

DATA MODUL

Quarterly report
as of march 31, 2025



Passion Displayed

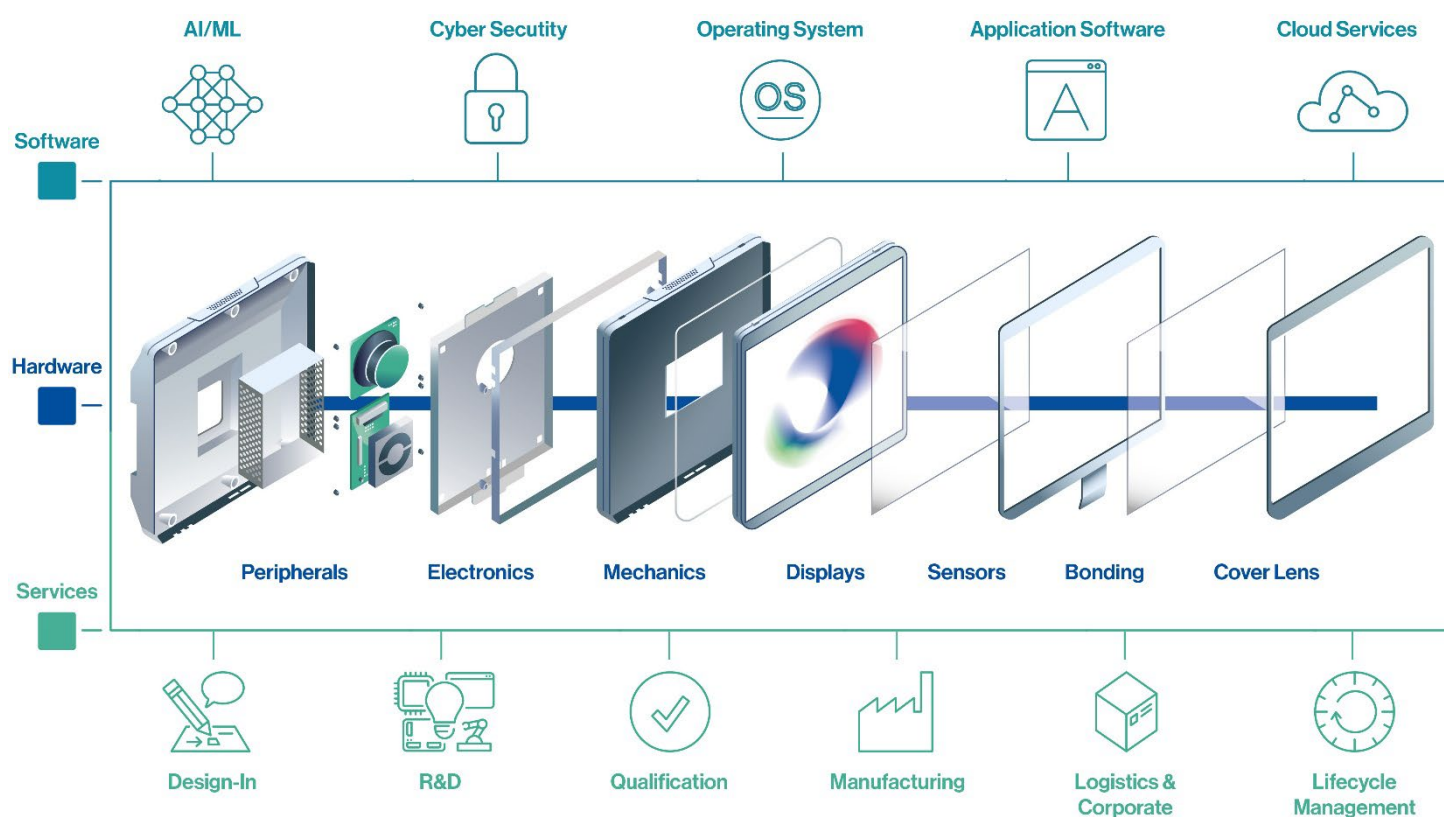
Dear Shareholders,

In the first quarter DATA MODUL was unable to match the previous year's level of revenue and earnings due to continuing economic troubles.

Orders increased 4.5% year-over-year to 52.5 million euros for the first quarter (previous year: 50.3 million euros). Revenue fell to 54.4 million euros in the first quarter of 2025, down 14.4% versus the figure for the first three months of 2024 (previous year: 63.5 million).

