November 28, 2025

SLR Group GmbH
Q1 – 25/26

Earnings call

Today’s presenters

Jörg Rumikewitz , CEO

Jörg Rumikewitz has long-standing experience in casting and machining, with 21 years of experience from Fritz Winter, whereof 11 years as CEO. Mr. Rumikewitz joined SLR Group as CEO in September 2022 and holds a diploma in Engineering from Bingen Technical University of Applied Sciences.

Gunnar Halden, CFO

Gunnar Halden has 20+ years professional experience from global and multi-site businesses. Mr. Halden joined SLR Group in September 2022 from Filtration Group Industrial (part of Madison Industries), where he served as President and CFO for three years. Mr. Halden holds a diploma in Business Administration from the University of Hamburg.

Introduction to SLR

Business Overview

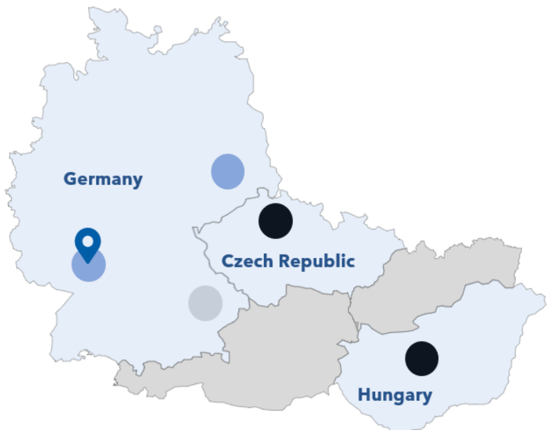
At a glance

- SLR, headquartered in St. Leon-Rot, Germany, is a **leading producer of high-quality cast iron components** used mainly in large off-highway agricultural and infrastructure/construction machinery
- Founded in 1970, SLR currently employs some 702 employees and operates four state-of-the-art, fully invested manufacturing facilities in Germany, Hungary and the Czech Republic
- The Group acts as a **full-service provider** for its customers, spanning from development and tool manufacturing to casting all the way to the machined component
- SLR enjoys a blue-chip customer base with entrenched **single-source relationships spread over Europe and North America**, with main customers including market leading OEMs and Tier 1 vendors such as Caterpillar, DANA, John Deere and ZF

Selected highlights

- **Blue-chip off-highway customers**
- **Single-source supplier**
- **~160,000 metric tons p.a. casting capacity**
- **State-of-the-art, fully invested facilities**
- **Best-in-class quality**
- **Up to 100% share of green electricity**

Geographical footprint



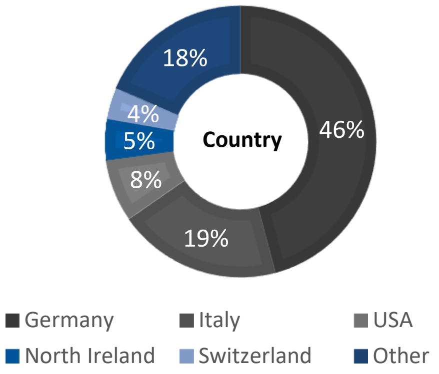
- HQ & foundry
- ● Foundry
- ● Machining / assembly
- ● Pattern shop

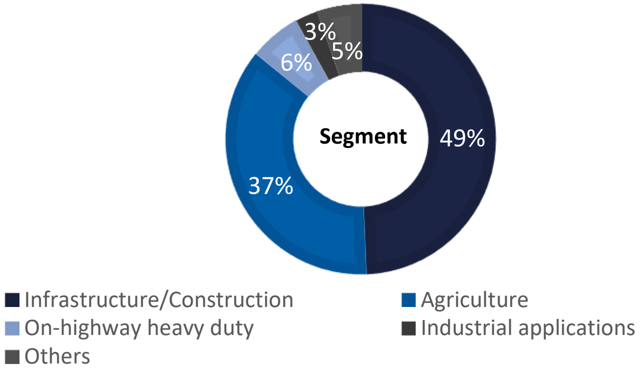
3 countries

5 production sites

714 employees[1]

