
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 23, 2025

GENTHERM INCORPORATED

(Exact name of Registrant as Specified in Its Charter)

Michigan
(State or Other Jurisdiction
of Incorporation)

0-21810
(Commission File Number)

95-4318554
(IRS Employer
Identification No.)

28875 Cabot Drive
Novi, Michigan
(Address of Principal Executive Offices)

48377
(Zip Code)

Registrant's Telephone Number, Including Area Code: (248) 348-9735

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	THRM	The Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On October 23, 2025, Gentherm Incorporated (the “Company”) publicly announced its financial results for the third quarter of 2025 and updated 2025 guidance. A copy of the Company’s news release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On October 23, 2025 at 8:00 a.m. Eastern Time, the Company will host a conference call to discuss the third quarter of 2025 financial results and provide an update on its full year 2025 guidance.

A copy of the supplemental materials that will be used during the conference call can be accessed on the Events page of the Investors section of the Company’s website at www.gentherm.com. The content of the Company’s website is not incorporated herein by reference.

The information in Items 2.02 and 7.01 herein and the attached exhibit 99.1 shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act except as shall be expressly stated by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

- Exhibit 99.1 [Company news release dated October 23, 2025 concerning financial results and guidance](#)
- Exhibit 104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GENTHERM INCORPORATED

By: /s/ Wayne Kauffman
Wayne Kauffman
Senior Vice President, General Counsel and Secretary

Date: October 23, 2025

Gentherm Reports 2025 Third Quarter Results

*Achieved Record Quarterly Revenue of \$387 Million; Strong Year to Date Operating Cash Flow of \$88 Million
Secured \$745 Million of Automotive New Business Awards in the Quarter
Revenue Mid-point Raised in 2025 Full Year Guidance Update*

NOVI, Michigan, October 23, 2025 -- Gentherm (NASDAQ:THRM), a global market leader of innovative thermal management and pneumatic comfort technologies, today announced its financial results for the third quarter ended September 30, 2025.

“Our third quarter financial and operational performance demonstrated our ability to deliver results, while executing our long-term strategic initiatives. Our commercial momentum continued as we secured \$745 million of Automotive New Business Awards, keeping us on pace to deliver over \$2 billion for the year. Growth over market in the quarter improved sequentially as we launched several new programs and take rates increased in the China market. Our operational excellence initiatives are gaining traction, which contributed to strong cash generation in the quarter,” said Bill Presley, the Company's President and CEO.

Third Quarter Highlights

- Secured Automotive New Business Awards totaling \$745 million, highlighted by a conquest lumbar and massage comfort solutions award with Mercedes-Benz, including our innovative pulsating massage solution, Puls.A™.
- Selected by leading global furniture brand to supply comfort solutions with start of production expected in the first quarter of 2026.
- Product revenues of \$386.9 million increased 4.1% from \$371.5 million in the prior year. Excluding the impact of foreign currency translation, product revenues increased 2.4%, with Automotive increasing 2.5% and Medical decreasing 1.6%.
- Automotive Climate and Comfort Solutions revenue increased 8.6% year over year, or 7.0% excluding the impact of foreign currency translation, outperforming S&P Global's mid-October light vehicle production report in our relevant markets by 160 basis points.
- Gross margin was 24.6%, a decrease from 25.5% in the prior year. The decrease was primarily driven by higher material costs, the impact of a one-time prior year favorable adjustment related to the exit of our non-automotive electronics business, as well as expenses related to our footprint realignment, partially offset by operating leverage and foreign exchange.
- Net income was \$14.9 million, a decrease from \$16.0 million in the prior year.
- Adjusted EBITDA was \$49.0 million, or 12.7% of revenue, compared to \$48.1 million, or 12.9% of revenue, in the prior year.
- GAAP diluted earnings per share was \$0.49, compared to \$0.51 in the prior year.
- Adjusted diluted earnings per share was \$0.73, compared to \$0.75 in the prior year.
- Delivered year-to-date cash flow from operations of \$87.8 million, compared to \$73.1 million in the prior year.
- Reduced net leverage to ~0.2x; increased liquidity to \$462.2 million.

