)	24.6
Asia & Pacific	21.7	(9.2)	45.2	(2.1)	7.8
Americas & MEA	14.2	(6.7)	26.9	(7.1)	4.7
Total	**288.6**	**(0.1)**	**577.6**	**0.6**	**100.0**

The adjusted cost of goods sold reflects a reduction in material costs as well as a positive effect from Development costs rose by EUR 2.0 mn to EUR (34.6) mn (H1 2023/24: EUR (32.6) mn). The adjusted gross profit margin improved to 38.1% (H1 2023/24: 36.3%), 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 10.5 mn to EUR (179.1) mn (H1 2023/24: EUR (168.6) mn), whereby the main drivers were the increase in personnel costs resulting from collective agreements and an outstanding government grant for research projects.

Adjusted EBIT rises to EUR 41.2 mn

Adjusted EBIT rose from EUR 40.0 mn in H1 2023/24 to EUR 41.2 mn in H1 2024/25, and the adjusted EBIT margin equalled 7.1% (H1 2023/24: 7.0%). The growth in revenues and an improvement in the materials ratio slightly offset the increase in personnel and other costs.

Adjusted EBIT in the Lighting Segments declined from EUR 44.2 mn in H1 2023/24 to EUR 38.0 mn in H1 2024/25. Volume growth and a better materials ratio were unable to fully offset the increase in fixed costs. 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 Segment rose from EUR 5.5 mn to EUR 11.2 mn in H1 2024/25.

Special effects of EUR (11.2) mn

Special effects of EUR (11.2) mn were recognised in H1 2024/25. They consist primarily of provisions and impairment losses resulting from the approval of a proposal by the management of ZG Europhane SAS on 16 October 2024 to evaluate the possible termination of production at the plant in Les Andelys (France). Provisions for the restructuring of the plant in Lemgo (Deutschland) and the closing of the assembly plant in Sydney (Australia) are also included in the special effects. EBIT declined slightly to EUR 30.0 mn (H1 2023/24: EUR 30.9 mn), and the EBIT margin equalled 5.2% (H1 2023/24: 5.4%).

Financial result in EUR mn	Q2 2024/25	Q2 2023/24	Change in %	H1 2024/25	H1 2023/24	Change in %
Interest expense	(2.8)	(3.0)	(4.8)	(5.6)	(5.6)	0.6
Interest income	0.2	0.1	97.2	0.4	0.3	41.0
Net financing costs	(2.6)	(2.9)	(8.6)	(5.2)	(5.3)	1.4
Other financial income and expenses	(2.3)	(1.0)	<-100	(4.3)	(2.1)	<-100
Financial results	(5.0)	(3.8)	(28.9)	(9.5)	(7.4)	(29.4)

Financial results amounted to EUR (9.5) mn in H1 2024/25 (H1 2023/24: EUR (7.4) mn). Interest expense, which consisted chiefly of the interest expense for current credit agreements and finance leases, totalled EUR (5.2) mn (H1 2023/24: EUR (5.3) mn). The other financial income and expenses of EUR (4.3) mn consisted primarily of the interest expense on pension obligations, the earnings effects from exchange rate changes and the measurement of hedges.

Net profit declines to EUR 18.4 mn

Profit before tax totalled EUR 20.5 mn in H1 2024/25 (H1 2023/24: EUR 23.5 mn), and income taxes equalled EUR (2.0) mn (H1 2023/24: EUR (2.4) mn). Net profit for the reporting period declined to EUR 18.4 mn (H1 2023/24: EUR 21.2 mn). Earnings per share for the shareholders of Zumtobel Group AG (basic EPS based on 42.8 million shares) equalled EUR 0.43 (H1 2023/24: EUR 0.49).

Cash flow

Cash flow statement in EUR mn	Q2 2024/25	Q2 2023/24	Change in %	H1 2024/25	H1 2023/24	Change in %
Cash flow from operating results	25.7	31.3	(17.6)	58.1	60.4	(3.8)
Change in working capital	9.0	19.3	(53.6)	(6.2)	4.0	<-100
Change in other operating items	1.2	(2.8)	>100	(13.4)	(16.0)	16.3
Income taxes paid	(2.2)	(1.9)	(16.7)	(4.8)	(3.1)	(54.3)
Cash flow from operating activities	33.7	45.9	(26.4)	33.7	45.4	(25.7)
Cash flow from investing activities	(9.5)	(16.1)	41.2	(20.6)	(22.3)	7.3
FREE CASH FLOW	24.2	29.7	(18.5)	13.0	23.1	(43.5)
Cash flow from financing activities	(34.5)	(6.4)	<-100	(20.6)	(1.3)	<-100
CHANGE IN CASH AND CASH EQUIVALENTS	(10.3)	23.3	<-100	(7.5)	21.8	<-100

Cash flow from operating results declined by EUR 2.3 mn year-on-year from EUR 60.4 mn to EUR 58.1 mn.

Cash outflows from the changes in other operating positions amounted to EUR (13.4) mn (H1 2023/24: EUR (16.0) mn) and resulted mainly from the reduction of provisions for bonuses, holiday leave and guarantees which was contrasted by an increase in the provisions for restructuring. Cash flow from operating activities declined to EUR 33.7 mn in H1 2024/25 (H1 2023/24: EUR 45.4 mn).

Cash flow from investing activities amounted to EUR (20.6) mn (H1 2023/24: EUR (22.3) mn). In addition to investments in property, plant and equipment, this position also included investments of EUR 6.4 mn (H1 2023/24: EUR 4.5 mn) for capitalised development costs.

Free cash flow at EUR 13.0 mn

Free cash flow equalled EUR 13.0 mn in H1 2024/25 (H1 2023/24: EUR 23.1 mn).

Cash flow from financing activities totalled EUR (20.6) mn in H1 2024/25 (H1 2023/24: EUR (1.3) mn). The year-on-year change resulted primarily from the repayment of a EUR 30.0 mn loan with the European Investment Bank (EIB). Contrary effects resulted from a EUR 5.0 mn increase in the use of the consortium credit agreement and a reduced dividend payment.

