

PRESS RELEASE

A difficult year: Schwan-STABILO resolutely counters the downward trend





- Group: Weak economy, low economic growth, and geopolitical tensions worldwide
- Cosmetics: Major change in the industry from fast beauty to ultra-fast beauty
- STABILO: Product innovations and cost efficiency
- Outdoor: Focus on international markets and e-commerce

Heroldsberg, November 2025. For Schwan-STABILO, the 2024/25 fiscal year was marked by a weak economy and a challenging economic environment. According to the Kiel Institute for the World Economy (IfW Kiel), global growth in 2024 was only around three percent, the lowest it has been in years. Global trade slowed because of increased tariffs, geopolitical tensions, and noticeable consumer restraint. This was also the case in Germany where consumer spending remained subdued, especially in the non-food sector.

These difficult conditions affected all three of Schwan-STABILO's consumer-oriented business areas: Pens, Cosmetics, and Outdoor. The Group yet again recorded a decline in sales in the past fiscal year. As of June 30, 2025, Group sales were around EUR 758 million, approximately five percent below the previous year's figure (EUR 797.2 million). Adjusted for currency effects, this was around four percent lower than in the previous year.

Schwan-STABILO Group sales by division

Sales development varied significantly across the three business divisions:

TURNOVER OF GROUP AND DIVISIONS <small>(fiscal year 2024/25 Reporting date: ending June 30, 2025)</small>	
 757.5 million euros <small>(previous year: 797.2 million euros -5,0 %)</small>	
 COSMETICS DIVISION	369.3 million euros <small>(previous year: 372.9 million euros -1,0 %)</small>
 STABILO DIVISION	199.1 million euros <small>(previous year: 213.6 million euros -6,8 %)</small>
 OUTDOOR DIVISION	188.7 million euros <small>(previous year: 210.5 million euros -10,4 %)</small>

Schwan Cosmetics remained almost at the previous year's level with EUR 369.3 million (EUR 372.9 million/-1.0%).

By contrast, Writing Instruments division declined to EUR 199.1 million (EUR 213.6 million/-6.8%) and the Outdoor segment with EUR 188.7 million (EUR 210.5 million/-10.4%).

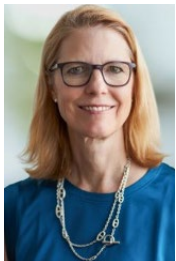
Leadership changes

Since October 1, 2025, the company has been led by CEO Michele Molon together with CFO Anke Buttler. Molon has more than 25 years of international management experience in family businesses and stock exchange-listed companies. Since 2010, he has held various key global positions at Swarovski International. Most recently, he held the position of Chief Commercial Officer (CCO). After almost three decades in management, Sebastian Schwanhäußer took over as head of the Schwan-STABILO advisory board.

Outlook

Following the first quarter of the current 2025/26 fiscal year, the family-owned company expects markets to slowly stabilize. In response to the ongoing difficult market conditions, Schwan-STABILO is currently placing particular emphasis on cost efficiency. Among other measures, the company is mainly refraining from hiring new employees worldwide to ensure stability and maintain scope for future development.