EBIT for the first quarter of 2025 fell 147.5% to -1.9 million euros (previous year: 4.1 million euros) for an EBIT margin of -3.6% (previous year: 6.4%). Net income for the period ending March 31, 2025, was 189.0% lower year-over-year at -2.4 million euros (previous year: 2.7 million euros).

DATA MODUL has already taken numerous cost-cutting measures in response to the troubled economic situation. Continuing to systematically execute on the long-term DATA MODUL strategy program will however ensure the Company's ability to succeed despite a clouded economic outlook or even crisis conditions.



Interim Group Management Report

1. General economic conditions

The German economy remained sluggish in the first quarter of 2025, with manufacturing demand still weak and the same geopolitical uncertainties taking their toll. Germany's crucial manufacturing sector suffered in particular from low capital expenditure, high energy costs and falling international orders, reflected in production declines in mechanical engineering, automotive and other key industries. Monetary easing is expected to benefit the German economy by making financing more affordable and spurring capital expenditure. The ECB lowered the deposit rate to 2.25% in view of inflation further declining in the euro area, this being the seventh rate cut since mid-2024. The Federal Reserve left its key borrowing rate unchanged at 4.50%, as inflation, while declining in the US as well, remains more problematic than in the eurozone. Both central banks can thus be said to be taking a cautious stance on monetary policy. The Ifo business climate index, an important leading economic indicator for Germany, increased slightly in March 2025, for the first time in several months. The businesses surveyed remain cautious about the business outlook at this time but are somewhat more optimistic regarding the months ahead. The economy thus could find a floor despite persistent general challenges in the economic environment. DATA MODUL will also have to face these trends and the challenge of a difficult global economic environment.

2. Key figures

	01/01 - 03/31/2025	01/01 - 03/31/2024	Change
Total revenue	54,363	63,531	-14.4%
Displays	33,098	38,940	-15.0%
Systems	21,265	24,591	-13.5%
Orders received	52,526	50,278	4.5%
EBIT ¹⁾	(1,947)	4,095	-147.5%
EBIT margin ²⁾	-3.6%	6.4%	-155.6%
Net income for the period	(2,437)	2,739	-189.0%
Capital expenditure ³⁾	503	1,324	-62.0%
Employees ⁴⁾	533	535	-0.4%
Earnings per share (in euros)	-0.69	0.78	-189.0%
Outstanding shares – Basic	3,526,182	3,526,182	0.0%

1) **EBIT:** Earnings before interest and taxes

2) **EBIT margin:** EBIT relative to revenue

3) **Capital expenditure:** Investments in intangible assets and property, plant and equipment

4) **Employees:** Number of employees as of the reporting date

All figures in KEUR except for number of employees, earnings per share and number of shares

3. Business performance

DATA MODUL recorded revenue of 54,363 thousand euros for the first three months of this year (previous year: 63,531 thousand euros), down 14.4% versus the same quarter last year. The Displays business segment recorded revenue of 33,098 thousand euros for the first quarter (previous year: 38,940 thousand euros), while the Systems business segment recorded revenue of 21,265 thousand euros (previous year: 24,591 thousand euros). Orders received rose 4.5% for the Group versus the same quarter last year to 52,526 thousand euros (previous year: 50,278 thousand euros). The economically driven decline in revenue in the German market was particularly noticeable, as reflected in the export rate rising to 58.3% (previous year: 54.5%).

4. Earnings

DATA MODUL remains enmeshed in a difficult environment of modest global economy growth and lower revenue across nearly all sectors and regions. EBIT for the first three months of the year came to -1,947 thousand euros (previous year: 4,095 thousand euros), with EBIT margin at -3.6% (previous year: 6.4%). The Displays business segment recorded EBIT of -617 thousand euros (previous year: EUR 2,019 thousand euros) while the Systems segment recorded EBIT of -1,330 thousand euros (previous year: 2,830 thousand euros). DATA MODUL thus recorded a net loss for the period ended March 31, 2025, of -2,437 thousand euros (previous year: profit of 2,739 thousand euros) for earnings per share of -0.69 euros (previous year: 0.78 euros). The financial result includes financial income and expenses from derivative financial instruments measured at fair value through profit or loss on embedded foreign currency derivatives. A net loss of 5 thousand euros was recorded from these embedded derivatives (previous year: net profit of 174 thousand euros).