Sales splits





Note: per Sept. 30th 2025
Source: Group information – Quarterly Report Q1 24/25

Agenda – Q1 – Earnings call

01 **Business highlights**

02 Sales development

03 Key financials

04 Outlook
Q&A

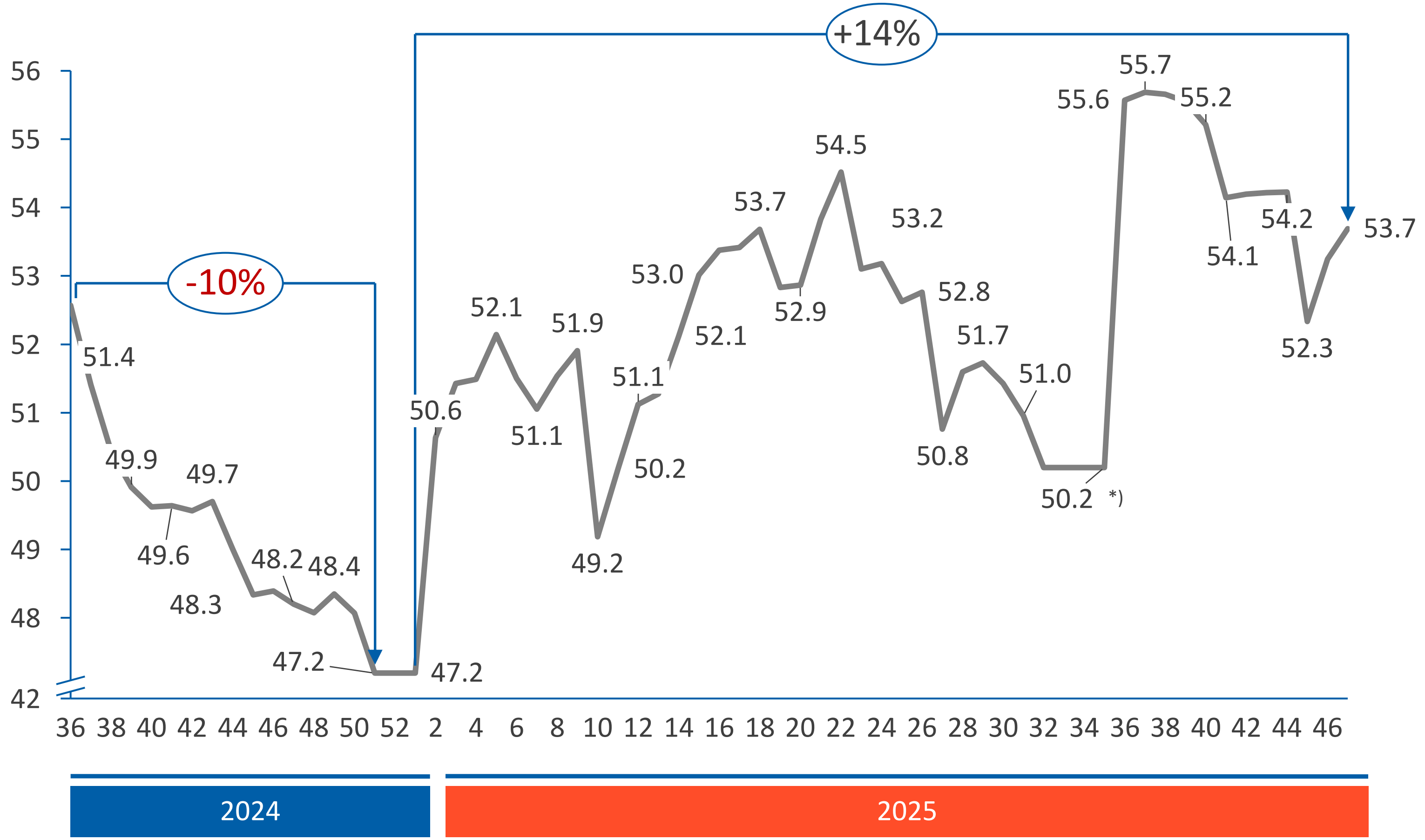
Short and long-term market observations

	Current market situation	Long-term expectations
Agriculture	**Global market decline in orders** for all manufacturers mainly due to: • Economic and geopolitical uncertainty • Uncertainty due to the dispute over trade tariffs • Increased financing costs due to high interest rates • Expectation of subsidies or interest rate cuts • Extended company holidays in summer	The **long-term demand for new machinery will increase**: • Feeding the increasing world population • New technologies such as precision farming or automated machines *"November 2025 - Higher expectations for the European market - In many segments the upturn has still not materialized in business. In addition, following the strong order intake in recent months, industry representatives have meanwhile further lowered their expectations for incoming orders in the coming months."*[1]
Construction equipment	**Significant unexpected decline in orders** mainly due to: • High interest rates lead to high construction and financing costs • Political uncertainties and high financing costs lead to cancelled or postponed major infrastructure projects • Uncertainty due to the dispute over trade tariffs • Decline in public construction projects due to high financing costs	The **demand for new equipment will increase** in the long term: • Critical infrastructure urgently needs to be renewed • To achieve the climate targets, the infrastructure as well as the machines must be brought up to the latest technological standards • Reconstruction of Ukraine *"November 2025 - Business climate of the European construction equipment is seeing a sideways movement since the summer."*[2]
Industrial	**Stable to growing market** due to advancing automation and electrification of the drivetrain of cars, trucks and buses	**Growth is expected to increase** when the new technologies in the drivetrain become established on the market

