

REPORT ON THE 3<sup>RD</sup> QUARTER  
AND 1<sup>ST</sup> NINE MONTHS

20  
24

# Key figures

## ElringKlinger Group

|   |             | 3 <sup>rd</sup> quarter<br>2024 | 2 <sup>nd</sup> quarter<br>2024 | 1 <sup>st</sup> quarter<br>2024 | 4 <sup>th</sup> quarter<br>2023 | 3 <sup>rd</sup> quarter<br>2023 |
|---|-------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| <b>Order Situation</b>                                      |             |                                 |                                 |                                 |                                 |                                 |
| Order intake  | EUR million | 481.3                           | 364.9                           | 489.4                           | 465.0                           | 376.8                           |
| Order backlog   | EUR million | 1,289.7                         | 1,249.3                         | 1,329.3                         | 1,305.2                         | 1,279.3                         |
| <b>Sales/Earnings</b>                                       |             |                                 |                                 |                                 |                                 |                                 |
| Sales revenue   | EUR million | 440.8                           | 445.0                           | 465.3                           | 439.0                           | 451.6                           |
| Cost of sales   | EUR million | 333.8                           | 335.5                           | 354.7                           | 344.2                           | 355.2                           |
| Gross profit margin   |             | 24.3%                           | 24.6%                           | 23.8%                           | 21.6%                           | 21.3%                           |
| EBITDA  | EUR million | 51.2                            | 49.7                            | 50.8                            | 52.3                            | 47.7                            |
| EBIT  | EUR million | -35.2                           | 22.4                            | 23.8                            | 18.8                            | 21.4                            |
| EBIT adjusted <sup>1</sup>                                  | EUR million | 23.0                            | 22.5                            | 24.0                            | 26.3                            | 22.7                            |
| EBIT margin adjusted  |             | 5.2%                            | 5.0%                            | 5.2%                            | 6.0%                            | 5.0%                            |
| Earnings before taxes                                       | EUR million | -45.3                           | 15.9                            | 17.9                            | 8.3                             | 16.9                            |
| Net income  | EUR million | -56.2                           | 9.5                             | 9.8                             | 24.9                            | 4.7                             |
| Net income attributable to shareholders of ElringKlinger AG | EUR million | -56.2                           | 9.8                             | 13.3                            | 22.5                            | 7.8                             |
| <b>Cash flow</b>  |             |                                 |                                 |                                 |                                 |                                 |
| Net cash from operating activities                          | EUR million | 9.8                             | 23.2                            | 16.8                            | 70.1                            | 36.2                            |
| Net cash from investing activities                          | EUR million | -19.7                           | -40.8                           | -22.2                           | -23.0                           | -22.6                           |
| Net cash from financing activities                          | EUR million | 7.2                             | -37.6                           | 30.4                            | -52.2                           | -3.8                            |
| Operating free cash flow <sup>2</sup>                       | EUR million | -14.1                           | -4.5                            | -5.8                            | 41.6                            | 11.7                            |
| <b>Balance Sheet</b>  |             |                                 |                                 |                                 |                                 |                                 |
| Balance sheet total   | EUR million | 1,947.2                         | 2,007.5                         | 2,060.5                         | 2,008.2                         | 2,025.0                         |
| Equity  | EUR million | 856.3                           | 905.8                           | 917.3                           | 910.7                           | 884.7                           |
| Equity ratio  |             | 44.0%                           | 45.1%                           | 44.5%                           | 45.3%                           | 43.7%                           |
| Net financial debt <sup>3</sup>                             | EUR million | 349.6                           | 350.4                           | 329.1                           | 323.2                           | 366.3                           |
| Net debt-to-EBITDA ratio <sup>4</sup>                       |             | 1.7                             | 1.7                             | 1.7                             | 1.6                             | 1.8                             |
| <b>Human Resources</b>                                      |             |                                 |                                 |                                 |                                 |                                 |
| Employees (as at end of quarter)                            |             | 9,589                           | 9,560                           | 9,606                           | 9,576                           | 9,625                           |
| <b>Stock</b>  |             |                                 |                                 |                                 |                                 |                                 |
| Earnings per share  | EUR         | -0.89                           | 0.15                            | 0.21                            | 0.36                            | 0.12                            |

<sup>1</sup> Adjusted for impairments on goodwill, impairments on non-current assets, restructuring and restructuring-related charges and other non-operating effects

<sup>2</sup> Net cash from operating activities and net cash from investing activities (excluding cash flows for M&A activities and for changes in financial assets)

<sup>3</sup> Current and non-current financial liabilities less cash and cash equivalents and less short-term securities, incl. positions held for sale

<sup>4</sup> Net debt (incl. positions held for sale)/EBITDA

# Summary of Third Quarter and First Nine Months 2024

- **Group revenue** at EUR 440.8 million in Q3 2024 and EUR 1,351.1 million for Jan.–Sep. 2024 – up slightly by 0.1%<sup>1</sup> and down by 2.6% respectively after adjusting for currency effects; performance influenced by sluggish market conditions (global automotive production down 1.6% in Jan.–Sep. 2024) and changes in call-off volumes relating to individual series production projects for e-vehicles and in the area of commercial vehicles; sales region of Europe significantly above market trend; visible revenue growth for Battery Technology and Aftermarket;
- **Adjusted EBIT** at EUR 23.0 million in Q3 2024 and EUR 69.5 million for Jan.–Sep. 2024; at 5.2% and 5.1% respectively, adjusted EBIT margin on track to reach annual target;
- **Financial position and cash flows** underpinned by solid equity ratio of 44.0% and lower net financial liabilities of EUR 349.6 million; improvement in net debt-to-EBITDA ratio to 1.7; operating free cash flow in Q3 and for Jan.–Sep. 2024 at EUR -14.1 million and EUR -24.4 million respectively; investment ratio up at 4.3% in line with expectations as part of portfolio transformation;
- **Outlook:** substantial order backlog of EUR 1,289.7 million at the end of the reporting period, significant improvement in order intake in Q3 and for Jan.–Sep. 2024; ElringKlinger Group guidance for 2024 financial year revised: organic revenue expected to be slightly below and ROCE significantly below prior-year level, while operating free cash flow projected to be just within positive territory; adjusted EBIT margin guidance unchanged at around 5%;
- **Significant events** in Jan.–Sep. 2024: go-ahead for new Battery Center in the United States; Helmut P. Merch new Chairman of the Supervisory Board since May 16, 2024; strategic decision to sell the two subsidiaries in Sevelen, Switzerland, and Buford, USA – closing of transaction expected in Q4;

**“ElringKlinger’s portfolio transformation was evident in several developments during the quarter under review, including the series production ramp-up in Battery Technology, further investments in production equipment in the E-Mobility business unit, and the pending divestment of two subsidiaries.”**

Thomas Jessulat, CEO of ElringKlinger AG

<sup>1</sup> Unless otherwise specified, changes refer to the same period of the previous year.