5. Balance sheet

The balance sheet total increased by 388 thousand euros since calendar year-end to 210,459 thousand euros (December 31, 2024: 210,071 thousand euros). On the assets side of the balance sheet, this increase was largely attributable to the increase in inventories. On the liabilities and equity side, the increased balance sheet total resulted primarily from higher trade account payables and higher other current liabilities, offset in part by the negative net income recorded.

Cash flow from operating activities was -446 thousand euros as of March 31, 2025 (previous year: 10,585 thousand euros). This was principally due to declining trade accounts receivable and increases in inventories and trade accounts payable. Investments in intangible assets and property, plant and equipment in the first three months of 2025 resulted in cash flow from investing activities of -503 thousand euros (previous year: -1,324 thousand euros). Cash flow from financing activities, after cash outflows for leases and interest paid, amounted to -799 thousand euros for the first quarter of 2025 (previous year: -5,461 thousand euros). At the reporting date the Group held 18,653 thousand euros in cash and cash equivalents (December 31, 2024: 20,428 thousand euros).

As of March 31, 2025, DATA MODUL had an equity ratio of 70.5% (December 31, 2024: 71.9%). The Group thus remains very solid financially, with sufficient liquidity.

6. Capital expenditure

Capital expenditure to invest in intangible assets and property, plants and equipment totaled 503 thousand euros for the first three months of the year (previous year: 1,324 thousand euros). A large part of this investment was made to expand production and logistics capacity in Lublin (Poland) and to implement a new ERP system. Capital expenditures planned for this financial year primarily concern IT and maintenance and repairs at production sites and will continue investing in research and development to ensure we remain competitive.

7. Number of employees

At the end of the quarter the number of Group employees was 533 (previous year: 535).

8. Opportunities and risks

Global economic trends, exchange rate movements, rising commodity and energy prices and uncertainties regarding customer ordering behavior constitute risks which may have a lasting impact on our business. We are aware of these risks and carefully monitor their impact on our business operations. Currently, there are no apparent going-concern risks for the DATA MODUL Group. No significant changes have occurred vis-a-vis the information provided in the Risks and Opportunities section of the 2024 Annual Report.

9. Events after the reporting period

We are not aware of any significant events occurring after the reporting date of March 31, 2025, which would have had a major influence or impact on the Company's earnings or balance sheet.

10. Forecast

The statements made in the following regarding the future business results of DATA MODUL Group and assumptions regarding market and industry trends deemed material in relation thereto are based on opinions which we believe are realistic at this time given the information available. However, these assumptions and assessments are subject to uncertainty and involve an inevitable risk that projected developments may not actually occur, with respect to either their direction or extent. The continuing war in Ukraine, tension in the Middle East and the growing trade conflict between the US and China are creating an extraordinary level of ongoing uncertainty.

The outlook for the global economy in 2025 has substantially worsened, due above all to tariff trade wars principally instigated by the US, which are causing severe deterioration in the international investment climate and are noticeably impacting exports. Geopolitical risks, proceeding from the situation in the Middle East and tension between the US and China, for example, are causing heightened uncertainty. Many economies around the world are suffering from slowing consumer spending, further hindering global growth. The global economy is expected to grow at a rate of 1.9% year-on-year.

The economic outlook for the US economy in 2025 has significantly deteriorated, due chiefly to the US introducing extensive tariffs that have exacerbated trade conflicts and led to restrained capital expenditure. This could furthermore drive inflation, further undermining consumer purchasing power. These protectionist measures in combination with monetary policy uncertainty have significantly increased risk of economic slowing. The Federal Reserve has left its interest rates unchanged for the time being but is becoming increasingly concerned about the slowing economy. Leading economic analysts have estimated GDP growth of 0.4% for the US.

Only modest growth is expected for the eurozone in 2025, which is primarily due to the impact of the global trade war on the export-heavy member states and the slowdown in investment spending. The recent ECB interest rate cut has not done much to overcome the general economic malaise. Analysts have reiterated their earlier forecast of 0.8% GDP growth for the euro area in 2024.

The growth outlook for Germany in 2025 is only moderate, due mainly to international trade conflicts, high energy costs and the skilled labor shortage. Consumer spending will remain weak, with the unemployment rate at 6.3%. The German government has plans to stabilize the economic situation through a package of targeted investments and tax relief measures. Exports are also expected to gradually improve, potentially supporting growth in the second half of the year. Geopolitical hotspots will remain a source of major uncertainty in the near term, continuing to impact business and consumer sentiment. The leading economic institutes expect Germany's real gross domestic product to fall slightly by -0.1% compared to the previous year.