1. Source: CEMA Business Barometer (European Agricultural Machinery Association) – November 2025
2. Source: CECE Business Barometer (Committee for European Construction Equipment) – November 2025

Significant increase after the summer holidays, followed by a slight decline

6 months Orderbook from CW36 2024 to CW47 2025, in k tons



*) Seasonal decline due to inclusion of December and January orders

Source: SLR Group information

Key take-aways

- **Continued uncertainty:** US tariffs and infrastructure programs that are not yet fully effective are causing consumers to remain cautious about spending. In addition, major OEMs and dealers are actively managing their inventories.
- **Overlapping effects:** Regardless of current market developments, the seasonally low order figures in December and January will lead to an additional decline in the 6-month order book. This is a managed effect.
- **Forecast remains stable:** Overall, the order situation is in line with our assessment, not least due to increased spare parts business.
- **New business:** New parts are only transferred to the order book after series approval by the customer. This initially creates an invisible buffer.

Q1-25/26 at a glance

Key customer gains & further progress on operational excellence

Customers

Expansion with strategic customers:

The **successful development** of components for a new generation of tractors convinced one of our **strategic customers.** Components that had previously been placed with a competitor did not meet the requirements in the prototype phase, so the order was **now awarded to SLR**.

New segment:

Field test for drive systems for on-highway electrification with components made by SLR are progressing successfully. We are currently working on several new projects for additional clients.

Products

New development:

For the most powerful tractor for one of our top 5 customers, we very **successfully converted** a differential housing **from gray cast iron to ductile cast iron** so that the component meets the increased requirements.

This development achievement was **rewarded**, and we have now also received orders for the **front axle suspension** for the same tractor.

The SOP for this new product is expected to be in 2029.

Consistent strategy with focus on market growth through innovative products

Operations

Extended plant holidays of customers, used for extensive maintenance work:

- Production shutdown in July and August of 3 weeks in both foundries.
- Preventive maintenance and necessary repair work were carried out as planned.
- Production started up again after the production-free period with minimal disruptions.

Profitability increase through operational excellence and resilient processes

Agenda – Q4 – Earnings call

slr/group

01 **Business highlights**

Sales development 02

03 **Key financials**

Outlook
Q&A 04

Disclaimer

Basis of preparation for presented financial figures

Basis of Preparation

- All financial figures in this presentation are prepared in accordance with IFRS.
- The SLR Group transitioned to IFRS reporting as of March 31st 2025.
- Unless otherwise stated, all figures are presented in millions of Euros and refer to the continuing operations of the Group.
- The Report Q1 25/26 has not been audited or reviewed by the Group auditor PricewaterhouseCoopers GmbH.