Presley concluded, “We made great strides on the execution of our strategic priorities in the quarter. Our entrance into another adjacent market with a furniture brand reinforces our confidence in the ability to scale our core technologies across multiple end markets to drive profitable growth. We remain focused on finishing the year strong and positioning Gentherm for long-term value creation.”

Guidance

The Company's guidance for full year 2025 as of October 23, 2025 is provided below¹:

	Previous July 24, 2025	Revised October 23, 2025
Product Revenues	\$1.43B – \$1.5B	\$1.47B – \$1.49B
Adjusted EBITDA Margin Rate	11.7% – 12.5%	11.9% – 12.3%
Full-year Adjusted Effective Tax Rate	26% – 29%	No change
Capital Expenditures	\$55M – \$65M	\$45M – \$55M

¹Guidance based on tariffs currently in effect as of today, our current forecast of customer orders and expectations of near-term conditions, flat to slightly increasing light vehicle production in our relevant markets for full year 2025 versus 2024, and a EUR to USD exchange rate of \$1.13/Euro.

The Company provides various non-GAAP financial measures in this release. See "Use of Non-GAAP Measures" below for additional information, including definitions, usefulness for investors and limitations, as well as reconciliations below to the most directly comparable GAAP financial measures.

Conference Call

As previously announced, Gentherm will conduct a conference call today at 8:00 am Eastern Time to review these results. The dial-in number for the call is 1-877-407-4018 (callers in the U.S.) or +1-201-689-8471 (callers outside the U.S.). The passcode for the live call is 13756525.

A live webcast and one-year archived replay of the call, as well as a copy of the supplemental materials that will be used during the conference call, can be accessed on the Events page of the Investor section of Gentherm's website at www.gentherm.com.

A telephonic replay will be available approximately two hours after the call until 11:59 pm Eastern Time on November 6, 2025. The replay can be accessed by dialing 1-844-512-2921 (callers in the U.S.), or +1-412-317-6671 (callers outside the U.S.). The passcode for the replay is 13756525.

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About Gentherm

Gentherm (NASDAQ: THRM) is a global market leader of innovative thermal management and pneumatic comfort technologies. Automotive products include Climate Control Seats (CCS®), Climate Control Interiors (CCI™), Lumbar and Massage Comfort Solutions, and Valve Systems. Medical products include patient temperature management systems. The Company is also developing a number of new technologies and products that will help enable improvements to existing products and to create new product applications for existing and new markets. Gentherm has more than 14,000 employees in facilities across 13 countries. In 2024, the company recorded annual sales of approximately \$1.5 billion and secured \$2.4 billion in automotive new business awards. For more information, go to www.gentherm.com.

Forward-Looking Statements

Except for historical information contained herein, statements in this release are forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent Gentherm Incorporated's goals, beliefs, plans and expectations about its prospects for the future and other future events. The forward-looking statements included in this release are made as of the date hereof or as of the date specified herein and are based on management's reasonable expectations and beliefs. In making these statements we rely on assumptions and analysis based on our experience and perception of historical trends, current conditions and expected future developments, third party information and projections from sources that management believes to be reputable, as well as other factors we consider appropriate under the circumstances. Such statements are subject to a number of important assumptions, significant risks and uncertainties (some of which are beyond our control) and other factors that may cause actual results or performance to differ materially from that described in or indicated by the forward-looking statements, including but not limited to:

- macroeconomic, geopolitical and similar global factors in the cyclical Automotive industry;
 - the impact of, and our ability to mitigate the effects of, global economic and trade policies, including increases in duties, tariffs and taxation on the import or export of our products related to U.S. trade disputes;
 - increasing U.S. and global competition, including with non-traditional entrants;
 - our ability to effectively manage new product launches and research and development, and the market acceptance of such products and technologies;
 - the evolution and challenges of the automotive industry towards electric vehicles, autonomous vehicles and mobility on demand services, and related consumer behaviors and preferences;
 - our ability to convert automotive new business awards into product revenues;
 - the constraints in the supply chain environment, and inflationary and other cost pressures;
 - the production levels of our major customers and OEMs in our relevant markets and sudden fluctuations in such production levels;
 - our business in China, which is subject to unique operational, competitive, geopolitical, regulatory and economic risks;
 - the impact of our global operations, including our global supply chain, operations within Ukraine, and foreign currency and exchange risk;
 - our product quality and safety and impact of product safety recalls and alleged defects in products;
 - our ability to attract and retain highly skilled employees and wage inflation;
 - a tightening labor market, labor shortages or work stoppages impacting us, our customers or our suppliers, such as recent labor strikes among certain OEMs and suppliers;
 - our achievement of product cost reductions to offset customer-imposed price reductions or other pricing pressures;
 - our ability to execute efforts to optimize our global supply chain and manufacturing footprint, including opening new facilities and transferring production;
 - our ability to source, consummate, integrate and achieve planned benefits of strategic acquisitions, investments and, as applicable, exits;
 - any security breaches and other disruptions to our information technology networks and systems, as well as privacy, data security and data protection risks, including risks associated with use of artificial intelligence capabilities in our business operations;
 - any loss or insolvency of our key customers and OEMs, or key suppliers;
 - our ability to project future sales volume based on third-party information, based on which we manage our business;
 - the protection of our intellectual property in certain jurisdictions;
 - our compliance with global anti-corruption laws and regulations;
 - legal and regulatory proceedings and claims involving us or one of our major customers;
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- the extensive regulation of our patient temperature management business;
- risks associated with our manufacturing processes;
- the effects of climate change and catastrophic events, as well as regulatory and stakeholder-imposed requirements to address climate change and other sustainability issues;
- our product quality and safety;
- our borrowing availability under our revolving credit facility, as well as the ability to access the capital markets, to support our planned growth; and
- our indebtedness and compliance with our debt covenants.

The foregoing risks should be read in conjunction with the Company's reports filed with or furnished to the Securities and Exchange Commission (the "SEC"), including "Risk Factors," in its most recent Annual Report on Form 10-K and subsequent SEC filings, for a discussion of these and other risks and uncertainties. In addition, with reasonable frequency, we have entered into business combinations, acquisitions, divestitures, strategic investments and other significant transactions. Such forward-looking statements do not include the potential impact of any such transactions that may be completed after the date hereof, each of which may present material risks to the Company's future business and financial results. Moreover, we operate in a very competitive and rapidly changing environment and new risks emerge from time to time.

Except as required by law, the Company expressly disclaims any obligation or undertaking to update any forward-looking statements to reflect any change in its strategies or expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Use of Non-GAAP Financial Measures

In addition to the results reported in accordance with GAAP throughout this release, the Company has provided here or elsewhere information regarding: adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"); Adjusted EBITDA margin; adjusted earnings per share ("Adjusted earnings per share" or "Adjusted EPS"); free cash flow; net capital expenditures ("net CAPEX"); Net Debt; liquidity; net leverage ratio ("net leverage"); revenue, segment revenue and product revenue excluding foreign currency translation and other specified gains and losses; and adjusted operating expenses, each a non-GAAP financial measure. The Company defines Adjusted EBITDA as earnings before interest, taxes, depreciation and amortization, deferred financing cost amortization, non-cash stock based compensation expenses, restructuring expenses, net, unrealized currency gain or loss and other gains and losses not reflective of the Company's ongoing operations and related tax effects. The Company defines Adjusted EBITDA margin as Adjusted EBITDA divided by product revenues. The Company defines Adjusted EPS as earnings adjusted by restructuring expenses, net, unrealized currency gain or loss and other gains and losses not reflective of the Company's ongoing operations and related tax effects. The Company defines Free Cash Flow as Net cash from operating activities less Purchases of property and equipment. The Company defines net CAPEX as Purchases of property and equipment less Proceeds from the sale of property and equipment. The Company defines Net Debt as the principal amount of all Consolidated Funded Indebtedness (as defined in the Credit Agreement) less cash and cash equivalents. The Company defines liquidity as the sum of cash and cash equivalents and availability under the Company's revolving line of credit. The Company defines net leverage as Net Debt divided by Adjusted EBITDA for the trailing four fiscal quarters. The Company defines revenue, segment revenue or product revenue excluding foreign currency translation and other specified gains and losses as such revenue, excluding the estimated effects of foreign currency exchange on revenue by translating actual revenue using the prior period foreign currency exchange rates and excluding the other items specified. The Company defines adjusted operating expenses as operating expenses excluding related non-cash stock based compensation, restructuring expenses, net, and other gains and losses not reflective of the Company's ongoing operations.