Asset position

Balance sheet data in EUR mn	31 October 2024	30 April 2024
Total assets	987.9	987.2
Net debt	89.5	77.1
Debt coverage ratio	*0.86*	*0.73*
Equity	430.9	425.2
Equity ratio in %	*43.6*	*43.1*
Gearing in %	*20.8*	*18.1*
CAPEX	29.0	64.2
thereof CAPEX excl. IFRS 16	*22.6*	*50.8*
Working capital	234.2	225.6
As a % of rolling 12 month revenues	*20.7*	*20.0*

Stable and solid balance sheet structure

The balance sheet total of the Zumtobel Group equalled EUR 987.9 mn as of 31 October 2024 and remained nearly unchanged from the last balance sheet date on 30 April 2024 (EUR 987.2 mn).

Working capital totalled EUR 234.2 mn as of 31 October 2024 and was EUR 8.6 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 20.7%. The main drivers compared with 30 April 2024 included the settlement of trade payables and an increase in prepayments received.

The equity ratio improved to 43.6% as of 31 October 2024 (30 April 2024: 43.1%). Equity rose by EUR 5.7 mn over the level on 30 April 2024 from EUR 425.2 mn to EUR 430.9 mn. Net liabilities increased to EUR 89.5 mn as of 31 October 2024 (30 April 2024: EUR 77.1 mn). The balance sheet structure of the Zumtobel Group remains stable and strong.

Major risks and uncertainties in the 2024/25 financial year

Risk management for the early identification of opportunities and risks

The Zumtobel Group is committed to an effective risk management system as an important factor for maintaining and expanding its competitive position. The goal of risk management is to identify risks and opportunities at an early point in time through a systematic approach, and thereby permit the implementation of suitable measures to deal with changes in the operating environment.

Review of the first half-year

The first half year was influenced by substantial economic uncertainty but the global economy proved to be stable. Inflation approached the target levels, and interest rates started to decline. However, growth in the key core markets remained weak. The construction industry is still confronted with particularly strong declines in the residential sector as well as persistent weakness in non-residential construction. The professional lighting market continues to benefit from the high demand for energy efficient and sustainable lighting solutions.

Delivery times for most merchandise groups have generally normalised in 2024 and are now comparable with pre-pandemic periods. Prices are again largely oriented on demand, and commodity indexes are relatively stable but still higher than before the pandemic.

The availability of semiconductors has improved but is still problematic for certain industrial applications. Production capacity was reduced, or not further increased, to reflect the weaker demand, and the market is under continuous monitoring to safeguard availability when demand increases. Close coordination with suppliers and cross-functional team coordination are decisive to ensure transparency and maintain fast reactions.

Outlook on the second half-year

The development of the economy and the resulting trends in the construction industry remain a major risk factor. In Europe, key markets are still in recession or only able to generate weak growth. This situation is intensified by the current geopolitical uncertainties through the trouble spots in Russia/Ukraine and the Near East. Forecasts point to limited growth for Europe in 2024 and 2025, and the construction industry is facing a slow recovery. Adjusted cost management is a necessary factor to protect the competitive position.

The issue of sustainability is becoming more and more important. The lighting industry will benefit from sustainability efforts and the prohibition of fluorescent lights in the EU and other markets, which should drive the conversion from conventional lighting to LED. However, the speed of this conversion in the individual countries is still unclear.

Various measures have been introduced to master the capacity reduction in various branches: consignment stocks, multi-sourcing strategies, buffer stocks with suppliers and safety stocks in the plants. Strategic partnerships with suppliers and regular coordination are essential to protect availability and adapt procurement strategies. Digitalisation and the use of artificial intelligence (AI) play an increasingly important role in the search for and evaluation of suppliers through their ability to improve the efficiency and resilience of the supply chains and manage and compare the communicated data volumes. Efficient supply chains require close cooperation between all stakeholders. Digital tools for communication and data exchange are decisive to support transparency and proactive actions. Agility and resilience are strategic priorities that need the support of new skills and technologies.

Reference to 2023/24 annual report

Information on other potential risks and opportunities for the Zumtobel Group is provided in the annual report for 2023/24. Based on the information currently available, there are no material individual risks at the present time that could endanger the company's continuing existence as a going concern.

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

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%.

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

Dornbirn, 4 December 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 per 31 October 2024

Consolidated Income Statement

in TEUR	Q2 2024/25	Q2 2023/24	H1 2024/25	H1 2023/24
Revenues	288,560	288,865	577,626	574,417
Cost of goods sold	(187,894)	(191,926)	(366,826)	(374,969)
Gross profit	**100,666**	**96,939**	**210,800**	**199,448**
Selling expenses	(79,822)	(74,172)	(160,628)	(149,842)
Administrative expenses	(10,503)	(10,432)	(21,330)	(22,362)
Other operating income	1,428	4,383	1,763	4,554
Other operating expenses	(542)	(349)	(631)	(924)
Operating profit	**11,227**	**16,369**	**29,974**	**30,874**
Interest expense	(2,837)	(2,980)	(5,606)	(5,571)
Interest income	213	108	377	267
Other financial income and expenses	(2,333)	(974)	(4,293)	(2,057)
Financial results	**(4,957)**	**(3,846)**	**(9,522)**	**(7,361)**
Profit before tax	**6,270**	**12,523**	**20,452**	**23,513**
Income taxes	(627)	(1,156)	(2,045)	(2,351)
Net profit for the period	**5,643**	**11,367**	**18,407**	**21,162**
thereof due to non-controlling interests	*12*	*33*	*(109)*	*(115)*
thereof due to shareholders of the parent company	*5,631*	*11,334*	*18,516*	*21,277*
Average number of shares outstanding – basic (in 1,000 pcs.)	42,674	43,147	42,754	43,147
Average number of shares outstanding – diluted (in 1,000 pcs.)	42,674	43,147	42,754	43,147
Earnings per share (in EUR)				
Earnings per share (diluted and basic)	0.13	0.26	0.43	0.49

Consolidated Statement of Comprehensive Income

in TEUR	Q2 2024/25	Q2 2023/24	H1 2024/25	H1 2023/24
Net profit for the period	**5,643**	**11,367**	**18,407**	**21,162**
Actuarial gain/loss	(3,020)	1,155	(2,295)	1,155
Deferred taxes due to actuarial gain/loss	713	145	713	145
Total of items that will not be reclassified ("recycled") subsequently to the income statement	**(2,307)**	**1,300**	**(1,582)**	**1,300**
Currency differences	487	2,133	347	(254)
Currency differences arising from loans	393	(983)	970	117
Cash flow hedges	36	0	14	0
Total of items that will be reclassified ("recycled") subsequently to the income statement	**916**	**1,150**	**1,331**	**(137)**
Subtotal other comprehensive income	**(1,391)**	**2,450**	**(251)**	**1,163**
thereof due to non-controlling interests	*(1)*	*47*	*(14)*	*43*
thereof due to shareholders of the parent company	*(1,390)*	*2,403*	*(237)*	*1,120*
Total comprehensive income	**4,252**	**13,816**	**18,156**	**22,325**
thereof due to non-controlling interests	*12*	*79*	*(123)*	*(72)*
thereof due to shareholders of the parent company	*4,240*	*13,737*	*18,279*	*22,397*