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**Whether traditional combustion engines or electromobility, ElringKlinger is able to leverage its core competencies in all drive technologies. With our long-standing business as our backbone, we are driving the Group's transformation forward.**

Find out more in the article »The Big Picture« in »pulse« magazine, 2024 issue.

# Macroeconomic Conditions and Business Environment

Regardless of geopolitical crises and heightened disputes surrounding trade policy, the global economy enjoyed moderate growth in the first nine months of 2024<sup>1</sup>. Global trade improved slightly over the course of the year, although it received little support from sluggish expansion in the manufacturing sector.

The turnaround in interest rate policy now tentatively initiated by the world's major central banks in the United States and Europe provided a positive impetus. In September 2024, the US Federal Reserve lowered its upper interest rate limit by 0.5 percentage points to 5.0% – still persistently high – for the first time since embarking on a course of monetary tightening that lasted several years. The European Central Bank introduced its first interest rate cuts as from June 2024, lowering the key interest rate to 3.65% at the end of September 2024 and reducing it again in October 2024. Inflation rates continued to decline at a slow pace. At 2.6% in the US and 2.2% in the eurozone, for example, they still remained above the central banks' target of 2% in the third quarter of 2024. Higher energy prices in some areas and persistent price hikes in the services sector put paid to a more pronounced downturn in inflation.

The economic divergence between the countries representing the advanced economies became less apparent in the period under review. The US economy lost momentum slightly, partly as a result of a lower propensity to consume on the part of private households and the expiry of fiscal policy programs. The eurozone, by contrast, experienced a slight upturn, underpinned by rising real wages and a moderate increase in consumption as well as lower commodity prices. The German economy stagnated against the backdrop of various adverse conditions, such as elevated energy prices, an anemic manufacturing sector, and shifts in global trade.

China's economy lost some of its momentum. Growth was dampened by the country's ongoing structural problems, such as the real estate crisis, high levels of corporate debt, and flagging domestic demand. By contrast, the Indian economy recorded dynamic growth.

The situation within the global markets remained strained in the period under review, with trade tensions and geopolitical conflicts, among them the escalating situation in the Middle East, the war in Ukraine, and problems in international trade relations between the United States, China, and the European Union, having a major impact. In September 2024, the EU Commission decided to impose additional import duties of up to 35.3% on electric cars from China in an effort to counteract what it considers to be competition-distorting subsidies from the Chinese government.

## GDP growth

| Year-on-year change in % | 1 <sup>st</sup> quarter 2024 | 2 <sup>nd</sup> quarter 2024 | 3 <sup>rd</sup> quarter 2024 |
|--------------------------|------------------------------|------------------------------|------------------------------|
| Germany                  | -0.1                         | 0.0                          | -0.3                         |
| Eurozone                 | 0.5                          | 0.6                          | 0.8                          |
| USA                      | 2.9                          | 3.1                          | 2.5                          |
| Brazil                   | 2.5                          | 3.3                          | 4.0                          |
| China                    | 5.3                          | 4.7                          | 4.7                          |
| India                    | 7.8                          | 6.7                          | 6.9                          |
| Japan                    | -0.9                         | -1.0                         | 0.8                          |

Source: HSBC (Sep. 2024)

<sup>1</sup> Details on economic performance are based on information provided by the Kiel Institute for the World Economy (IfW), HSBC Bank, and the company's own research

## Production Light Vehicles

| Region              | Vehicles millions |                | Year-on-year change |
|---------------------|-------------------|----------------|---------------------|
|                     | Jan.–Sep. 2023    | Jan.–Sep. 2024 |                     |
| Europe <sup>1</sup> | 12.9              | 12.2           | -4.9%               |
| China               | 20.2              | 20.6           | 2.0%                |
| Japan/Korea         | 9.4               | 8.8            | -6.7%               |
| Middle East/Africa  | 1.8               | 1.7            | -7.0%               |
| North America       | 11.9              | 11.8           | -0.8%               |
| South America       | 2.2               | 2.2            | -1.6%               |
| South Asia          | 7.4               | 7.2            | -1.9%               |
| <b>World</b>        | <b>66.3</b>       | <b>65.2</b>    | <b>-1.6%</b>        |

<sup>1</sup> excl. Russia  
 Source: S&P Global Mobility, Oct. 2024

### Global vehicle production in negative territory

Having recorded strong growth of almost 10% in the previous year, partly due to pent-up demand from previous periods, global vehicle production stalled in 2024. On the back of a slight increase in the first quarter of 2024, the year-on-year rise in production figures slackened as the year progressed. According to industry data specialist S&P Global Mobility, global production of light vehicles (passenger cars and light commercial vehicles) fell by 4.6% in the third quarter of 2024. This performance reflects a combination of factors in the form of economic weakness in many regions, uncertainty surrounding stimulus measures or technologies, and consumer restraint in individual economies. The direction taken by the respective regions varied, as shown in the table.

### International sales markets show signs of cooling

International sales markets as a whole experienced a more pronounced slowdown in the third quarter of 2024. Their performance in the first nine months and in the third quarter varied markedly from region to region.

According to data published by the German automobile association VDA, 9.8 million new cars were registered within the European car market in the first nine months, 1.0% more than in the same period of the previous year. Of the five largest individual markets, Spain grew by 4.7%, the United Kingdom by 4.3%, and Italy by 2.1%. Germany and France recorded a decline of 1.0% and 1.8% respectively. Overall, Europe remained around 19% below the pre-crisis level of 2019.

In the first three quarters of 2024, the light vehicle market (passenger cars and light commercial vehicles) in the United States was slightly up on the prior-year figure with an increase of 0.7% and 11.7 million newly registered vehicles but still around 8% down on 2019. In China, the world's largest single market, sales figures for cars rose by 2.0% to 15.6 million units between January and September 2024, meaning that the market here, unlike in Europe and the United States, exceeded the pre-crisis year of 2019 by around 14%. Turning to other important individual markets, passenger car sales in India rose by 4.1% in the nine-month period, while sales in Japan fell by 7.8%. Brazil saw an increase of 14.2% in the light vehicle segment.

## Significant Events

### **Helmut P. Merch appointed as new Chairman of the Supervisory Board of ElringKlinger AG**

On May 16, 2024, Helmut P. Merch, who had previously chaired the Audit Committee, took over as Chairman of the Supervisory Board of ElringKlinger AG from Klaus Eberhardt. Merch has been a member of the Supervisory Board of ElringKlinger AG since July 2020. In March 2024, Eberhardt had announced his intention to step down from his position and relinquish his mandate at the end of the 2024 Annual General Meeting and pass on the chairmanship to younger hands.