The Company's reconciliations are included in this release or can be found in the supplemental materials on the Company's website.

In evaluating its business, the Company considers and uses Free Cash Flow, Net Debt, net leverage and liquidity as supplemental measures of its liquidity and the other non-GAAP financial measures as supplemental measures of its operating performance. Management provides such non-GAAP financial measures so that investors will have the same financial information that management uses with the belief that it will assist investors in properly assessing the Company's performance on a period-over-period basis by excluding matters not indicative of the Company's ongoing operating or liquidity results and therefore enhance the comparability of the Company's results and provide additional information for analyzing trends in the business. In evaluating our non-GAAP financial measures, you should be aware that in the future we may incur revenues, expenses, and cash and non-cash obligations that are the same as or similar to some of the adjustments in our presentation of non-GAAP financial measures. Our presentation of non-GAAP financial measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. There also can be no assurance that we will not modify the presentation of our non-GAAP financial measures in the future, and any such modification may be material. Other companies in our industry may define and calculate these non-GAAP financial measures differently than we do and those calculations may not be comparable to our metrics. These non-GAAP measures have limitations as analytical tools, and when assessing the Company's operating performance or liquidity, investors should not consider these non-GAAP measures in isolation, or as a substitute for net income, revenue or other consolidated income statement or cash flow statement data prepared in accordance with GAAP.

Non-GAAP measures referenced in this release and other public communications may include estimates of future Adjusted EBITDA, Adjusted EBITDA margin and Adjusted EPS. The Company has not reconciled the non-GAAP forward-looking guidance included in this release to the most directly comparable GAAP measures because this cannot be done without unreasonable effort due to the variability and low visibility with respect to taxes and non-recurring items, which are potential adjustments to future earnings. We expect the variability of these items to have a potentially unpredictable, and a potentially significant, impact on our future GAAP financial results.

GENTHERM INCORPORATED
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(Dollars in thousands, except per share data)
(Unaudited)

	Three Months Ended September		Nine Months Ended September	
	30,		30,	
	2025	2024	2025	2024
Product revenues	\$ 386,870	\$ 371,512	\$ 1,115,814	\$ 1,103,210
Cost of sales	291,722	276,639	844,439	822,883
Gross margin	95,148	94,873	271,375	280,327
Operating expenses:				
Net research and development expenses	24,429	23,013	71,203	67,619
Selling, general and administrative expenses	42,875	36,861	122,440	116,992
Restructuring expenses, net	3,986	2,662	10,608	12,342
Loss on sale of land and building, net	—	—	2,196	—
Total operating expenses	71,290	62,536	206,447	196,953
Operating income	23,858	32,337	64,928	83,374
Interest expense, net	(3,313)	(4,710)	(10,911)	(11,956)
Foreign currency gain (loss)	339	(8,480)	(27,391)	(6,213)
Other income (loss)	—	263	(1,124)	952
Earnings before income tax	20,884	19,410	25,502	66,157
Income tax expense	5,935	3,445	10,204	16,531
Net income	\$ 14,949	\$ 15,965	\$ 15,298	\$ 49,626
Basic earnings per share	\$ 0.49	\$ 0.51	\$ 0.50	\$ 1.58
Diluted earnings per share	\$ 0.49	\$ 0.51	\$ 0.50	\$ 1.57
Weighted average number of shares – basic	30,480	31,187	30,619	31,421
Weighted average number of shares – diluted	30,748	31,365	30,802	31,605

GENTHERM INCORPORATED
REVENUE BY PRODUCT CATEGORY AND RECONCILIATION OF FOREIGN CURRENCY TRANSLATION IMPACT
**(Dollars in thousands)
(Unaudited)**