Consolidated Balance Sheet

in TEUR	31 October 2024	30 April 2024
Goodwill	195,315	193,783
Other intangible assets	50,323	49,510
Property, plant and equipment	256,132	255,288
Financial assets	4,112	5,323
Other assets	3,151	3,309
Deferred taxes	35,213	32,629
Non-current assets	**544,246**	**539,842**
Inventories	180,466	180,362
Trade receivables	172,859	171,862
Financial assets	3,096	4,373
Other assets	36,558	30,419
Liquid funds	50,643	60,375
Current assets	**443,622**	**447,391**
ASSETS	**987,868**	**987,233**
Share capital	107,867	107,867
Additional paid-in capital	332,867	334,638
Reserves	(10,938)	(18,536)
Capital attributed to shareholders of the parent company	429,796	423,969
Capital attributed to non-controlling interests	1,150	1,273
Equity	**430,946**	**425,242**
Provisions for pensions	47,155	47,109
Provisions for termination benefits	38,485	37,217
Provisions for other employee benefits	8,412	8,233
Other provisions	17,239	19,744
Borrowings	78,113	43,212
Other liabilities	19,440	18,808
Deferred taxes	3,957	3,903
Non-current liabilities	**212,801**	**178,226**
Provisions for taxes	13,379	13,108
Other provisions	32,568	27,275
Borrowings	63,763	95,738
Trade payables	91,678	105,774
Other liabilities	142,733	141,870
Current liabilities	**344,121**	**383,765**
EQUITY AND LIABILITIES	**987,868**	**987,233**

Consolidated Cash Flow Statement

in TEUR	H1 2024/25	H1 2023/24
Profit before tax	20,452	23,513
Depreciation and amortisation	26,339	28,139
Impairment of property, plant and equipment and intangible assets	1,432	815
Gain/loss on the disposal of property, plant and equipment and intangible assets	(56)	610
Other non-cash financial results	4,293	2,057
Interest income/ Interest expense	5,229	5,304
Changes in the scope of consolidation	444	0
Cash flow from operating results	**58,133**	**60,438**
Inventories	215	(2,555)
Trade receivables	1,612	9,030
Trade payables	(14,577)	(847)
Prepayments received	6,502	(1,621)
Change in working capital	**(6,248)**	**4,007**
Non-current provisions	(6,319)	(4,480)
Current provisions	5,207	6,761
Other assets	(6,038)	(9,148)
Other liabilities	(6,227)	(9,106)
Change in other operating items	**(13,377)**	**(15,973)**
Income taxes paid	**(4,811)**	**(3,118)**
Cash flow from operating activities	**33,697**	**45,354**
Cash inflows from the disposal of property, plant and equipment and other intangible assets	184	116
Cash outflows for the purchase of property, plant and equipment and other intangible assets	(22,606)	(22,667)
Change in non-current and current financial assets	1,393	5
Interest received	380	267
Cash flow from investing activities	**(20,649)**	**(22,279)**
FREE CASH FLOW	**13,048**	**23,075**
Cash proceeds from non-current and current borrowings	35,000	30,000
Cash repayments of non-current and current borrowings	(37,392)	(8,302)
Dividend paid to shareholders of the parent	(10,681)	(17,259)
Dividend paid to non-controlling interests	0	(256)
Share buyback	(1,771)	0
Interest paid	(5,728)	(5,470)
Cash flow from financing activities	**(20,572)**	**(1,287)**
CHANGE IN CASH AND CASH EQUIVALENTS	**(7,524)**	**21,788**
Cash and cash equivalents at the beginning of the period	47,625	36,483
Cash and cash equivalents at the end of the period	39,622	57,018
Effects of exchange rate changes on cash and cash equivalents	(479)	(1,253)
Change absolute	**(7,524)**	**21,788**

Consolidated Statement of Changes in Equity

1st Half-Year 2024/25

in TEUR	Share capital	Additional paid-in capital	Other Reserves	Currency reserve	Reserves for cash flow hedges	Reserve IAS 19	Total	Non-controlling interests	Total equity
	Attributed to shareholders of the parent company								
30 April 2024	**107,867**	**334,638**	**117,569**	**(33,116)**	**32**	**(103,021)**	**423,969**	**1,273**	**425,242**
+/- Net profit for the period	0	0	18,516	0	0	0	18,516	(109)	18,407
+/- Other comprehensive income	0	0	0	1,331	14	(1,582)	(237)	(14)	(251)
+/- Total comprehensive income	**0**	**0**	**18,516**	**1,331**	**14**	**(1,582)**	**18,279**	**(123)**	**18,156**
+/- Share buyback	0	(1,771)	0	0	0	0	(1,771)	0	(1,771)
+/- Dividends	0	0	(10,681)	0	0	0	(10,681)	0	(10,681)
31 October 2024	**107,867**	**332,867**	**125,404**	**(31,785)**	**46**	**(104,603)**	**429,796**	**1,150**	**430,946**

1st Half-Year 2023/24

in TEUR	Share capital	Additional paid-in capital	Other Reserves	Currency reserve	Reserves for cash flow hedges	Reserve IAS 19	Total	Non-controlling interests	Total equity
	Attributed to shareholders of the parent company								
30 April 2023	**108,750**	**335,316**	**110,722**	**(34,964)**	**0**	**(99,473)**	**420,351**	**1,374**	**421,725**
+/- Net profit for the period	0	0	21,277	0	0	0	21,277	(115)	21,162
+/- Other comprehensive income	0	0	0	(180)	0	1,300	1,120	43	**1,163**
+/- Total comprehensive income	**0**	**0**	**21,277**	**(180)**	**0**	**1,300**	**22,397**	**(72)**	**22,325**
+/- Dividends	**0**	**0**	**(17,259)**	**0**	**0**	**0**	**(17,259)**	**(251)**	**(17,510)**
31 October 2023	**108,750**	**335,316**	**114,740**	**(35,144)**	**0**	**(98,173)**	**425,489**	**1,051**	**426,540**

The balance sheet position "reserves" comprises other reserves, the currency reserve and the IAS 19 reserve.