As proposed by the Supervisory Board, the Annual General Meeting on May 16, 2024, elected Ludger Heuberg as a new member of the Supervisory Board. Heuberg has held the position of CFO for several large companies and can draw on many years of experience in the automotive sector.

### **Establishment of Battery Center in the United States**

Established in June 2024, the Group company ElringKlinger South Carolina, LLC., based in Easley, South Carolina, USA, represents the next step in the implementation of the Group's SHAPE30 transformation strategy announced in March 2024. The plan is for the site to primarily manufacture battery technology products as from 2025 and to be expanded into a battery hub for the American market. In this context, ElringKlinger has already secured its first high-volume series production nomination.

### **Plan for strategy-driven sale of two sites**

The ElringKlinger Group reached the strategic decision to divest itself of its two subsidiaries ElringKlinger Switzerland

AG, with its registered office in Sevelen, Switzerland, and ElringKlinger USA, Inc., with its registered office in Buford, USA. This transaction is to be seen against the backdrop of far-reaching changes in the automotive industry and the Group's efforts to hone its profile in this environment of transition. The transformation necessitates substantial investment in certain areas for the purpose of remaining competitive. In ElringKlinger's case, this applies primarily to the area of thermal and acoustic shielding, particularly in Europe and North America. The agreement covering this sale was signed by ElringKlinger and the buyer, the Certina Group, on October 7, 2024. The closing of the transaction is expected to take place before the end of 2024, subject in particular to antitrust approval.

### **Wide-ranging growth in E-Mobility**

Nominations for orders relating to battery and fuel cell technology as well as an upturn in revenue from the production of battery components over the course of the first nine months of 2024 (see Sales and Earnings Performance) are testimony to ElringKlinger's successful e-mobility strategy. In March 2024, for example, Group subsidiary EKPO Fuel Cell Technologies GmbH (EKPO for short) announced that it had signed a contract with the Chinese FAW Group for the development and supply of NM12 Single fuel cell modules. The stacks are to be used in the fuel cell vehicle of FAW's premium Hongqi marque. In addition, EKPO presented its most powerful stack module, the NM20, for heavy-duty applications at the international flagship trade show IAA Transportation in September 2024. This IPCEI project is funded by the Federal Ministry for Digital and Transport and the Baden-Württemberg Ministry of the Environment.

# Sales and Earnings Performance

## Outperforming the market in organic terms in Q3 2024

Operating within a persistently challenging environment, ElringKlinger generated Group revenue of EUR 440.8 million in the third quarter of 2024 (Q3 2023: EUR 451.6 million), which corresponds to a year-on-year decline of EUR 10.8 million or 2.4%. Alongside the effects of foreign exchange rates, changes in customer call-off volumes relating to individual series production projects for electric vehicles and in the commercial vehicle sector had a dampening effect on revenue.

In regional terms, revenue from sales in Asia-Pacific and North America was down on the previous year, while the Group saw revenue expand in Europe (Germany and Rest of Europe regions). With regard to the respective business units, revenue generated by Aftermarket and Battery Technology in particular proved to be very positive in the period under review. In the first nine months of the year, revenue totaled EUR 1,351.1 million (9M 2023: EUR 1,408.1 million), down EUR 57.0 million or 4.0% on the prior-year figure.

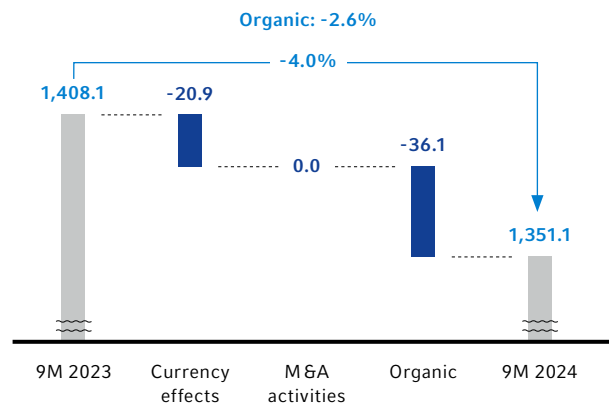
The direction taken by revenue in the third quarter of 2024 reflects, among other things, weaker market conditions compared to the previous year. According to industry data service provider S&P Global Mobility, global automobile production from July to September 2024 fell by 4.6% year on year, and by as much as 7.0% in Europe (without Russia), ElringKlinger's strongest market in terms of revenue. From January to September 2024, production output of light vehicles (passenger cars and light commercial vehicles) was down 1.6% worldwide on the figure for the first nine months of 2023, and 4.9% lower in Europe.

## Headwind from currencies, no M&A effects

Overall, movements in exchange rates also had a dampening effect on Group revenue. The direction taken by the Mexican peso, the Brazilian real, and the Turkish lira in particular created a headwind for revenue growth. Adjusted for currency effects, Group revenue in the first nine months amounted to EUR 1,372.0 million, a decline of 2.6% compared to the same period of the previous year, and EUR 452.2 million in the third quarter, which corresponds to slight organic revenue growth of 0.1%.

## Factors influencing Group revenue Jan. – Sep. 2024

in EUR million

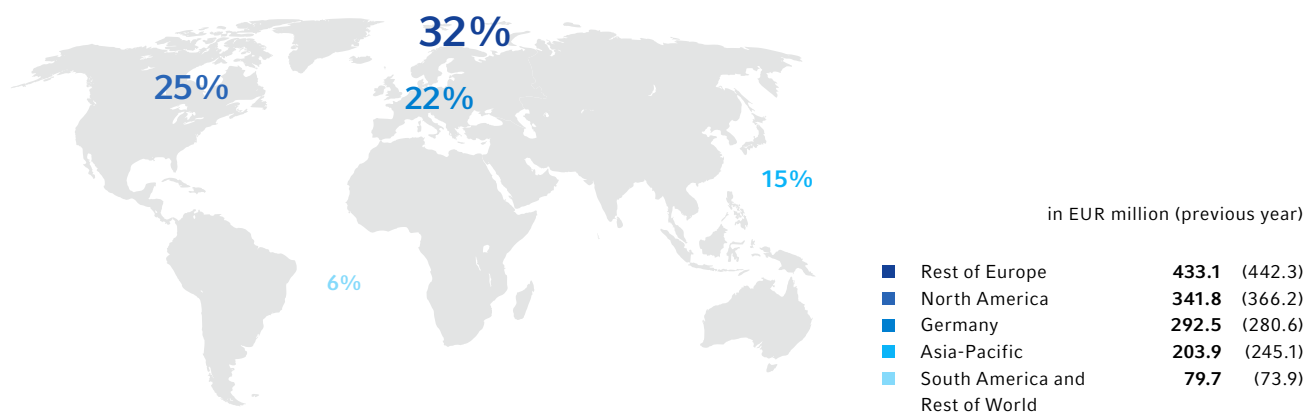


There were no effects from changes in the scope of consolidation (M&A activities) in either the quarter under review or in the first nine months of 2024 as a whole. The agreement covering the sale of two Group companies to the Certina Group is not expected to have any associated effects until the closing of the transaction. The transaction is to be concluded in 2024.