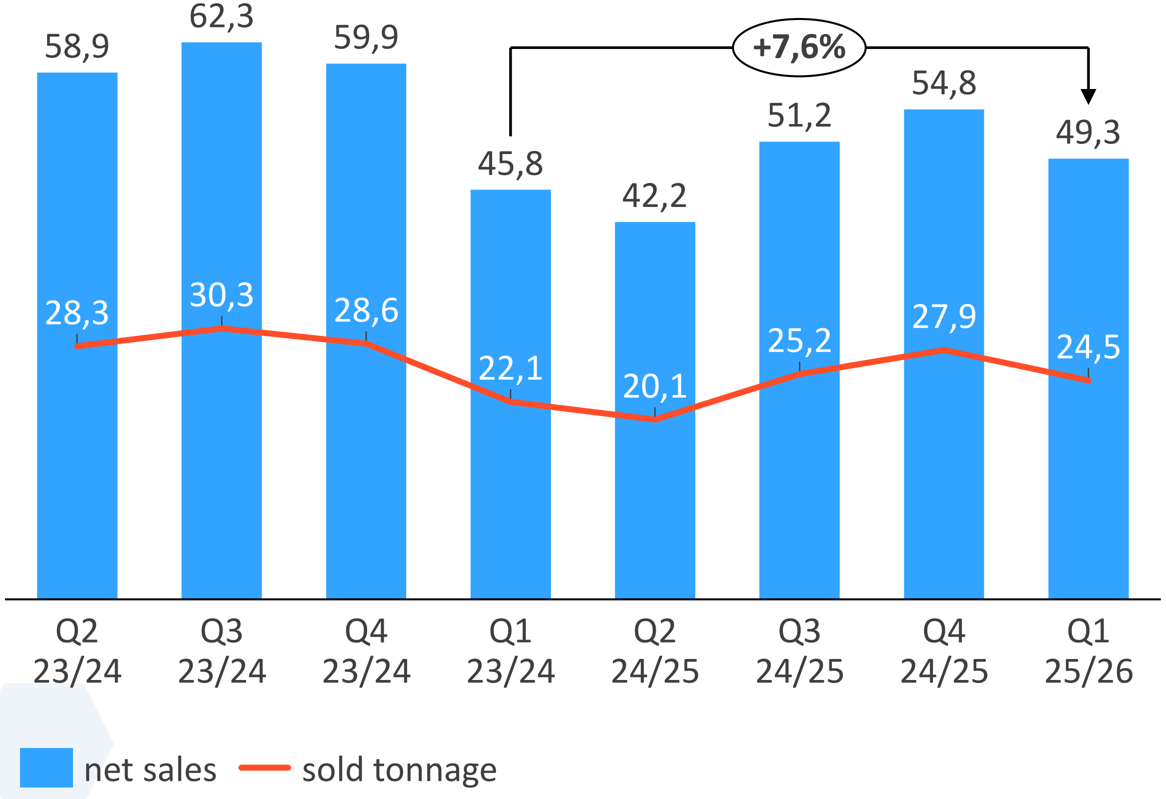
Forward-looking statements

- This presentation contains forward-looking statements, including but not limited to projections of future financial results, market developments, and business strategies.
- These statements are based on management’s current assumptions and expectations and are subject to known and unknown risks and uncertainties.
- Actual results may differ materially.
- The SLR Group undertakes no obligation to update forward-looking statements, except as required by law.

Sales development over the past 2 years

Market decline in the core segments of agriculture and construction segment

Sales figures from Q2 23/24 – Q1 25/26, in k€ and k tons



Key take-aways

Q1: clear operational improvement vs Q1 24/25

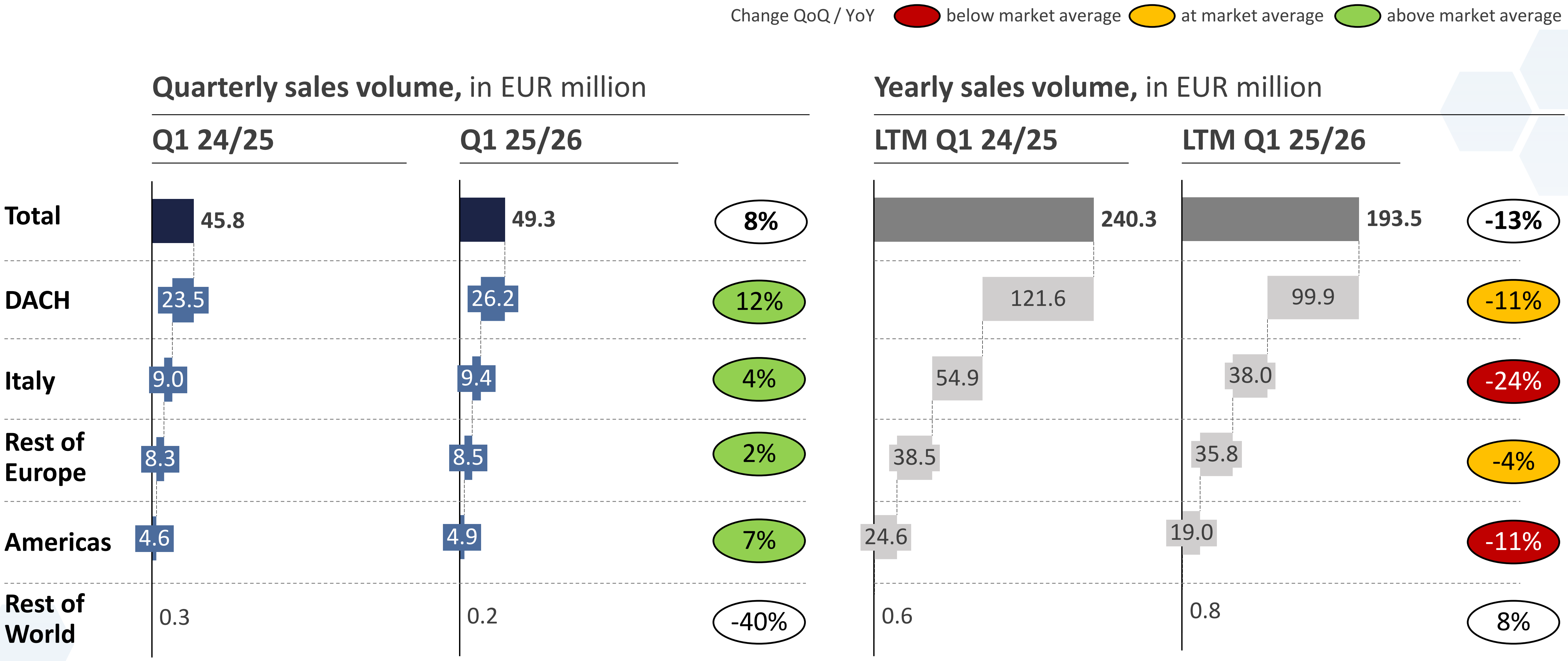
- Sold tonnage rose by >10% year-on-year, showing strengthened volumes
- Net sales did not increase proportionally because of lower metal prices, which reduced revenue per ton