Condensed Notes

Accounting and Valuation Methods

The condensed consolidated interim financial statements for the period from 1 May 2024 to 31 October 2024 were prepared in accordance with the principles of Financial Reporting Standards, Interim Financial Reporting (IAS 34). The Zumtobel Group elected to use the option permitted by IAS 34 and provide condensed notes.

The condensed consolidated interim financial statements as of 31 October 2024 were based on the International Financial Reporting Standards and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as applied in the European Union (EU), which were in effect on the balance sheet date.

The accounting and valuation methods applied as of 31 October 2024 reflect the methods applied in preparing the consolidated financial statements as of 30 April 2024, with the exception of the IFRSs which required mandatory application after 1 January 2024. A detailed description of these methods is provided in the consolidated financial statements for 2023/24 under note 2.6.4 "Accounting and Valuation Methods". Additional information on the effects of new standards can also be found under "Effects of new and revised standards and interpretations".

The consolidated financial statements for the 2023/24 financial year are also available online under https://z.lighting/en/group/investor-relations/.

As of 31 October 2024, there were indications of possible impairment to both cash-generating units (CGUs) and impairment tests were subsequently carried out.

For the CGU Lighting, these indications were related to the restructuring of the plant in France and the termination of production in Australia. The indications for the CGU Components were based on the continuing weak development of revenues.

Recoverability was determined by estimating the recoverable amount of the respective cash-generating unit. This amount is based on forecasted cash flows and the average weighted cost of capital (WACC) used for discounting. The measurement period covers a four-year detailed planning period, a transition year and a perpetual annuity. Planning is based on external forecasts, experience and estimates by the Management Board on the market environment and the development of earnings.

Three scenarios were analysed for each of the two CGUs: a baseline scenario, a worst-case scenario and a best case scenario. They were weighted at 60%, respectively 20% each.

CGU Lighting:

- Baseline scenario (weighting: 60%): The medium-term planning assumed a continuation of the growth trend up to the end of the detailed planning period at an average annual growth rate of 4.0%. The European Green Deal and renovation were identified as the main drivers, while new impulses are also expected from TECTON II.
- Best case scenario (weighting: 20%): Under the assumption of stronger development in the market environment, the average annual growth rate was raised to 4.9%.
- Worst case scenario (weighting: 20%): Under the assumption of weaker revenue growth, the average annual growth rate was reduced to 3.1%.

CGU Components:

- Baseline scenario (weighting: 60%): The medium-term planning assumed complete recovery up to the prior year level by the end of the detailed planning period at an average annual growth rate of 4.0%. Energy efficiency and sustainability were identified as the main drivers.
- Best case scenario (weighting: 20%): Under the assumption of an accelerated recovery, the average annual growth rate was raised to 6.1%.
- Worst case scenario (weighting: 20%): Under the assumption of weaker revenue growth, the average annual growth rate was reduced to 1.9%.

The following assumption were made in planning the scenarios:

Cash flow forecast period: 4 years

Pre-tax discount rate:
LS: 10.4% (H1 2024/25), 10.5% (FY 2023/24)
CS: 10.8% (H1 2024/25), 11.1% (FY 2023/24)

- Cash flow forecast period: four-year forecast prepared by management and approved/reviewed by the Management Board.
- Pre-tax discount rate: reflects specific risks in the respective CGUs and in the countries where they operate.

Recoverable amount:
Surplus coverage in the CGU Lighting equalled EUR 261.0 mn (FY 2023/24 EUR 208.6 mn).
Surplus coverage in the CGU Components equalled EUR 25.0 mn (FY 2023/24 EUR 42.7 mn).

Additional information on the impairment testing of goodwill is provided in the section on goodwill under "Selected Notes to the Consolidated Balance Sheet".

In order to improve the transparency and explanatory power of the condensed consolidated interim financial statements, certain items were combined on the balance sheet, the income statement and the statement of comprehensive income and are presented separately in the notes. The amounts in the tables are presented in thousand euros (TEUR), unless stated otherwise. The use of automatic data processing equipment can lead to rounding differences.

The reporting packages of the companies included in the condensed consolidated interim financial statements were prepared on the basis of uniform accounting and valuation principles.

The preparation of consolidated interim financial statements in accordance with IFRS requires the use of judgments, estimates and assumptions by management, which have an influence on the amount and reporting of recognised assets and liabilities, income and expenses, and the disclosures on contingent liabilities in the condensed consolidated interim financial report.

Macroeconomic environment and effects of global uncertainty

The global economy has remained stable in spite of the political trouble spots in Ukraine/Russia and the Near East. Inflation is approaching the target levels, and interest rates are declining. However, growth remains weak in the key core markets – above all in Europe and especially in Germany and Austria.

The construction industry is still confronted with particularly strong declines in residential sector as well as persistent weakness in non-residential construction. The professional lighting market continues to benefit in selected markets from the high demand for energy efficient and sustainable lighting solutions.

Delivery times for most merchandise groups have generally normalised in 2024 and are now comparable with pre-pandemic periods. The availability of semiconductors has improved, but is still problematic for certain industrial applications.

Prices are again largely oriented on demand, and commodity indexes are relatively stable but still higher than before the pandemic.

The decline in interest rates during the first half-year had an influence on the discount factors and, in turn, especially on the valuation of goodwill and employee-related obligations.

Other significant events in the first half of 2024/25

The General Meeting approved the payment of a 25 euro cents dividend per share for the 2023/24 financial year. Dividends totalling TEUR 10,681 (previous year: TEUR 17,259) were distributed to shareholders on 9 August 2024.

In addition, the 48th General Meeting re-elected the previous Supervisory Board members Georg Pachta-Reyhofen and Thorsten Staake for terms extending to the General Meeting for the 2026/27 financial year. In the following constituent meeting, Karin Zumtobel-Chammah was re-elected chairwoman of the Supervisory Board.

The Supervisory Board of Zumtobel Group AG extended the contract of Management Board Chairman and Chief Executive Officer (CEO) Alfred Felder for a further two years up to 30 September 2027.