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024 ^(a)	% Change	2025	2024 ^(a)	% Change
Climate Control Seats	\$ 201,275	\$ 189,898	6.0 %	\$ 592,448	\$ 581,713	1.8 %
Lumbar and Massage Comfort Solutions	55,799	48,970	13.9 %	153,642	133,090	15.4 %
Climate Control Interiors	52,638	49,283	6.8 %	147,564	140,712	4.9 %
Climate and Comfort Electronics	8,599	4,883	76.1 %	22,220	13,266	67.5 %
Automotive Climate and Comfort Solutions	318,311	293,034	8.6 %	915,874	868,781	5.4 %
Valve Systems	24,487	26,082	(6.1)%	72,803	81,974	(11.2)%
Other Automotive	31,413	39,688	(20.9)%	91,260	116,689	(21.8)%
Subtotal Automotive segment	374,211	358,804	4.3 %	1,079,937	1,067,444	1.2 %
Medical segment	12,659	12,708	(0.4)%	35,877	35,766	0.3 %
Total Company	\$ 386,870	\$ 371,512	4.1 %	\$ 1,115,814	\$ 1,103,210	1.1 %
Foreign currency translation impact ^(b)	6,615	—		6,708	—	
Total Company, excluding foreign currency translation impact	\$ 380,255	\$ 371,512	2.4 %	\$ 1,109,106	\$ 1,103,210	0.5 %

(a) Prior period product categories have been recast to conform with the current period presentation. See "Revenue by Product Category Historical Recast" table below for additional information.

(b) Foreign currency translation impacts for the Automotive segment and Medical segment were \$6,462 and \$153 respectively, for the three months ended September 30, 2025. Foreign currency translation impacts for Automotive Climate and Comfort Solutions were \$4,684 for the three months ended September 30, 2025. Foreign currency translation impacts for the Automotive segment and Medical segment were \$6,506 and \$202 respectively, for the nine months ended September 30, 2025. Foreign currency translation impacts for Automotive Climate and Comfort Solutions were \$4,329 for the nine months ended September 30, 2025.

GENTHERM INCORPORATED
RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA
AND ADJUSTED EBITDA MARGIN
(Dollars in thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income	\$ 14,949	\$ 15,965	\$ 15,298	\$ 49,626
Add back:				
Depreciation and amortization	13,274	12,351	39,120	38,742
Income tax expense	5,935	3,445	10,204	16,531
Interest expense, net	3,313	4,710	10,911	11,956
Adjustments:				
Non-cash stock based compensation	3,980	2,927	10,569	10,334
Restructuring expenses, net	3,986	2,662	10,608	12,342
Unrealized currency loss	1,865	8,604	30,349	6,251
Leadership transition expenses	777	—	2,935	—
Loss on sale of land and building, net	—	—	2,196	—
Non-automotive electronics inventory benefit	—	(2,679)	—	(4,451)
Other ^(a)	928	118	2,055	187
Adjusted EBITDA	<u>\$ 49,007</u>	<u>\$ 48,103</u>	<u>\$ 134,245</u>	<u>\$ 141,518</u>
Product revenues	\$ 386,870	\$ 371,512	\$ 1,115,814	\$ 1,103,210
Net income margin	3.9%	4.3%	1.4%	4.5%
Adjusted EBITDA margin	12.7%	12.9%	12.0%	12.8%

(a) Includes a \$1,294 write-down of an equity investment for the nine months ended September 30, 2025.

GENTHERM INCORPORATED
RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME
AND ADJUSTED EARNINGS PER SHARE
(Dollars in thousands, except per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income	\$ 14,949	\$ 15,965	\$ 15,298	\$ 49,626
Amortization of acquisition related intangibles	1,676	1,608	4,873	4,797
Restructuring expenses, net	3,986	2,662	10,608	12,342
Unrealized currency loss	1,865	8,604	30,349	6,251
Leadership transition expenses	777	—	2,935	—
Loss on sale of land and building, net	—	—	2,196	—
Non-automotive electronics inventory benefit	—	(2,679)	—	(4,451)
Other	928	118	2,055	187
Tax effect of above	(1,582)	(2,695)	(13,422)	(4,546)
Adjusted net income	<u>\$ 22,599</u>	<u>\$ 23,583</u>	<u>\$ 54,892</u>	<u>\$ 64,206</u>
Weighted average shares outstanding:				
Basic	30,480	31,187	30,619	31,421
Diluted	30,748	31,365	30,802	31,605
Earnings per share, as reported:				
Basic	\$ 0.49	\$ 0.51	\$ 0.50	\$ 1.58
Diluted	\$ 0.49	\$ 0.51	\$ 0.50	\$ 1.57
Adjusted earnings per share:				
Basic	\$ 0.74	\$ 0.76	\$ 1.79	\$ 2.04
Diluted	\$ 0.73	\$ 0.75	\$ 1.78	\$ 2.03