Sales momentum expected to continue into Q2

- Q2 sales are forecast to exceed Q2 24/25 levels.
- Expected sold tonnage for Q2 is >26k, supporting further top-line recovery

Challenging market conditions across all regions

QoQ noticeably improved by solid scale up after summer maintenance break



Agenda – Q4 – Earnings call

slr/group

01 Business highlights

02 Sales development

03 Key financials

04 Outlook
Q&A

Income statement Q1 25/26

Volume-led revenue growth and margin recovery; net loss materially reduced.

In thousands of EUR	Q1 25/26	Q1 24/25	Q1 LTM 25/26	Q1 LTM 24/25
Revenue	49,314	45,815	197,517	226,917
Changes in inventory	21	-3,644	2,299	-5,564
Other operating income	779	167	9,340	4,994
Material expenses	-31,681	-27,411	-128,868	-142,899
Personnel expenses	-10,656	-10,045	-42,466	-45,290
Other operating expenses	-5,258	-5,517	-19,104	-19,754
EBITDA	**2,566**	**-634**	**18,765**	**18,404**
Adjustments	**297**	**193**	**1,883**	**1,920**
Adj. EBITDA	**2,863**	**-441**	**20,648**	**20,325**
EBITDA Margin	*5.8%*	*-1.0%*	*10.5%*	*9.0%*
Depreciation and amortization	-3,082	-2,632	-11,341	-10,225
Operating profit	**-516**	**-3,266**	**7,425**	**8,179**
Interest income	0	1	86	50
Interest expenses	-2,249	-2,890	-10,665	-7,149
Profit before tax	**-2,766**	**-6,155**	**-3,155**	**1,080**
Income tax	40	-54	1,524	-3,455
Other tax expense	-34	-38	-131	-1,564
Profit for the period	**-2,759**	**-6,247**	**-1,762**	**-3,939**

Take-aways

- **Revenue increased to €49.3m** (Q1 24/25: €45.8m), driven primarily by higher volumes.
- **Personnel expense ratio improved** form output perspective; LTM figures show positive impacts out of Adapt & Grow
- **EBITDA improved to €2.6m** (Q1 24/25: -€0.6m), underpinned by operational leverage on higher volumes.
- Adjusted EBITDA margin: Adjusted **EBITDA margin expanded to 5.8%** from -1.0%, demonstrating improved underlying profitability.

Cash flow & liquidity

OCF temporarily impacted by working capital; liquidity remains strong with further inflows expected.

In thousands of EUR	Q1 25/26	Q1 24/25	Q1 LTM 25/26	Q1 LTM 24/25
Profit after tax	-2,759	-6,247	-1,762	-3,939
Depreciation/amortization and impairment of property, plant and equipment and right-of-use assets/intangible assets	3,082	2,632	11,341	10,225
Income tax adjustment	-6	92	-1,393	5,019
Interest expenses/interest income	2,249	2,889	10,580	7,099
Change in working capital	-4,582	7,429	-617	22,486
Increase/decrease in provisions, pensions, and government grants	176	212	501	-1,592
Income tax paid	-242	-495	-387	-7,807
Exchange Rate Differences	78	-17	51	-91
Other	-4	-34	-143	-134
Operating cashflow	**-2,009**	**6,462**	**18,169**	**31,266**
Investing cashflow	**-1,876**	**-3,024**	**-4,823**	**-8,045**
Financing cashflow	**-2,401**	**-2,758**	**-8,617**	**-17,899**
Net cashflow	-6,287	680	4,729	5,323
Cash and cash equivalents beginning period	16,647	4,951	5,631	6,166
Cash and cash equivalents at 30 September	**10,361**	**5,631**	**10,361**	**5,631**