The provisions for pensions and termination benefits were revalued due to the decline in interest rates during the first half of 2024/25. This revaluation led to an increase of TEUR 2,295.

An announcement in mid-October confirmed that Zumtobel Group AG had approved a proposal by the management of ZG Europhane SAS to begin an evaluation of the possible termination of production at the plant in Les Andelys (France). Part of the process is the search for a potential buyer who would establish new business activities at this location. A total of 85 employees would be affected by this measure. In addition, a restructuring process is in progress at the plant in Lemgo (Germany) and the assembly plant in Sydney (Australia) was closed. These measures led to restructuring costs of TEUR 11,213 in the first half of 2024/25.

Foreign Currency Translation

The most important currencies for the conversion of the subsidiaries' financial statements into EUR are listed in the following table:

1 EUR equals	Average exchange rate: Income Statement		Closing rate: Balance Sheet	
	31 October 2024	31 October 2023	31 October 2024	30 April 2024
AUD	1.6331	1.6503	1.6559	1.6423
CHF	0.9562	0.9651	0.9412	0.9787
USD	1.0907	1.0821	1.0882	1.0718
SEK	11.4458	11.6646	11.6308	11.7530
NOK	11.6873	11.5475	11.9385	11.8150
GBP	0.8453	0.8627	0.8375	0.8548

Scope of Consolidation

The condensed consolidated interim financial statements include all major Austrian and foreign companies that are controlled by Zumtobel Group AG. In the first half of the 2024/25 financial year, 84 companies were included through full consolidation and one company was included at equity.

Selected Notes to the Consolidated Income Statement

The following comments explain the major changes to individual items in relation to the comparable prior year period.

Revenues

Revenues include an adjustment of TEUR 21,595 for sales deductions (H1 2023/24: TEUR 21,271). Gross revenues total TEUR 599,221 (H1 2023/24: TEUR 595,689).

Expenses

The consolidated income statement was prepared in accordance with the cost of sales method. The following categories of income and expenses are included in the cost of goods sold (incl. development costs), selling expenses (incl. research costs), administrative expenses and other operating results:

1st Half-Year 2024/25

in TEUR	Cost of goods sold	Selling expenses	Administrative expenses	Other operating results	Total
Cost of materials	(227,479)	(3,903)	0	0	(231,382)
Personnel expenses	(94,795)	(91,951)	(25,820)	0	(212,566)
Depreciation	(19,726)	(4,247)	(3,798)	0	(27,771)
Other expenses	(26,053)	(46,334)	(16,851)	(631)	(89,869)
Own work capitalised	7,309	1,568	0	0	8,877
Internal charges	(8,483)	(16,209)	24,692	0	0
Total expenses	**(369,227)**	**(161,076)**	**(21,777)**	**(631)**	**(552,711)**
Other income	**2,401**	**448**	**447**	**1,763**	**5,059**
Total	**(366,826)**	**(160,628)**	**(21,330)**	**1,132**	**(547,652)**

1st Half-Year 2023/24

in TEUR	Cost of goods sold	Selling expenses	Administrative expenses	Other operating results	Total
Cost of materials	(236,027)	(3,183)	(34)	0	(239,244)
Personnel expenses	(95,133)	(86,567)	(24,275)	0	(205,975)
Depreciation	(20,093)	(4,272)	(4,589)	0	(28,954)
Other expenses	(23,671)	(42,282)	(16,488)	(924)	(83,365)
Own work capitalised	5,167	1,265	175	0	6,607
Internal charges	(7,110)	(15,186)	22,296	0	0
Total expenses	**(376,867)**	**(150,225)**	**(22,915)**	**(924)**	**(550,931)**
Other income	**1,898**	**383**	**553**	**4,554**	**7,388**
Total	**(374,969)**	**(149,842)**	**(22,362)**	**3,630**	**(543,543)**

The cost of goods sold includes development costs of TEUR 34,575 (H1 2023/24: TEUR 32,554).

The first half of 2024/25 includes special effects of TEUR 11,213 (H1 2023/24: TEUR 9,108) from restructuring measures. These effects include TEUR 11,213 (H1 2023/24: TEUR 1,332) for the Lighting Segment and TEUR 0 (H1 2023/24: TEUR 7,776) for the Components Segment. Of this total, TEUR 9,497 (H1 2023/24: TEUR 9,108) are attributable to the cost of goods sold – TEUR 9,497 (H1 2023/24: TEUR 1,332) in the Lighting Segment and TEUR 0 (H1 2023/24: TEUR 7,776) in the Components Segment. A further TEUR 1,716 (H1 2023/24: TEUR 0) are attributable to selling expenses in the Lighting Segment.

The special effects include TEUR 6,135 (H1 2023/24: TEUR 6,345) of personnel expenses, of which TEUR 6,135 (H1 2023/24: TEUR 1,332) are allocated to the Lighting Segment and TEUR 0 (H1 2023/24: TEUR 5,013) to the Components Segment. Other components of the special effects are TEUR 1,214 (H1 2023/24: TEUR 773) of impairment losses to non-current assets, TEUR 2,700 (H1 2023/24: TEUR 0) of impairment losses to current assets, and TEUR 1,164 (H1 2023/24: TEUR 1,990) of other expenses.

Other Financial Income and Expenses

in TEUR	Q2 2024/25	Q2 2023/24	H1 2024/25	H1 2023/24
Interest component as per IAS 19 less income on plan assets	(1,254)	(1,238)	(2,058)	(2,546)
Foreign exchange gains and losses	(872)	(1,054)	(722)	(579)
Market valuation of financial instruments	(207)	1,318	(1,513)	1,068
Total	**(2,333)**	**(974)**	**(4,293)**	**(2,057)**

Foreign exchange gains and losses include realised and unrealised foreign exchange gains and losses from receivables and liabilities as well as realised foreign exchange gains and losses from currency futures.

The position "market valuation of financial instruments" shows the results from the measurement of currency futures at the applicable market prices as of the balance sheet date.

Selected Notes to the Consolidated Statement of Comprehensive Income

Actuarial Gain/Loss

The reported actuarial losses of TEUR 2,295 (H1 2023/24: gains of TEUR 1,155) resulted from revaluation effects from the Group's pension and termination obligations. They reflect the downward trend in interest rates and inflation during the first half of 2024/25.