## Revenue growth in Europe amid market downturn

In its strongest revenue-generating region, Rest of Europe, the ElringKlinger Group recorded sales revenue of EUR 140.1 million in the third quarter of 2024 (Q3 2023: EUR 137.4 million), which corresponds to a share of 31.8% of Group revenue and a year-on-year increase of 2.0%. This means that revenue performance in the third quarter of 2024 was well in excess of global vehicle production, which S&P Global Mobility put at -12.0% (Europe excluding Germany and Russia). Based on the assumption of stable exchange rates, revenue grew by as much as EUR 4.8 million or 3.5%. In the first nine months of 2024, the Group recorded a downturn in revenue of EUR 9.1 million or 2.1% in this region, taking the figure to EUR 433.1 million (9M 2023: EUR 442.3 million). This decline was attributable in particular to changes in exchange rates. Adjusted for currency effects, revenue changed by -0.1% from January to September, which was more favorable than the market trend of -6.0% in this region.

**Group revenue by region Jan. – Sep. 2024**



In Germany, revenue expanded by 10.6% to EUR 97.9 million in the quarter under review (Q3 2023: EUR 88.5 million), which was in excess of the market growth rate of 8.2%. At 77.8%, the share of non-domestic revenue in total Group revenue was slightly lower than in the same quarter of the previous year (Q3 2023: 80.4%).

**Downturn in revenue in Asia-Pacific and North America**

In the Asia-Pacific region, ElringKlinger generated revenue of EUR 67.7 million between July and September 2024 (Q3 2023: EUR 79.8 million), which corresponds to 15.3% of Group revenue. Thus, the change in sales revenue mirrored the trend in the first half of 2024. Alongside the drag caused by currency effects, changes in call-off volumes relating to individual series production projects for electric vehicles and a sluggish commercial vehicle market were the principal drivers of this decline. In the first nine months of 2024, the Group generated revenue of EUR 203.9 million in this region (9M 2023: EUR 245.1 million).

The region encompassing North America accounted for almost a quarter (24.2%) of Group revenue in the quarter under review, with revenue of EUR 106.7 million (Q3 2023: EUR 118.6 million), making it the Group’s second-strongest region. Against the backdrop of adverse exchange rate effects and less favorable call-off patterns in individual series production projects for electric vehicles, revenue fell by 10.1% in the third quarter of 2024, compared to a general market performance of - 4.7%. In the first nine months of 2024, revenue declined by EUR 24.4 million or 6.7% to EUR 341.8 million (9M 2023: EUR 366.2 million). Exchange rate movements had a slight dampening effect in the first nine months of the year.

**Slight growth in South America and Rest of World**

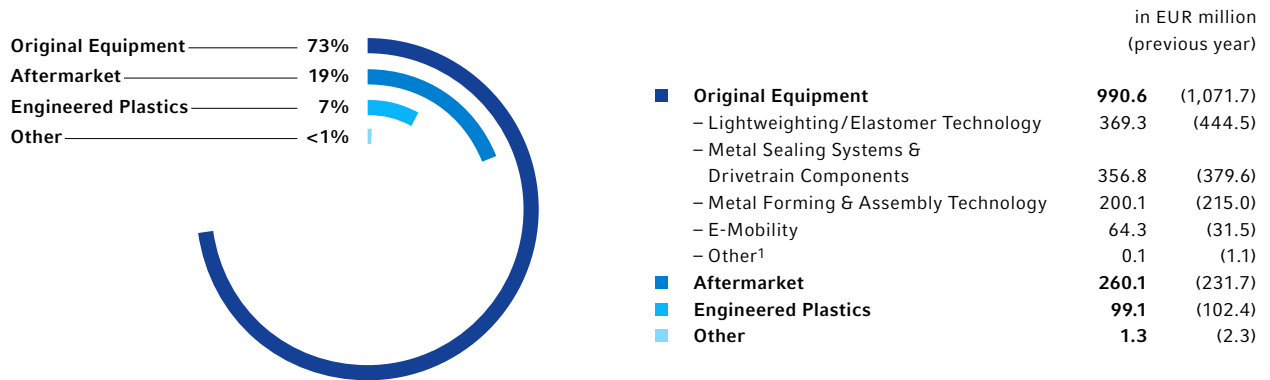
Revenue in the region encompassing South America and Rest of World totaled EUR 28.5 million in the third quarter of 2024, i.e., 6.5% of Group revenue (Q3 2023: EUR 27.3 million or 6.0% of Group revenue). Revenue thus grew by 4.2% in the quarter just ended. In the first nine months, ElringKlinger recorded revenue growth of 7.8% or EUR 5.7 million in this region, taking the total to EUR 79.7 million (9M 2023: EUR 73.9 million). Currency effects acted as a headwind: adjusted for these foreign exchange factors, revenue rose by 12.4% in the first nine months.

**Revenue down in Original Equipment segment, strong growth for E-Mobility business unit**

The lackluster performance in terms of global production relating to light vehicles (passenger cars and light commercial vehicles), which S&P Global Mobility put at -4.6% in the third quarter of 2024, was also reflected in revenue in the Original Equipment segment. Segment revenue amounted to EUR 322.9 million in the quarter under review (Q3 2023: EUR 342.9 million). Accounting for 73.2% (Q3 2023: 75.9%) of Group revenue in the period from July to September 2024, Original Equipment remains the Group’s largest segment. In the first nine months, ElringKlinger recorded revenue of EUR 990.6 million (9M 2023: EUR 1,071.7 million) in this segment.

The picture within the Original Equipment segment was mixed as regards the direction taken by revenue. While the long-standing business units recorded declines in revenue due to weak market dynamics for both passenger cars and commercial vehicles, the E-Mobility business unit grew

Group revenue by segment and business unit Jan. – Sep. 2024



<sup>1</sup> Revenue "Other" mainly attributable to Exhaust Gas Purification business unit until 2023

markedly in the quarter under review. With revenue totaling EUR 115.8 million (Q3 2023: EUR 138.9 million), the Lightweighting/Elastomer Technology business unit accounted for the largest share of Group revenue in the third quarter of 2024 – at around 27%. In the Metal Sealing Systems & Drivetrain Components and Metal Forming & Assembly Technology business units, revenue in the quarter under review amounted to EUR 109.3 million (Q3 2023: EUR 122.1 million) and EUR 62.4 million (Q3 2023: EUR 67.4 million) respectively. By contrast, projects in the E-Mobility business unit developed very positively. E-Mobility revenue increased by EUR 20.9 million or 145% to EUR 35.3 million (Q3 2023: EUR 14.4 million). The E-Mobility business unit also expanded its revenue significantly by 104% to EUR 64.3 million in the first nine months of the year (9M 2023: EUR 31.5 million), primarily due to the further ramp-up of mass-production operations for cell contacting systems.