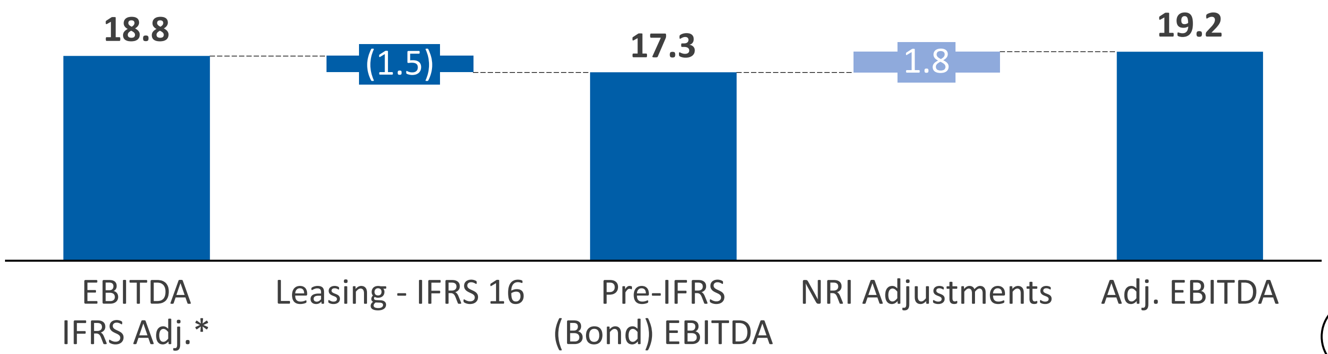
Take-aways

- **Negative operating cash flow** was **-€2.0m**, mainly due to a €4.6m increase in working capital as inventories and receivables rose in line with higher activity.
- Total **capex** amounted to **€1.9m** mainly in maintenance.
- Cash and **cash equivalents** at period end stood at **€10.4m** (Q1 24/25: €5.6m), providing a robust liquidity buffer.
- Additional income of **€6m** from the **SPK** is anticipated in Q2, supporting ongoing liquidity.

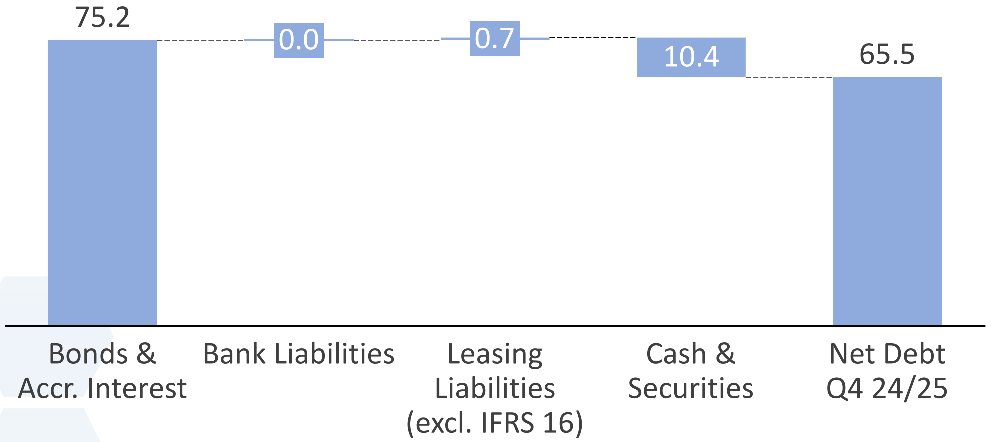
Net leverage meets maintenance test*

Leverage comfortably below covenant; liquidity position supports operational needs