CFO Anke Buttler on financial stability and clear priorities



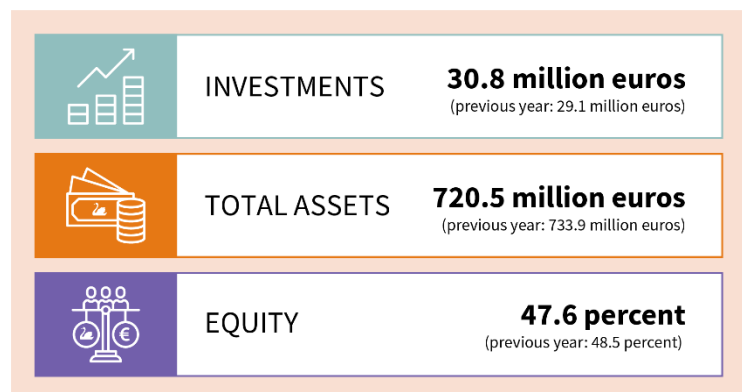
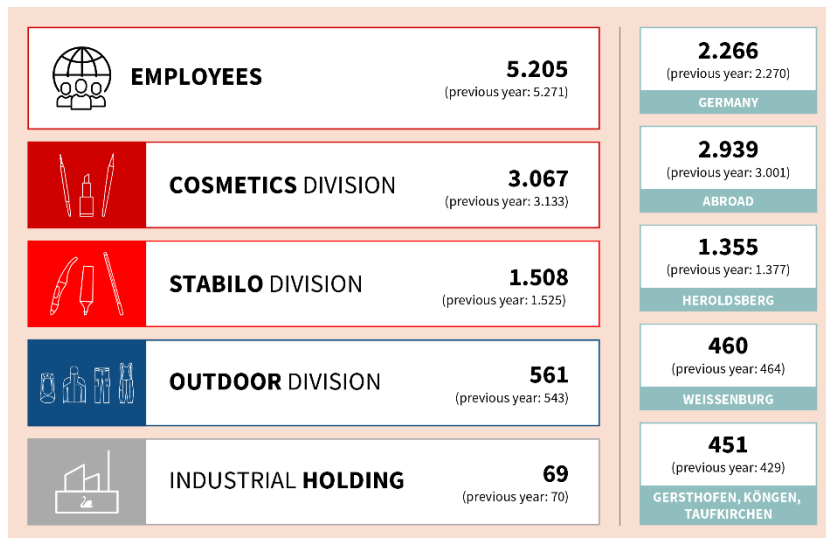
"Despite the necessary caution, our course remains clear: we are relying on the strength and diversity of our brands. A continued emphasis on cost awareness and efficiency are the issues of the moment, but they are not an end in themselves. We will continue to invest, but with clear strategic priorities in all areas essential to our future."

CEO Michele Molon on the on the path ahead and the necessary turnaround:



"These are challenging times. We know that we cannot change everything overnight, but we are tackling the tasks ahead with determination," says Molon. Going forward, he will be engaging regularly with employees around the world to gain deep insights into business development and to foster open dialogue. "We have a strong base, experienced teams, and confidence in our strengths," the new CEO emphasizes. "And we will do everything in our power to achieve the economically necessary turnaround and return to growth."

The Schwan-STABILO Group in figures



STABILO

Market in transition, clear priorities, and concrete steps

According to the German Office and Writing Culture Trade Association, the writing instruments industry continues to be under considerable pressure. In 2024, industry sales fell from €13.2 billion to €12.5 billion, and there is no sign of recovery in sight for at least a while. Accordingly, the STABILO division has also had a difficult year. The effects of weak regional demand, high inventories in the retail sector, and generally subdued consumer sentiment led to a decline in sales of almost seven percent compared to the previous year (from €213.6 million to €199.1 million).

Horst Brinkmann on the current situation and the strategic consequences



"Like the entire industry, we are also feeling the effects of digitalization," says STABILO CEO Horst Brinkmann. "In addition, there were other challenges. Demand weakened in Asia, full warehouses slowed down trade in Europe, and we were hit by several bankruptcies in the US. Now it is time to leverage our innovative strength, tap into new markets, and strengthen our cost base. That is why we are implementing a voluntary program in Germany with part-time and early retirement options. Globally, we aim to reduce our personnel costs by eight percent by 2028."

Despite the tense situation, STABILO was able to generate significant momentum in product development. One highlight was the collaboration with Dolce & Gabbana: a limited edition STABILO BOSS set in the original D&G design, which combined the strengths of both brands and became a sales success. In the school sector, two products for children and young people, presented for the first time, caused a stir because they combine handwriting with digital applications in a meaningful way, thus continuing the topic of learning but in a very modern way: the BOLLY app and the LUNIS graph pen support learning to write. The LUNIS ink vocabulary trainer recognizes handwritten words in real time and automatically checks the translation. "We have achieved something that did not exist before," says Brinkmann, "this seamless connection between paper and app should make every day learning much easier for children and parents."