GENTHERM INCORPORATED
CONSOLIDATED CONDENSED BALANCE SHEETS
(Dollars in thousands, except share data)
(Unaudited)

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 154,250	\$ 134,134
Accounts receivable, net	291,293	258,112
Inventory:		
Raw materials	136,014	137,511
Work in process	35,040	19,059
Finished goods	82,199	70,786
Inventory, net	253,253	227,356
Other current assets	87,096	64,413
Total current assets	785,892	684,015
Property and equipment, net	256,948	252,970
Goodwill	108,730	99,603
Other intangible assets, net	54,291	57,251
Operating lease right-of-use assets	58,662	43,954
Deferred income tax assets	78,302	75,041
Other non-current assets	38,510	34,722
Total assets	<u>\$ 1,381,335</u>	<u>\$ 1,247,556</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 263,600	\$ 226,815
Current lease liabilities	10,181	7,517
Current maturities of long-term debt	109	137
Other current liabilities	126,435	105,824
Total current liabilities	400,325	340,293
Long-term debt, less current maturities	189,000	220,064
Non-current lease liabilities	49,678	37,052
Pension benefit obligation	3,880	4,017
Other non-current liabilities	20,504	29,183
Total liabilities	\$ 663,387	\$ 630,609
Shareholders' equity:		
Common Stock:		
No par value; 55,000,000 shares authorized 30,525,148 and 30,788,639 issued and outstanding at September 30, 2025 and December 31, 2024, respectively	3,901	2,049
Paid-in capital	1,590	4,290
Accumulated other comprehensive income (loss)	1,358	(85,193)
Accumulated earnings	711,099	695,801
Total shareholders' equity	717,948	616,947
Total liabilities and shareholders' equity	<u>\$ 1,381,335</u>	<u>\$ 1,247,556</u>

GENTHERM INCORPORATED
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Dollars in thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2025	2024
Operating Activities:		
Net income	\$ 15,298	\$ 49,626
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	39,478	40,085
Deferred income taxes	(12,836)	1,568
Stock based compensation	10,573	10,291
Loss (gain) on disposition of property and equipment	2,671	(1,702)
Provisions for inventory	5,234	502
Other non-cash items, including unrealized foreign currency loss (gain)	30,957	(1,057)
Changes in assets and liabilities:		
Accounts receivable, net	(20,543)	(16,179)
Inventory	(20,136)	(27,826)
Other assets	(22,325)	(35,959)
Accounts payable	33,514	38,501
Other liabilities	25,935	15,239
Net cash provided by operating activities	87,820	73,089
Investing Activities:		
Purchases of property and equipment	(33,378)	(50,354)
Proceeds from the sale of property and equipment	3,770	7,537
Proceeds from deferred purchase price of factored receivables	744	10,266
Cost of technology investments	(915)	(590)
Net cash used in investing activities	(29,779)	(33,141)
Financing Activities:		
Borrowings on debt	72,000	53,000
Repayments of debt	(103,112)	(53,520)
Proceeds from the exercise of Common Stock options	—	4,650
Taxes withheld and paid on employees' stock based compensation	(1,306)	(3,157)
Cash paid for the repurchase of Common Stock	(10,015)	(41,578)
Net cash used in financing activities	(42,433)	(40,605)
Foreign currency effect	4,508	1,565
Net increase in cash and cash equivalents	20,116	908
Cash and cash equivalents at beginning of period	134,134	149,673
Cash and cash equivalents at end of period	<u>\$ 154,250</u>	<u>\$ 150,581</u>
Supplemental disclosure of cash flow information:		
Cash paid for taxes	\$ 22,171	\$ 19,470
Cash paid for interest	9,835	10,022