Currency Differences

This position consists of translation effects from the conversion of subsidiaries' financial statements (TEUR (743); H1 2023/24: TEUR (1,021)) and effects from foreign currency-related adjustments to goodwill following the application of IAS 21 ("The Effects of Changes in Foreign Exchange Rates") (TEUR 1,532; H1 2023/24: TEUR 803). The currency reserve also includes a currency effect of TEUR (14) (H1 2023/24: TEUR 43) from non-controlling interests and currency effects of TEUR (428) (H1 2023/24: TEUR (79)) from an interest rate hedge (net investment hedge).

Currency Differences arising from Loans

The currency differences arising from loans (TEUR 970; H1 2023/24: TEUR 117) result from long-term intragroup loans in GBP, AUD and USD, which are classified as net investments in a foreign operation and must therefore be reported under comprehensive income.

Deferred Taxes

The deferred taxes recognised in comprehensive income during the first half of 2024/25 (TEUR 713; H1 2023/24: TEUR 145) are related to the provisions for pensions and termination benefits based on actuarial losses as defined in IAS 19 ("Employee Benefits").

Selected Notes to the Consolidated Balance Sheet

The following comments refer to major changes in individual items compared to the balance sheet date on 30 April 2024.

Goodwill

The application of IAS 21 ("The Effects of Changes in Foreign Exchange Rates") led to foreign currency-based adjustments of TEUR 1,532 to goodwill in the first half of 2024/25 (H1 2023/24: TEUR 803) which were not recognised through profit or loss.

Recoverable Amount
The recoverable amount of the CGU Lighting exceeded the carrying amount by EUR 261.0 mn (FY 2023/24: EUR 208.6 mn). The surplus coverage of the CGU Components equalled EUR 25.0 mn (FY 2023/24: EUR 42.7 mn).

Effect of Possible Changes in Material Assumptions
In the CGU Lighting, an increase in the pre-tax WACC from 10.4% to 14.2% (H1 2024/25), from 10.5% to 13.6% (FY 2023/24) or a reduction of 30.5% in cash flow (H1 2024/25)/26.4% (FY 2023/24) would reduce the surplus coverage to zero.

In the CGU Components, an increase in the pre-tax WACC from 10.8% to 12.4% (H1 2024/25), from 11.1% to 14.1 % (FY 2023/24) or a reduction of 14.8% in cash flow (H1 2024/25)/23.3% (FY 2023/24) would reduce the surplus coverage to zero.

Inventories

The following table shows the various components of inventories:

in TEUR	31 October 2024	30 April 2024
Raw materials	65,405	66,015
Work in process	2,261	1,812
Semi-finished goods	8,449	7,949
Merchandise	26,804	25,822
Finished goods	77,547	78,764
Inventories	180,466	180,362

Non-current Financial Assets

The decline in non-current financial assets resulted from the receipt of TEUR 1,211 in insurance compensation as coverage for damages.

Current Financial Assets

Current financial assets consist primarily of positive market values from hedges in the form of foreign exchange derivatives (TEUR 1,302; 30 April 2024: TEUR 2,862) and also include receivables due from financial institutions from the continuing involvement in a factoring agreement (TEUR 1,725; 30 April 2024: TEUR 1,454).

Other Current Assets

The increase in other current assets resulted chiefly from a higher balance of VAT receivables and higher advance payments made.

Non-current Provisions

The decline in other non-current provisions resulted from a reduction in the provisions for individual damage cases which are related to road lighting projects in Great Britain.

Non-current Financial Liabilities

The increase in non-current financial liabilities is primarily attributable to the draw-down of TEUR 40,000 (30 April 2024: TEUR 5,000) from the consortium credit agreement.

Current Provisions

The increase in other current provisions resulted from additions to the provisions for restructuring.

Current Financial Liabilities

The decline in current financial liabilities resulted chiefly from the repayment in H1 of 2024/25 of a TEUR 30,000 loan which was granted by the European Investment Bank (EIB).

Trade Payables

The decline of TEUR 14,096 in trade payables is primarily attributable to a reduction in the procurement volume and active inventory management.

Determination of Fair Value

The determination of fair value is based on a three-level hierarchy that reflects the valuation certainty.

Level 1: Listed prices on active markets for identical instruments
Level 2: Valuation based on input factors that can be monitored on the market
Level 3: Valuation based on input factors that cannot be monitored on the market

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels on the fair value hierarchy. They do not include any information on the fair value of financial assets or financial liabilities that are not carried at fair value when the carrying amount represents an approximation of fair value.

31 October 2024

Assets

in TEUR	Carrying amount	Accounting at fair value	Accounting at amortized cost	Fair value	Level 1	Level 2	Level 3
Non-current financial assets	4,112	576	3,536	-			
Securities and similar rights	*576*	*576*	*-*	*576*			*576*
Loans originated and other receivables	*3,536*	*-*	*3,536*	*-*			
Current financial assets	3,096	1,357	1,739	-			
Securities and similar rights	*1,725*	*-*	*1,725*	*-*			
Loans originated and other receivables	*14*	*-*	*14*	*-*			
Positive market values of derivatives held for trading	*1,302*	*1,302*	*-*	1,302		*1,302*	
Positive market values of derivatives (hedge accounting)	*55*	*55*	*-*	55		*55*	
Trade receivables	172,859	1,725	171,134	1,725			1,725
Liquid funds	50,643	-	50,643	-			
Total	**230,710**	**3,658**	**227,052**				

Liabilities

in TEUR	Carrying amount	Accounting at fair value	Accounting at amortized cost	Fair value	Level 1	Level 2	Level 3
Non-current borrowings	78,113	-	78,113	-			
Loans received	*46,310*	*-*	*46,310*	*45,625*			
Lease liability	*31,803*	*-*	*31,803*	*-*			
Other non-current liabilities	-	-	-	-			
Current borrowings	63,764	-	63,764	-			
Loans received	*41,725*	*-*	*41,725*	*-*			
Working capital credits	*10,963*	*-*	*10,963*	*-*			
Lease liability	*11,076*	*-*	*11,076*	*-*			
Trade payables	91,678	-	91,678	-			
Other current liabilities	4,108	3,954	154	3,954			
Negative market values of derivatives held for trading	*64*	*64*	*-*	*64*		*64*	
Negative market values of derivatives (hedge accounting)	*3,890*	*3,890*	*-*	*3,890*		*3,890*	
Other	*154*	*-*	*154*	*-*			
Total	**237,663**	**3,954**	**233,709**				