Horst Brinkmann looks ahead

"We are adapting to the changed conditions and, of course, striving for sustainable growth again in the medium term. In particular, we see potential for this in our core European markets as well as in selected international regions. Globally, our focus is on the further development of digital channels. This applies to communication with our customers and sales channels."

Schwan Cosmetics

Cosmetics: Dynamic market, clear focus, and faster pace

According to international market research institutes, the cosmetics industry recorded global growth of around five percent in decorative cosmetics in 2024/25, which was slightly weaker than expected. Products for lips and face remained particularly popular, while eye and brow products stagnated. The share of e-commerce rose to over 30 percent, driven by social commerce offerings such as the TikTok shop. At the same time, there was a high level of price sensitivity in both the premium and mass markets. Schwan Cosmetics performed well in this environment, achieving a slight decline in sales from 372.9 to 369.3 million euros, almost matching the previous year's level (-1%). Streamlined processes, strict cost control, and increased production efficiency contributed significantly to this result.

Tomás Espinosa on the transformation of the industry and its changing dynamics



"The industry is undergoing profound change," explains Tomás Espinosa, CEO of Schwan Cosmetics. "New regional brands are gaining market share, while global players are shifting their products and process to be able to react to regional needs faster. Asia is becoming a growth engine, while Europe is losing its momentum. Platforms such as TikTok are significantly reducing the product life cycles, requiring industry to increase innovation by reducing time to market. Products are created, tested, and marketed, often within a matter of days. Fast beauty has become ultra-fast beauty."

Schwan Cosmetics has responded to this by significantly accelerating its development processes. The focus is on regionally tailored concepts and on investing in important growth areas and key technologies. This has resulted in new products that are particularly relevant for the Asian market, such as liquid application formulations. One example is the Blur Me Away product line, which successfully satisfies dominant consumer demand in the trendy K-beauty wave from Korea. In addition, the company developed a new packaging platform that offers cosmetics brands more opportunities for customization. Schwan Cosmetics also made further progress in sustainability, receiving Platinum certification from EcoVadis, making the company one of the highest-rated in the field of sustainability.

Tomás Espinosa on the outlook:

Schwan Cosmetics expects moderate growth for the current fiscal year. Tomás Espinosa emphasizes: "Perpetual cost-cutting is not a long-term solution. The key is to consistently implement strategies and permanently anchor the transformation."

Outdoor

Market under pressure, focus on internationalization and digitalization

After years of growth, the outdoor business also felt the effects of weak consumption and difficult trading conditions. In the Outdoor subgroup, general market saturation, high inventories, and the tense situation in the sporting goods retail sector led to a significant decline in sales of around ten percent (from €210.5 million to €188.7 million). Nevertheless, all four brands – deuter, ORTOVOX, Maier Sports, and GONSO – stuck to their strategic goals and continued to invest in innovation, design, and sustainability.

Martin Riebel on progress in markets, digitalization, and processes



"We were able to make progress, particularly in e-commerce and international markets," said Martin Riebel, CEO of the outdoor group. "China, France, and the UK, where deuter has been expanding its market position with its own subsidiary since 2023, developed positively. We have also achieved important milestones in digitalization and process optimization: The ERP system as central software is our largest investment in the history of the subgroup to date."

The latest advances are also reflected in the product portfolio of the four brands, which is consistently geared toward the needs of users. As a prime example of functional and everyday cycling clothing, GONSO has further developed its best-selling cycling shorts (SQLab Go Bib) into a cargo version, adding side pockets for everything you need to have handy on the go to the ergonomic seat pad for high comfort on long distances. The three other brands are just as user-oriented, consistently developing their collections in line with the needs of their target groups.

Martin Riebel in the outlook

Martin Riebel believes that the subgroup's brands are well positioned to continue playing an important role in the outdoor world in the future. "AI and other digital applications already support us in many areas of everyday life and help us to become faster and more efficient. However, AI will not replace the special experience of being in nature, whether hiking, ski touring, climbing, or cycling. And we will continue to ensure that our customers are well equipped with each of our brands."

Martin Riebel's assessment is confirmed by the growth in sales, driven by all of the division's brands.