Alongside the reduction in segment revenues, the aforementioned trends in procurement prices for several key raw materials had an impact on the segment result. Against the backdrop of persistently challenging market conditions, adjusted earnings before interest and taxes (adjusted EBIT) for the Original Equipment segment amounted to EUR -0.3 million (Q3 2023: EUR 2.1 million), which corresponds to a margin of -0.1% (Q3 2023: 0.6%). In the period from January to September 2024, the Original Equipment segment recorded an adjusted EBIT margin of -0.4% (9M 2023: 0.6%).

**Double-digit growth in Aftermarket segment**

With revenue standing at EUR 84.9 million (Q3 2023: EUR 74.4 million) in the period from July to September 2024, Aftermarket accounts for 19.3% (Q3 2023: 16.5%) of Group revenue and is the second-largest segment in the Group. Thanks to the consistent implementation of ElringKlinger's growth strategy, revenue again increased significantly in the quarter under review, by EUR 10.5 million or 14.1%. Growth was driven by all key sales regions, with the Aftermarket business showing a particularly high rate of expansion in Europe and North and South America.

Revenue growth also had a positive impact on earnings. Adjusted segment EBIT amounted to EUR 19.1 million in the quarter under review (Q3 2023: EUR 16.1 million), which corresponds to a margin of 22.5% (Q3 2023: 21.7%). In the first nine months of the year, the segment's adjusted EBIT totaled EUR 62.4 million (9M 2023: EUR 55.0 million), which corresponds to an adjusted EBIT margin of 24.0% (9M 2023: 23.7%).

**Engineered Plastics segment**

At EUR 32.8 million in the third quarter of 2024 (Q3 2023: EUR 33.8 million), revenue generated from sales in the Engineered Plastics segment was robust against the backdrop of weaker economic momentum – thanks in part to the broad industry mix. With a share of 7.4% (Q3 2023: 7.5%) of Group revenue, Engineered Plastics is the third-largest segment within the ElringKlinger Group.

As in the first six months of the year, slightly higher staff costs associated with the transformation process contrasted with an improved materials expense ratio in the quarter under review due to a marginal year-on-year decline in prices for high-performance plastics such as fluoropolymers. In total, adjusted EBIT in the Engineered Plastics segment amounted to EUR 3.7 million (Q3 2023: EUR 4.4 million), which corresponds to a margin of 11.3% (Q3 2023: 13.0%). In the period from January to September 2024, the segment's adjusted EBIT margin stood at 9.8% (9M 2023: 11.8%).

### Other segment

The segment referred to as "Other" primarily consists of logistics services and the catering subsidiary. The former include services for the Aftermarket business, for example. Revenue in the segment referred to as Other amounted to EUR 0.3 million in the quarter under review (Q3 2023: EUR 0.6 million) and EUR 1.3 million in the first nine months of 2024 (9M 2023: EUR 2.3 million). Adjusted EBIT attributable to this segment stood at EUR 0.5 million in the quarter under review (Q3 2023: EUR 0.1 million), which was better than in the period from July to September 2023. In the first nine months, adjusted segment EBIT of EUR 1.5 million (9M 2023: EUR 0.3 million) was also up on the previous year's figure.

### Total headcount down slightly

The number of people employed by the ElringKlinger Group fell slightly by 36 or 0.4% compared to September 30 of the previous year. At the end of the quarter under review, the Group employed 9,589 people (Sep. 30, 2023: 9,625 employees). While the workforce in Germany and the region encompassing South America and Rest of World increased by 65 and 32 employees respectively, the number of employees in the Rest of Europe region fell by 26. In Germany, the headcount was up in the E-Mobility business unit, among others. In the Asia-Pacific and North America regions, staffing levels fell slightly by 65 and 42 employees respectively. Overall, in percentage terms, the non-domestic headcount decreased slightly to 56.5% (Sep. 30, 2023: 57.3%). Accordingly, the domestic share rose marginally to 43.5% at the end of the quarter (Sep. 30, 2023: 42.7%).

### Gross profit margin up by 3 percentage points

In the third quarter of 2024, the cost of sales fell at a faster rate compared to Group revenue. The cost of sales decreased by EUR 21.5 million or 6.0% and amounted to EUR 333.8 million (Q3 2023: EUR 355.2 million). As a result, ElringKlinger's gross profit improved from EUR 96.4 million in the third quarter of the previous year to EUR 107.0 mil-

lion, which corresponds to a gross profit margin of 24.3% (Q3 2023: 21.3%). In the first nine months of 2024, the gross profit margin stood at 24.2% (9M 2023: 21.9%).

As a whole, the direction taken by procurement prices for several key raw materials required by the Group for production purposes proved favorable for gross profit compared to the same quarter of the previous year. Prices relating to various steels and plastics in particular were lower year on year. By contrast, the level of aluminum prices was higher than in the third quarter of the previous year, with a slight increase in commodity exchange prices. Similarly, prices for certain elastomers were significantly higher than in the previous year. In summary, the overall price level for key raw materials was consistently above the pre-crisis level.

The cost of materials amounted to EUR 183.0 million in the third quarter of 2024 (Q3 2023: EUR 205.3 million). Calculated in relation to Group revenue, the cost-of-materials ratio was 41.5%, down noticeably on the previous year's figure of 45.5%. The ratio also fell significantly over the nine-month period from 45.2% to 41.9%.

Staff costs within the Group, which are accounted for in various functional categories of the income statement, totaled EUR 142.2 million in the third quarter of 2024 (Q3 2023: EUR 141.0 million). Staff costs increased by EUR 1.2 million, partly due to the effects of collective wage increases in Germany. Overall, staff costs in relation to revenue amounted to 32.3% in the quarter under review (Q3 2023: 31.2%) and 33.3% in the first nine months of 2024 (9M 2023: 31.9%).

The ElringKlinger Group's selling expenses remained almost unchanged year on year at EUR 37.9 million in the quarter under review (Q3 2023: EUR 37.8 million). In the period from January to September 2024, selling expenses totaled EUR 115.4 million, compared to EUR 114.1 million in the same period of the previous year.

General and administrative expenses increased by EUR 4.8 million to EUR 26.8 million in the third quarter of 2024 (Q3 2023: EUR 22.0 million), partly in connection with higher staff costs. General and administrative expenses amounted to EUR 78.5 million in the first nine months of 2024 (9M 2023: EUR 74.0 million).