30 April 2024

Assets

in TEUR	Carrying amount	Accounting at fair value	Accounting at amortized cost	Fair value	Level 1	Level 2	Level 3
Non-current financial assets	5,323	576	4,747	-			
Securities and similar rights	*576*	*576*	*-*	*576*			*576*
Loans originated and other receivables	*4,747*	*-*	*4,747*	*-*			
Current financial assets	4,373	2,904	1,469	-			
Securities and similar rights	*1,454*	*-*	*1,454*	*-*			
Loans originated and other receivables	*15*	*-*	*15*	*-*			
Positive market values of derivatives held for trading	*2,862*	*2,862*	*-*	2,862		*2,862*	
Positive market values of derivatives (hedge accounting)	*42*	*42*	*-*	42		42	
Trade receivables	171,862	1,454	170,408	1,454			1,454
Liquid funds	60,375	-	60,375	-			
Total	**241,933**	**4,934**	**236,999**				

Liabilities

in TEUR	Carrying amount	Accounting at fair value	Accounting at amortized cost	Fair value	Level 1	Level 2	Level 3
Non-current borrowings	43,212	-	43,212	-			
Loans received	11,952	*-*	*11,952*	*10,534*			
Lease liability	31,260	*-*	*31,260*	*-*			
Other non-current liabilities	-	-	-	-			
Current borrowings	95,738	-	95,738	-			
Loans received	71,454	*-*	*71,454*	*-*			
Working capital credits	12,691	*-*	*12,691*	*-*			
Lease liability	11,593	*-*	*11,593*	*-*			
Trade payables	105,774	-	105,774	-			
Other current liabilities	4,236	3,917	319	3,917			
Negative market values of derivatives held for trading	112	*112*	*-*	*112*		*112*	
Negative market values of derivatives (hedge accounting)	3,805	*3,805*	*-*	*3,805*		*3,805*	
Other	*319*	*-*	*319*	*-*			
Total	**248,960**	**3,917**	**245,043**				

Selected Notes to the Consolidated Cash Flow Statement

Cash flow is determined on a monthly basis in accordance with the indirect method. The resulting monthly cash flows are translated at the applicable average monthly exchange rate and then aggregated, while the balance sheet positions are translated at the exchange rate in effect on the respective closing date. This procedure leads to currency translation differences, above all in individual positions under cash flow from operating activities, and therefore to material differences compared with the respective balance sheet positions.

Transition to Cash and Cash Equivalents

in TEUR	31 October 2024	30 April 2024
Liquid funds	50,643	60,375
Not available for disposal	(59)	(59)
Overdrafts	(10,962)	(12,691)
Cash and cash equivalents	**39,622**	**47,625**

Segment Reporting

The Zumtobel Group comprises two operating segments, which also form the basis for the corporation's management: the Lighting Segment and the Components Segment. The Lighting Segment covers the Indoor, Outdoor und Zumtobel Group Services business areas and markets lighting solutions, interior and exterior lighting as well as electronic-digital lighting and room management systems. The Components Segment includes the Tridonic business, which develops, produces and markets electronic lighting components and LED lighting components. The transfer of goods and services between the two divisions is based on ordinary market conditions.

Segment reporting is principally based on the same presentation, accounting and valuation methods used to prepare the consolidated financial statements. In accordance with the management approach prescribed by IFRS 8 (Operating Segments), operating profit (EBIT) – a key indicator used for internal reporting – is included as part of the segment data. The information on segment assets is limited to the data on segment inventories that is regularly reported to management.

2nd Quarter 2024/25

	Lighting Segment		Components Segment		Reconciliation		Group	
in TEUR	Q2 2024/25	Q2 2023/24	Q2 2024/25	Q2 2023/24	Q2 2024/25	Q2 2023/24	Q2 2024/25	Q2 2023/24
Net revenues	**229,500**	**230,332**	**77,028**	**75,137**	**(17,968)**	**(16,604)**	**288,560**	**288,865**
External revenues	229,216	230,114	59,344	58,751	0	0	288,560	288,865
Inter-company revenues	284	218	17,684	16,386	(17,968)	(16,604)	0	0
Adjusted Gross profit[1]	**88,417**	**91,214**	**18,882**	**13,322**	**1,762**	**1,510**	**109,061**	**106,047**
Adjusted EBIT[1]	**17,844**	**26,903**	**6,475**	**3,247**	**(3,369)**	**(4,673)**	**20,950**	**25,477**
Special effects	(9,723)	(1,332)	0	(7,776)	0	0	(9,723)	(9,108)
Operating profit	**8,121**	**25,571**	**6,475**	**(4,529)**	**(3,369)**	**(4,673)**	**11,227**	**16,369**
Investments	**7,013**	**12,455**	**3,333**	**2,736**	**643**	**909**	**10,989**	**16,100**
Adjusted Depreciation[1]	**(9,010)**	**(9,192)**	**(3,373)**	**(3,453)**	**(971)**	**(1,081)**	**(13,354)**	**(13,726)**

[1] Adjusted for special effects

In the second quarter of 2024/25, special effects due to restructuring measures in the amount of TEUR 9,724 (previous year TEUR 9,108) were recorded – hereof TEUR 9,724 (previous year TEUR 1,332) for the Lighting Segment as well as TEUR 0 (previous year TEUR 7,776) for the Components Segment. Of this TEUR 8,395 (previous year TEUR 9,108) is attributable to the costs of services sold - TEUR 8,395 (previous year TEUR 1,332) in the Lighting Segment as well as TEUR 0 (previous year TEUR 7,776) in the Components Segment. In addition, TEUR 1,329 (previous year TEUR 0) is attributable to distribution costs – entirely in the Lighting Segment.

In total, the special effects amount to TEUR 4,645 (previous year TEUR 6,345) for personnel expenses – of which TEUR 4,645 (previous year TEUR 1,332) for the Lighting Segment and TEUR 0 (previous year TEUR 5,013) for the Components Segment – as well as TEUR 1,214 (previous year TEUR 773) for depreciation of fixed assets, TEUR 2,700 (previous year TEUR 0) for depreciation of current assets and TEUR 1,164 (previous year TEUR 1,990) for other expenses.