The high level of economic uncertainty creates a challenging market environment for DATA MODUL, like most other enterprises. Nonetheless, the Group intends to continue systematically executing on its long-term strategy program as a successful path to follow despite economic woes. In view of the current orders situation, the Executive Board cannot rule out having to report negative key figures for fiscal year 2025.

11. Related party disclosures

Per a disclosure dated April 11, 2017, ARROW Central Europe Holding Munich GmbH, Neu-Isenburg, holds approximately 69.2% of voting rights in DATA MODUL AG. The trade relationships with the ARROW Group involve purchases and sales at arm's length.

Consolidated Statement of Financial Position as of March 31, 2025

ASSETS	03/31/2025	12/31/2024
Non-current assets		
Goodwill	2,419	2,419
Intangible assets	3,233	3,194
Property, plant and equipment	20,559	21,149
Right-of-use assets	14,128	14,411
Capitalized costs to fulfill a contract	7,341	7,657
Deferred tax assets	730	745
Total non-current assets	48,410	49,575
Current assets		
Inventories	100,460	95,847
Trade accounts receivable including impairments (2025: 67; 2024: 62)	27,407	29,509
Contract assets	5,465	4,563
Tax receivables	2,680	2,779
Other current assets	4,778	4,411
Other current financial assets	2,606	2,959
Cash and cash equivalents	18,653	20,428
Total current assets	162,049	160,496
Total assets	210,459	210,071

All figures in KEUR

LIABILITIES AND SHAREHOLDERS' EQUITY	03/31/2025	12/31/2024
Shareholders' equity		
Capital stock no-par-value bearer shares (issued and outstanding: 3,526,182 as of 03/31/2025 and 12/31/2024)	10,579	10,579
Capital reserves	24,119	24,119
Retained earnings	112,673	115,110
Other reserves	998	1,307
Total shareholders' equity	148,369	151,115
Non-current liabilities		
Pensions and non-current personnel liabilities	1,102	1,102
Non-current provisions	208	216
Non-current contract liabilities	5,872	5,980
Non-current lease liabilities	13,366	13,830
Deferred tax liabilities	1,405	1,506
Total non-current liabilities	21,953	22,634
Current liabilities		
Trade accounts payable	18,746	15,876
Current contract liabilities	206	215
Current lease liabilities	3,145	3,069
Taxes payable	3,828	3,743
Current provisions	1,286	1,853
Liabilities due to financial institutions	0	3
Other current liabilities	9,291	7,395
Other current financial liabilities	3,635	4,169
Total current liabilities	40,137	36,322
Total liabilities	62,090	58,956
Total liabilities and shareholders' equity	210,459	210,071

All figures in KEUR

Consolidated statement of income

	01/01 - 03/31/2025	01/01 - 03/31/2024
Revenue	54,363	63,531
Cost of sales	(46,362)	(50,703)
Gross margin	8,001	12,828
Research and development expenses	(2,008)	(1,758)
Selling and general administrative expenses	(7,940)	(6,975)
Earnings before interest and taxes (EBIT)	(1,947)	4,095
Financial income	56	4
Financial expenses	(307)	(572)
Earnings before taxes for the period	(2,198)	3,527
Income tax expense	(239)	(788)
Net income for the period	(2,437)	2,739
Earnings per share – basic	-0.69	0.78
Earnings per share – diluted	-0.69	0.78
Weighted average of shares outstanding – basic	3,526,182	3,526,182
Weighted average of shares outstanding – diluted	3,526,182	3,526,182

All figures in KEUR except earnings per share and weighted average shares outstanding.