**EBIT Jan. – Sep. 2024<sup>1</sup>**

| in EUR million                      | 3 <sup>rd</sup> quarter<br>2024 | 3 <sup>rd</sup> quarter<br>2023 | Year-on-year<br>change | Jan. – Sep.<br>2024 | Jan. – Sep.<br>2023 | Year-on-year<br>change |
|-------------------------------------|---------------------------------|---------------------------------|------------------------|---------------------|---------------------|------------------------|
| <b>Reported EBIT</b>                | <b>-35.2</b>                    | <b>21.4</b>                     | <b>-56.6</b>           | <b>11.0</b>         | <b>64.1</b>         | <b>-53.1</b>           |
| Impairment losses                   | 58.1                            | 0.0                             |                        | 58.1                | 0.5                 |                        |
| of which goodwill impairment losses | 0.0                             | 0.0                             |                        | 0.0                 | 0.0                 |                        |
| Restructuring                       | 0.1                             | 0.3                             |                        | 0.2                 | 3.5                 |                        |
| Other non-operational effects       | 0.0                             | 1.0                             |                        | 0.1                 | 5.7                 |                        |
| <b>Adjusted EBIT</b>                | <b>23.0</b>                     | <b>22.7</b>                     | <b>+0.3</b>            | <b>69.5</b>         | <b>73.9</b>         | <b>-4.4</b>            |
| <i>Adjusted EBIT margin</i>         | <i>5.2%</i>                     | <i>5.0%</i>                     | <i>+0.2 pp</i>         | <i>5.1%</i>         | <i>5.2%</i>         | <i>-0.1 pp</i>         |

<sup>1</sup>A detailed definition of adjusted EBIT margin can be found in the "Internal Control System" section of the 2023 annual report.

**R&D ratio of 5.8% after the first nine months**

In the quarter under review, expenses relating to research and development (R&D) activities totaled EUR 18.7 million (Q3 2023: EUR 15.7 million), the majority of which were staff costs. The ElringKlinger Group's research and development activities are focused on alternative drive technologies. In addition, a total amount of EUR 5.3 million (Q3 2023: EUR 7.9 million) was capitalized in the third quarter of 2024. In the period from January to September 2024, R&D expenses totaled EUR 62.2 million (9M 2023: EUR 57.3 million). In addition, a sum of EUR 16.2 million (9M 2023: EUR 18.5 million) was capitalized. This translates into a capitalization ratio of 22.1% for the quarter under review (Q3 2023: 33.6%) and 20.7% for the first nine months (9M 2023: 24.4%).

The R&D ratio – i.e., R&D expenses including capitalization in relation to Group revenue – rose to 5.5% in the third quarter (Q3 2023: 5.2%) and 5.8% in the first nine months (9M 2023: 5.4%).

While other operating income remained unchanged in the quarter under review at EUR 3.2 million (Q3 2023: EUR 3.2 million), other operating expenses, totaling EUR 62.0 million, were significantly higher than the previous year's figure of EUR 2.6 million. Non-cash impairment losses of EUR 58.1 million, which were recognized in the quarter under review in connection with the sale of two Group companies, represented a significant component of other operating expenses.

Other operating income includes government grants of EUR 0.9 million (Q3 2023: EUR 1.6 million); in the first nine months of 2024, grants amounted to EUR 3.7 million (9M 2023: EUR 3.9 million).

**EBITDA margin improves to 12%**

In the third quarter of 2024, the Group saw earnings before interest, taxes, depreciation, and amortization (EBITDA) improve from EUR 47.7 million in the same quarter of the previous year to EUR 51.2 million, despite the decline in revenue. In relation to Group revenue, this corresponds to an EBITDA margin of 11.6% (Q3 2023: 10.6%). Year-on-year growth was driven by the aforementioned changes in material prices as well as the Group's revenue mix. At EUR 151.7 million, EBITDA for the first nine months of the year was up slightly on the previous year's figure (9M 2023: EUR 148.0 million).

Depreciation, amortization, and write-downs of intangible assets and property, plant, and equipment totaled EUR 86.4 million in the quarter under review (Q3 2023: EUR 26.3 million), which was mainly due to the aforementioned impairment losses relating to the sale of two Group companies. These non-recurring effects were also reflected in the figure for the first nine months of the year: from January to September 2024, depreciation, amortization, and write-downs totaled EUR 140.7 million (9M 2023: EUR 83.9 million). Excluding the specific impairment losses mentioned above, depreciation, amortization, and write-downs in both the third quarter and the first nine months of 2024 would be at a similar level to the respective prior-year period.

**Adjusted EBIT margin on target at 5.1% for the year to date**

Less depreciation, amortization, and write-downs, the Group reported EBIT of EUR -35.2 million (Q3 2023: EUR 21.4 million) in the quarter under review. The Group's adjusted EBIT amounted to EUR 23.0 million for the period from July to September (Q3 2023: EUR 22.7 million), which corresponds to a slight improvement in the adjusted EBIT margin to 5.2% (Q3 2023: 5.0%). Compared to the third quarter of the previous year, lower expenses for certain key raw materials, energy, and logistics had a positive effect, while lower

**Net finance cost/income Jan.–Sep. 2024**

| in EUR million  | 3 <sup>rd</sup> quarter<br>2024 | 3 <sup>rd</sup> quarter<br>2023 | Year-on-year<br>change | Jan.–Sep.<br>2024 | Jan.–Sep.<br>2023 | Year-on-year<br>change |
|---|---------------------------------|---------------------------------|------------------------|-------------------|-------------------|------------------------|
| Net interest result   | -7.1                            | -7.0                            | -0.1                   | -17.5             | -19.1             | 1.6                    |
| Net foreign exchange result<br>and other net finance result | -3.0                            | 2.6                             | -5.5                   | -4.9              | -0.1              | -4.8                   |
| <b>Net finance cost</b>                                     | <b>-10.1</b>                    | <b>-4.5</b>                     | <b>-5.6</b>            | <b>-22.5</b>      | <b>-19.2</b>      | <b>-3.3</b>            |

contribution margins due to the decline in Group revenue acted as a brake on earnings momentum. Adjusted EBIT stood at EUR 69.5 million in the first nine months of the year (9M 2023: EUR 73.9 million), while the adjusted EBIT margin remained solid at 5.1% (9M 2023: 5.2%) and thus put the Group on track to achieve its full-year target of around 5% of Group revenue.

The result for the third quarter of 2024 included non-recurring items totaling EUR 58.2 million. In addition to expenses of EUR 0.1 million relating to restructuring, non-cash impairment losses of EUR 58.1 million accounted for the bulk of the adjustments to reported EBIT. These impairment losses were recognized in connection with the divestment of two Group companies.