1st Half-year 2024/25

	Lighting Segment		Components Segment		Reconciliation		Group	
in TEUR	H1 2024/25	H1 2023/24	H1 2024/25	H1 2023/24	H1 2024/25	H1 2023/24	H1 2024/25	H1 2023/24
Net revenues	**456,108**	**454,450**	**157,321**	**152,101**	**(35,803)**	**(32,134)**	**577,626**	**574,417**
External revenues	*455,384*	*454,069*	*122,242*	*120,348*	*0*	*0*	*577,626*	*574,417*
Inter-company revenues	*724*	*381*	*35,079*	*31,753*	*(35,803)*	*(32,134)*	*0*	*0*
Adjusted Gross profit[2]	**180,572**	**176,843**	**37,044**	**28,465**	**2,681**	**3,249**	**220,297**	**208,556**
Adjusted EBIT[2]	**37,976**	**44,170**	**11,194**	**5,475**	**(7,982)**	**(9,663)**	**41,188**	**39,982**
Special effects	(11,213)	(1,332)	0	(7,776)	0	0	(11,213)	(9,108)
Operating profit	**26,762**	**42,838**	**11,194**	**(2,301)**	**(7,982)**	**(9,663)**	**29,974**	**30,874**
Investments	**16,013**	**16,054**	**5,404**	**5,148**	**1,189**	**1,465**	**22,606**	**22,667**
Adjusted Depreciation[2]	**(17,990)**	**(19,182)**	**(6,588)**	**(6,803)**	**(1,978)**	**(2,196)**	**(26,556)**	**(28,181)**

[2] Adjusted for special effects (see the "Selected Notes to the Consolidates Income Statement" - Expenses)

	Lighting Segment		Components Segment		Reconciliation		Group	
	31 October 2024	30 April 2024	31 October 2024	30 April 2024	31 October 2024	30 April 2024	31 October 2024	30 April 2024
Headcount (full-time equivalent)	3,634	3,602	1,632	1,586	163	162	5,429	5,350

The number of employees reported in the above table includes 79 (H1 2023/24: 50) temporary employees working in the Zumtobel Group.

The elimination of inter-segment revenues is shown in the reconciliation column.

The reconciliation column comprises the following:

in TEUR	Q2 2024/25	Q2 2023/24	H1 2024/25	H1 2023/24
Group parent companies	(3,297)	(4,645)	(7,844)	(9,573)
Group entries	(72)	(28)	(138)	(90)
Operating profit	**(3,369)**	**(4,673)**	**(7,982)**	**(9,663)**

The Group parent companies represent companies that provide administrative or financing services for the entire Group and cannot be allocated to a specific segment. The reconciliation to operating profit includes Group entries for the elimination of interim profits in current and non-current assets.

The revenues generated by sales to individual external customer represent, in each case, less than 10% of total revenues.

	Lighting Segment		Components Segment		Reconciliation		Group	
in TEUR	31 October 2024	30 April 2024	31 October 2024	30 April 2024	31 October 2024	30 April 2024	31 October 2024	30 April 2024
Raw materials	42,385	42,655	45,744	48,488	0	0	88,129	91,142
Work in process	694	540	1,567	1,272	0	0	2,261	1,812
Semi-finished goods	10,221	8,929	408	374	0	0	10,629	9,303
Merchandise	22,096	21,931	11,181	9,480	0	0	33,277	31,411
Finished goods	49,659	51,910	42,355	41,693	(615)	(477)	91,399	93,126
Impairment loss	(23,369)	(21,247)	(21,860)	(25,186)	0	0	(45,229)	(46,432)
Inventories	**101,686**	**104,718**	**79,395**	**76,121**	**(615)**	**(477)**	**180,466**	**180,362**

Related Party Transactions

All business transactions with related persons are based on normal market terms. There were no material supply or service relationships with related parties or persons in the first half of 2024/25.

Contingent Liabilities and Guarantees

The Zumtobel Group has issued bank guarantees totalling TEUR 14,833 (30 April 2024: TEUR 14,521) for various purposes.

Subsequent Events

No significant events occurred after the interim balance sheet date on 31 October 2024.

Dornbirn, 4 December 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)

Statement by the Management Board in accordance with § 125 (1) of the Austrian Stock Corporation Act

We hereby confirm to the best of our knowledge that these condensed consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report for the first half-year gives a true and fair view of the major events occurring during the first six months of the financial year and their effects on the condensed consolidated interim financial statements as well as the principal risks and uncertainties faced by the group during the remaining six months of the financial year and the transactions with related companies and persons which require disclosure.

Dornbirn, 4 December 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)

We draw attention to the fact that the English translation of this report is presented for the convenience of the reader only and that the German wording is the only legally binding version.

Review Report

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Zumtobel Group AG, Dornbirn, as at October 31, 2024. The condensed consolidated interim financial statements comprise the consolidated balance sheet as at October 31, 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the period from May 1 to October 31, 2024 as well as the condensed notes to the condensed consolidated interim financial statements that summarize the significant accounting and valuation methods and include other disclosures.

The Company's management is responsible for the preparation of these condensed consolidated interim financial statements in accordance with IFRSs on Interim Financial Reporting as adopted by the EU.

Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of the review

We conducted our review in accordance with the professional standards applicable in Austria, in particular KFS/PG 11 "Guidelines for the review of financial statements". A review of financial statements consists of making inquiries, primarily with persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and requires less evidence, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements were not – in all material aspects – prepared in accordance with the IFRSs on Interim Financial Reporting as adopted by the EU.

Statement on the interim management report for the Group and on the statement by management pursuant to section 125 BörseG 2018 (Austrian Stock Exchange Act 2018)

We have read the interim management report for the Group and evaluated as to whether it does not contain any apparent inconsistencies with the condensed consolidated interim financial statements. Based on our evaluation, the interim management report for the Group does not contain any apparent inconsistencies with the condensed consolidated interim financial statements.

The consolidated interim financial report contains the statement by management as set forth under section 125 para. 1 subsec. 3 BörseG 2018.

Vienna

December 4, 2024

PwC Wirtschaftsprüfung GmbH

Mag. Peter Pessenlehner

Wirtschaftsprüfer

Disclosure, publication and duplication of the condensed consolidated interim financial statements together with our review report according to section 281 para. 2 UGB in a form not in accordance with statutory requirements and differing from the version reviewed by us is not permitted. Reference to our review may not be made without prior written permission from us

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

Interim Report Q1 – Q3 2024/25 (1 May 2024 – 31 January 2025) 06 March 2025

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Financial Reports

Our financial reports are available in English and German for download under: https://z.lighting/

More Information

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