GENTHERM INCORPORATED
OTHER NON-GAAP RECONCILIATIONS
(Dollars in thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Total operating expenses	\$ 71,290	\$ 62,536	\$ 206,447	\$ 196,953
Restructuring expense, net	(3,986)	(2,662)	(10,608)	(12,342)
Non-cash stock based compensation	(3,979)	(2,708)	(10,211)	(9,717)
Leadership transition expenses	(777)	—	(2,935)	—
Loss on sale of land and building, net	—	—	(2,196)	—
Other	(927)	—	(927)	(840)
Adjusted operating expenses	<u>\$ 61,621</u>	<u>\$ 57,166</u>	<u>\$ 179,570</u>	<u>\$ 174,054</u>

	September 30, 2025	September 30, 2024
Cash and cash equivalents	\$ 154,250	\$ 150,581
Revolving line of credit availability	307,938	278,000
Total liquidity	<u>\$ 462,188</u>	<u>\$ 428,581</u>

GENTHERM INCORPORATED
REVENUE BY PRODUCT CATEGORY HISTORICAL RECAST
(Dollars in thousands)
(Unaudited)

Product categories have been modified, and prior-period amounts have been recast to conform with the current period presentation. Climate Control Seat (CCS®) includes CCS®Heat (previously Seat Heaters), CCS® Vent/CCS® Active Cool (previously CCS) and CCS® Neck Conditioners (previously included in Other Automotive). Climate Control Interiors (CCI™) includes CCI™ Steering Wheel Heat and CCI™ Interior Heat (previously included in Other Automotive). Other Automotive includes Automotive Cables, Battery Performance Solutions, non-automotive electronics and contract manufacturing electronics (previously classified as Electronics).

The table below shows the prior period amounts on a quarterly basis for the years 2023 and 2024 recast to conform with the current presentation:

	2023				
	Q1	Q2	Q3	Q4	Full Year
Climate Control Seats	\$ 193,395	\$ 199,780	\$ 201,221	\$ 203,192	\$ 797,588
Climate Control Interiors	42,947	46,084	45,398	43,547	177,976
Lumbar and Massage Comfort Solutions	38,738	37,604	33,260	35,321	144,923
Climate and Comfort Electronics	3,539	2,277	2,842	4,202	12,860
Automotive Climate and Comfort Solutions	278,619	285,745	282,721	286,262	1,133,347
Valve Systems	26,994	27,692	27,830	23,746	106,262
Other Automotive	47,079	48,096	44,231	43,937	183,343
Subtotal Automotive segment	352,692	361,533	354,782	353,945	1,422,952
Medical segment	10,933	10,790	11,413	12,988	46,124
Total Company	<u>\$ 363,625</u>	<u>\$ 372,323</u>	<u>\$ 366,195</u>	<u>\$ 366,933</u>	<u>\$ 1,469,076</u>
	2024				
	Q1	Q2	Q3	Q4	Full Year
Climate Control Seats	\$ 192,049	\$ 199,766	\$ 189,898	\$ 189,597	\$ 771,310
Climate Control Interiors	44,398	47,031	49,283	46,260	186,972
Lumbar and Massage Comfort Solutions	38,251	45,869	48,970	45,494	178,584
Climate and Comfort Electronics	4,226	4,157	4,883	4,097	17,363
Automotive Climate and Comfort Solutions	278,924	296,823	293,034	285,448	1,154,229
Valve Systems	26,625	29,267	26,082	23,082	105,056
Other Automotive	39,089	37,912	39,688	30,304	146,993
Subtotal Automotive segment	344,638	364,002	358,804	338,834	1,406,278
Medical segment	11,377	11,681	12,708	14,080	49,846
Total Company	<u>\$ 356,015</u>	<u>\$ 375,683</u>	<u>\$ 371,512</u>	<u>\$ 352,914</u>	<u>\$ 1,456,124</u>