**Net interest result stable, net foreign exchange result down year on year**

In the quarter under review, the net foreign exchange loss and other finance costs had a particularly negative impact on the Group's net finance cost, which totaled EUR -10.1 million (Q3 2023: EUR -4.5 million). The net foreign exchange loss and other finance costs amounted to EUR -3.0 million in the third quarter (Q3 2023: EUR 2.6 million). In the context of operational currency risk management, there was a positive surplus of EUR 1.3 million in realized foreign exchange gains and losses in the third quarter and a slight surplus of EUR 0.5 million in the nine-month period. The difference between unrealized foreign exchange gains and losses in the quarter under review was attributable in particular to the currency translation of financial liabilities at foreign subsidiaries.

The result from associates, which is included in net finance cost/income and encompasses the investment in hofer AG, improved from EUR -0.3 million in the same period of the previous year to EUR -0.1 million in the quarter under review.

Market interest rates in the quarter under review were at a similar level to those recorded in the third quarter of the previous year. As regards the net interest result, a marginal rise in interest income was also offset by a slight increase in

interest expenses. Interest expenses rose to EUR 8.4 million (Q3 2023: EUR 7.6 million) as part of the refinancing of a tranche of the bonded loan from 2017 at the current market interest rate.

In total, earnings before taxes (EBT) in the third quarter of 2024 thus amounted to EUR -45.3 million – after EUR 16.9 million in the period from July to September 2023. In the first nine months of 2024, EBT amounted to EUR -11.5 million (9M 2023: EUR 44.9 million).

**Income tax expense down year on year**

Income tax expenses in the third quarter of 2024 were lower than in the previous year at EUR 10.9 million (Q3 2023: EUR 12.2 million). This is attributable primarily to lower reported earnings compared to the previous year and factors resulting from the change in the transfer pricing system. If the income tax expense is set in relation to earnings before taxes, the effective tax rate for the Group stands at -24.0% (Q3 2023: 72.2%) for the third quarter of 2024. As in the quarter under review, income tax expenses in the nine-month period from January to September 2024 were down on the prior-year figure at EUR 25.4 million (9M 2023: EUR 36.3 million).

**Earnings per share impacted by exceptional item**

After deducting income tax expenses, the ElringKlinger Group's net loss for the period amounted to EUR -56.2 million in the third quarter of 2024 (Q3 2023: net income of EUR 4.7 million). Taking into account the share of net income attributable to non-controlling interests, the net loss attributable to the shareholders of ElringKlinger AG amounted to EUR -56.2 million (Q3 2023: net income of EUR 7.8 million). The year-on-year change is attributable primarily to the non-cash impairment losses of EUR 58.1 million mentioned above, which were recognized in the quarter under review in connection with the divestment of two Group companies. In the first nine months of 2024, the net loss for the period amounted to EUR -36.9 million and to EUR -33.0 million for ElringKlinger shareholders (9M 2023: net income of EUR 8.6 million and EUR 16.8 million respectively).

At EUR -0.52 for the nine-month period from January to September 2024 and EUR -0.89 for the third quarter of 2024, earnings per share were therefore also significantly lower than the previous year's figures of EUR 0.27 and EUR 0.12

respectively. As of September 30, 2024, the number of shares outstanding that were entitled to a dividend remained unchanged at 63,359,990.

## Financial Position and Cash Flows

The ElringKlinger Group's financial position and cash flows remained solid at the end of the third quarter of 2024. With the equity ratio standing at 44.0% of the balance sheet total, a large proportion of assets continues to be financed by the Group's own funds. At EUR 349.6 million, net financial liabilities were down on the prior-year level. The net debt-to-EBITDA ratio improved slightly year on year from

1.8 to 1.7. ElringKlinger generated net cash from operating activities of EUR 49.7 million in the first nine months of 2024 and EUR 9.8 million in the third quarter of 2024. Thus, payments made for investments in the same periods were largely covered by this item. Operating free cash flow for the first nine months of 2024 and the third quarter amounted to EUR -24.4 million and EUR -14.1 million respectively.

### Key figures Financial Position and Cash Flows

in EUR million

|  | Sep. 30, 2024* | Jun. 30, 2024  | Dec. 31, 2023  | Sep. 30, 2023  |
|--|----------------|----------------|----------------|----------------|
| <b>Total equity and liabilities</b>    | <b>1,947.2</b> | <b>2,007.5</b> | <b>2,008.2</b> | <b>2,025.0</b> |
| Equity ratio                           | 44.0%          | 45.1%          | 45.3%          | 43.7%          |
| <b>Net working capital<sup>1</sup></b> | <b>503.2</b>   | <b>482.4</b>   | <b>466.3</b>   | <b>509.5</b>   |
| in relation to Group revenue           | 28.1%          | 26.8%          | 25.2%          | 27.1%          |
| <b>Net financial debt<sup>2</sup></b>  | <b>349.6</b>   | <b>350.4</b>   | <b>323.2</b>   | <b>366.3</b>   |
| Net debt-to-EBITDA ratio <sup>3</sup>  | 1.7            | 1.7            | 1.6            | 1.8            |
| ROCE <sup>4</sup>                      | 1.0%           | 6.2%           | 5.6%           | 5.6%           |

\* Key figures incl. items held for sale

|   | 3 <sup>rd</sup> quarter 2024 | 3 <sup>rd</sup> quarter 2023 | Jan.–Sep. 2024 | Jan.–Sep. 2023 |
|---|------------------------------|------------------------------|----------------|----------------|
| Net cash from operating activities                              | 9.8                          | 36.2                         | 49.7           | 59.6           |
| <b>Operating free cash flow<sup>5</sup></b>                     | <b>-14.1</b>                 | <b>11.7</b>                  | <b>-24.4</b>   | <b>-4.9</b>    |
| <b>Investments in property, plant, and equipment (payments)</b> | <b>18.6</b>                  | <b>16.7</b>                  | <b>58.2</b>    | <b>46.4</b>    |
| Investment ratio  | 4.2%                         | 3.7%                         | 4.3%           | 3.3%           |

<sup>1</sup> Inventories as well as trade receivables less trade payables

<sup>2</sup> Current and non-current financial liabilities less cash and short-term securities

<sup>3</sup> Net financial liabilities/EBITDA

<sup>4</sup> Return on capital employed; key figures not adjusted; on the basis of adjusted EBIT, the following adjusted ROCE is calculated:  
Sep. 30, 2024: 6.4%, Jun. 30, 2024: 6.3%, Dec. 31, 2023: 6.8%, Sep. 30, 2023: 6.5%

<sup>5</sup> Cash flow from operating activities and cash flow from investing activities, excluding cash flows for M&A activities and for financial assets

### Balance sheet structure influenced by planned divestment

The ElringKlinger Group's total assets fell to EUR 1,947.2 million as of September 30, 2024, down from EUR 2,008.2 million at the end of the 2023 financial year. The change in this item and the movement in the balance sheet structure as a whole is attributable primarily to the pending sale of two Group entities, which was accounted for at the end of the third quarter of 2024 and is about to be completed. Overall, the carrying amounts were diluted slightly by the exchange rates applicable to the separate statements of financial position of entities based outside the eurozone, which were consolidated at the closing rate.