Consolidated Statement of Cash Flows

	01/01 – 03/31/2025	01/01 – 03/31/2024
Cash flows from operating activities		
Net income for the period	(2,437)	2,739
<i>Non-cash expenses and income</i>		
Income tax expense	239	788
Depreciation, amortization and impairments	3,116	1,756
Net interest	246	394
Net loss from financial assets measured at fair value through profit or loss Embedded derivatives	5	174
Other non-cash expenses and income	(277)	(136)
<i>Changes:</i>		
Change in inventories	(4,614)	2,363
Change in trade receivables, costs to fulfill a contract and contract assets	310	6,632
Change in other assets	(27)	1,043
Change in trade payables	2,869	(3,099)
Other liabilities and contract liabilities	269	(1,283)
Income taxes paid	(145)	(786)
Cash flows from operating activities	(446)	10,585
Cash flows from investing activities		
Capital expenditures with capitalizable development cost	(41)	(96)
Capital expenditures on other intangible assets and property, plant and equipment	(462)	(1,228)
Cash flows from investing activities	(503)	(1,324)
Cash flows from financing activities		
Outflows for the redemption portion of lease liabilities	(537)	(565)
Inflows from current financial liabilities (+)	0	2,015
Outflows from current financial liabilities (-)	(3)	(6,518)
Interest received (+) / paid (-) (net)	(246)	(394)
Other financing activities	(13)	1
Cash flows from financing activities	(796)	(5,461)
Effects of exchange rate movements on cash & cash equivalents	(27)	8
Net change in cash and cash equivalents	(1,772)	3,808
Cash and cash equivalents at beginning of the fiscal year	20,428	14,324
Cash and cash equivalents at end of the quarter	18,653	18,132

All figures in KEUR

Consolidated Statement of Changes in Equity

	Capital stock No. of shares	Capital stock Amount	Capital reserves	Retained earnings	Other reserves	Total
BALANCE AS OF 01/01/2024	3,526,182	10,579	24,119	109,957	981	146,636
Net income for the period				2,739		2,739
Other comprehensive income (loss)				109		109
Foreign currency translation					153	153
BALANCE AS OF 03/31/2024	3,526,182	10,579	24,119	112,805	1,134	148,637
BALANCE AS OF 01/01/2025	3,526,182	10,579	24,119	115,110	1,307	151,115
Net income for the period				(2,437)		(2,437)
Other comprehensive income (loss)				0		0
Foreign currency translation					(309)	(309)
BALANCE AS OF 03/31/2025	3,526,182	10,579	24,119	112,673	998	148,369

All figures in KEUR except number of shares.

Consolidated Statement of Comprehensive Income

	01/01 - 03/31/2025	01/01 - 03/31/2024
Net income for the period	(2,437)	2,739
<i>Other comprehensive income (loss) to be reclassified in the statement of income in subsequent reporting periods</i>		
Exchange rate changes from currency translation for foreign subsidiaries	(309)	153
Exchange rate changes from currency translation of a net investment in a foreign business operation	0	109
Comprehensive income after tax	(2,746)	3,001

All figures in KEUR

Notes to the financial statements

Principles for preparation of the accounts

The abbreviated consolidated interim financial statements and interim Group management report do not contain all the information and disclosures required for preparing consolidated financial statements and are thus to be interpreted in context with the consolidated financial statements and Group management report dated December 31, 2024.

The same recognition and measurement methods applied to prepare the consolidated financial statements dated December 31, 2024, were applied in preparing this consolidated quarterly report dated March 31, 2025. These interim consolidated financial statements have been prepared in accordance with IAS 34 – Interim Reporting. The IFRS standards newly adopted in fiscal year 2025 had no material effect on our balance sheet or earnings. These interim consolidated financial statements and the interim Group management report have not been audited in accordance with Sec. 317 German Commercial Code (HGB), nor have they been audited by a financial accounting firm.

The consolidated quarterly report is prepared in euros (EUR). For presentation purposes, euro amounts are rounded to thousands of euros (KEUR). For computation purposes, the tables and notes may include deviations from the accurately calculated amounts due to rounding.

Disclaimer

The current consolidated quarterly report contains certain forward-looking statements based on currently discernible and available information as well as assumptions and forecasts made by DATA MODUL management. These are mainly for information purposes and may be identified by terminology such as “believe”, “expect”, “forecast”, “intend”, “predict”, “plan”, “estimate” and/or “strive for”. Accordingly, such statements only pertain to the circumstances as of the time of their publication. Various known and unknown risks, uncertainties and other factors may cause the actual results, financial position, business trends or performance of the Company to substantially deviate from the forecast given herein. DATA MODUL assumes no obligation to continue supporting forward-looking statements made, nor to revise such statements in light of events or developments. The Company shall not be liable and offers no guarantee, express or implied, for the updatedness, correctness or completeness of disclosed data and information.

DATA MODUL Aktiengesellschaft

Landsberger Str. 322

80687 Munich

Tel. +49 (0)89 560 17-0

Fax +49 (0)89 560 17-119

www.data-modul.com

FINANCIAL CALENDAR 2025

Annual Shareholders' Meeting	on May 8, 2025
Half-year financial report as of June 30, 2025	on August 8, 2025
Quarterly report as of September 30, 2025	on November 7, 2025