LTM EBITDA – Q4-24/25, in EUR m



Net debt – Q4-24/25, in EUR m



NET LEVERAGE

3.42

Full covenant compliance expected for FY 24/25

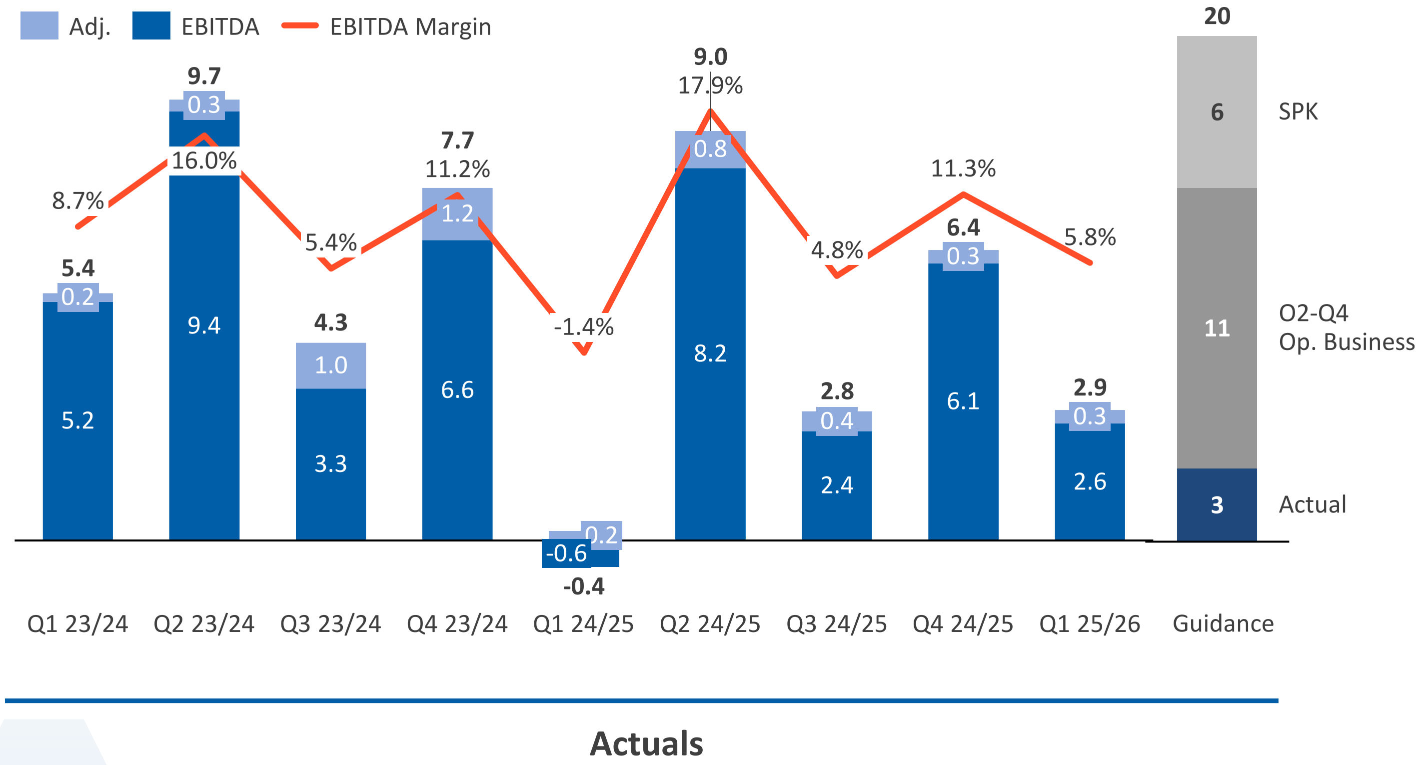
- **Net interest-bearing debt (per bond terms): €65.5m** includes €0.7m in finance lease liabilities (pre-IFRS 16 definition)
- **Adjusted LTM EBITDA (per bond definition): €19.2m** includes €1.8m permitted add-backs (12.5% cap); excludes €1.7m IFRS 16 effects
- **Resulting leverage ratio: 3.42x** (covenant threshold: 4.25x)
- Bonds & accrued interest: €75.2m
- **Strong liquidity**: Cash & securities €10.4m, providing sufficient headroom for upcoming maintenance break

**Note: refer to appendix for LTM calculation, preliminary unaudited IFRS figures*

Well on track for €20m EBITDA guidance*

FY guidance of €17.0m reconfirmed, supported by volume recovery, efficiency gains and cost reductions

Adj. EBITDA actuals until Q4 24/25, EUR m



Key take-aways

- **Adjusted EBITDA guidance reaffirmed**: FY 24/25 guidance remains at €20m, supported by volume recovery, efficiency gains and cost reductions.
- **Q1 25/26 delivered: Adj. EBITDA €2.9m** with a **5.8% margin**, in line with the run-rate assumed for the year.
- **Bridge to guidance**: Outlook comprises c. **€3m** already delivered (Q1), c. **€11m** from operational business in Q2–Q4, and c. **€6m** from SPK.
- **Operational drivers for H1/H2**: continued efficiency benefits from “Adapt & Grow”, stable pricing, and lower operational volatility.
- **Volume**: Sales volumes are tracking to plan

**preliminary unaudited IFRS figures*

Agenda – Q4 – Earnings call

01 **Business highlights**

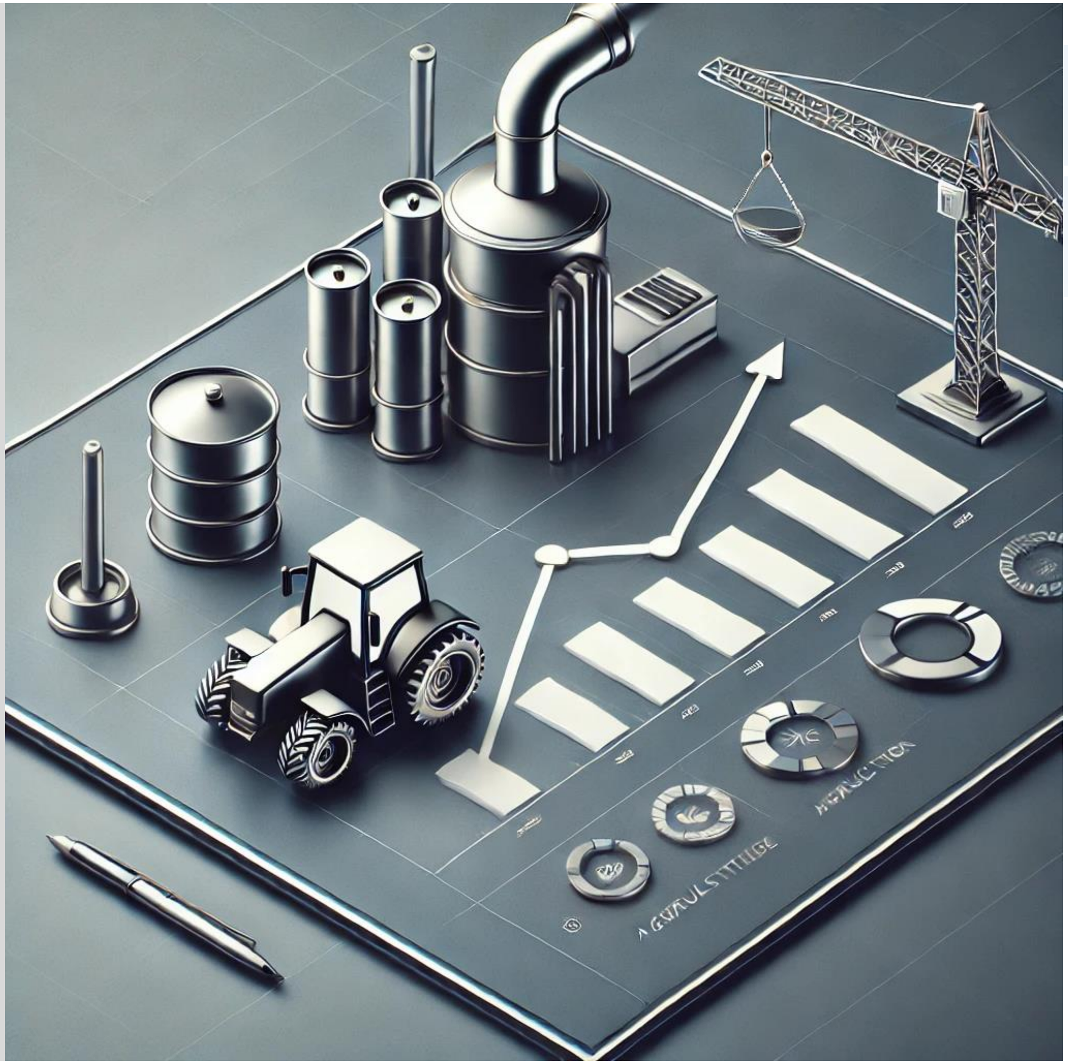
02 **Sales development**

03 **Key financials**

04 **Outlook - Q&A**

Updated business outlook FY 25/26

- Despite ongoing market uncertainties, the **six-month order book is stable** and confirms our expectations for the fiscal year.
- We confirm our expectation of **sold tonnage for the fiscal year 25/26 in the order of 105k tons**.
- We also continue to expect **Adjusted EBITDA in a range of €19m-€20m for the fiscal year 25/26**



INVESTOR RELATIONS

Q&A
Session

Thank you for your participation!

Q2 25/26 Call – Feb 13th 11:00 – 12:00

Appendix: LTM & Leverage calculation*

In thousands of EUR	**Q2 24/25**	**Q3 24/25**	**Q4 24/25**	**Q1 25/26**	**LTM - Q1 25/26**
EBITDA SLR Group (IFRS)	**8,099**	**2,343**	**5,758**	**2,566**	**18,765**
IFRS 16 - Leasing	416	507	231	343	1,498
Bond EBITDA SLR Group	**7,683**	**1,836**	**5,527**	**2,222**	**17,268**
Adjustments	***810***	***435***	***340***	***297***	***1,883***
Restructuring costs & exec. search	213	126	124	50	512
Consulting projects & legal fees	522	217	216	153	1,108
Extraordinary maintenance items	75	92	0	0	167
Others	0	0	0	95	95
Max. Adj. Items (12.5%)					***2,158***
Adjusted Bond EBITDA	**8,493**	**2,271**	**5,867**	**2,520**	**19,150**
Bonds & accr. Interest					75,214
Bank liabilities					15
Leasing liabilities (excl. IFRS 16)					699
Cash					10,361
Securities					45
Net interest bearing debt					**65,523**
Leverage Ratio					**3.42**

**preliminary unaudited IFRS figures*