As already outlined elsewhere in this report (cf. the section entitled "Significant Events" and the "Notes"), Group management took the strategic decision to sell the two wholly-owned subsidiaries ElringKlinger Switzerland AG, with its registered office in Sevelen, Switzerland, and ElringKlinger USA, Inc., with its registered office in Buford, USA. The sales agreement was signed on October 7, 2024, and the transaction is expected to be closed in 2024, subject in particular to antitrust approval. The assets and liabilities concerned were reported as assets and liabilities held for sale as of the reporting date of September 30, 2024.

The total carrying amount of non-current assets and liabilities held for sale was EUR 119.3 million and EUR 92.2 million respectively at the end of the reporting period. They were each reclassified collectively into an asset and a liability item of the statement of financial position. The assets side of the consolidated statement of financial position thus included non-current assets accounting for 51.2% (Dec. 31, 2023: 54.4%) of total assets, current assets accounting for 42.7% (Dec. 31, 2023: 45.6%), and assets held for sale accounting for 6.1%. The equity and liabilities side of the statement of financial position breaks down into equity with a share of 44.0% (Dec. 31, 2023: 45.3%) of the balance sheet total, non-current liabilities of 23.5% (Dec. 31, 2023: 22.1%), current liabilities of 27.8% (Dec. 31, 2023: 32.6%), and liabilities relating to assets held for sale of 4.7%.

As part of the reclassifications, ElringKlinger recognized an impairment loss of EUR 58.1 million in the third quarter of 2024. As a result, the carrying amounts of non-current assets and the assets in the disposal group were reduced to fair value less costs to sell.

The Group's non-current assets had a total carrying amount of EUR 996.7 million as of September 30, 2024 (Dec. 31, 2023: EUR 1,092.3 million). In this context, property, plant, and equipment constituted the largest item at EUR 752.1 million (Dec. 31, 2023: EUR 858.0 million). This item was down by EUR 105.9 million compared to the start of the financial year and by EUR 104.1 million in the third quarter, mainly due to property, plant, and equipment derecognized for the purpose of disposal and impairment losses. The year-on-year reduction at the end of the period under review (Sep. 30, 2023: EUR 874.6 million) is partly due to the discontinuation of engine testing services in 2023 and the associated asset disposals. In contrast, additions (including additions from lease agreements) of around EUR 90 million have been recognized in property, plant, and equipment in the 2024 financial year to date as a result of the investments made, while systematic depreciation amounted to EUR 77.3 million.

Intangible assets increased by EUR 9.6 million to EUR 177.8 million as of September 30, 2024, up on the figure posted at the end of the 2023 financial year (Dec. 31, 2023: EUR 168.2 million). This slight net increase was driven primarily by additions associated with internally generated development costs, which, along with (acquired) goodwill, constitute a major component of this balance sheet item.

### Net working capital reflects business performance

Current assets held by the ElringKlinger Group also decreased noticeably as a result of the reclassifications for the divestment transaction described above. At the end of the third quarter of 2024, their total carrying amount was EUR 831.2 million (Dec. 31, 2023: EUR 915.9 million).

Working capital, which is made up of inventories and trade receivables, accounts for a significant proportion of current assets. As both inventories and trade receivables were affected by reclassifications as a result of the signed but as yet uncompleted divestment transaction, working capital fell significantly to EUR 659.6 million as of September 30, 2024, down from EUR 706.6 million at the end of the previous quarter and from EUR 683.2 million at the end of 2023. Trade receivables amounted to EUR 244.7 million as of September 30, 2024 (Dec. 31, 2023: EUR 246.9 million), while inventories stood at EUR 414.9 million (Dec. 31, 2023: EUR 436.3 million).

Including the inventories reclassified for the divestment transaction, working capital was up at the end of the period under review due to a number of different factors. September proved buoyant in terms of revenue, resulting in a high level of receivables at the end of the reporting period. Inventories were influenced by a ramp-up in the prototype production of battery components in the E-Mobility business unit and by inventories of customer-specific tools that are held in stock in advance of the start of series production until they are sold to the respective customer. Expansive business in the Aftermarket segment and relocation measures relating to Group-wide production also resulted in adjustments to inventories.

Working capital less trade payables, which amounted to EUR 200.0 million (Dec. 31, 2023: EUR 216.9 million) as of September 30, 2024, resulted in net working capital of EUR 459.6 million (Dec. 31, 2023: EUR 466.3 million). Including the reclassified items of the transaction that has yet to be concluded, net working capital amounts to EUR 503.2 million; net working capital as a percentage of revenue is 28.1% (Dec. 31, 2023: 25.2%).

As of September 30, 2024, the ElringKlinger Group had cash and cash equivalents of EUR 78.5 million (Dec. 31, 2023: EUR 113.7 million).

#### Equity ratio at a solid 44%

Equity accounted for by the ElringKlinger Group stood at EUR 856.3 million at the end of the third quarter of 2024 (Dec. 31, 2023: EUR 910.7 million). The equity ratio of 44.0% (Dec. 31, 2023: 45.3%) thus remained within the management's target range of 40 to 50%.

In the third quarter of 2024, the net loss for the period of EUR -56.2 million, which was influenced by the impairment of EUR 58.1 million described above, led to a decrease in equity. Overall, it declined by EUR 49.4 million compared to the figure posted at the end of the first half of 2024 and by EUR 54.3 million compared to the end of 2023.

Based on the carrying amount of EUR 910.7 million at the end of the 2023 financial year, equity changed primarily as a result of the net loss for the period of EUR -36.9 million in the first nine months of 2024. In addition, a total of EUR 10.9 million was paid out to shareholders of ElringKlinger AG and non-controlling interests in the second quarter of 2024 in respect of the 2023 financial year. Furthermore, the Group accounted for effects relating to total comprehensive income, which mainly resulted from currency translation differences,

in the amount of EUR -14.6 million and capital contributions from the co-owner of the Group subsidiary EKPO Fuel Cell Technologies GmbH (EKPO for short), Dettingen/Erms, Germany, in the amount of EUR 4.0 million each in the first and third quarter of 2024.

Pension provisions declined to EUR 95.2 million in the financial year to date (Dec. 31, 2023: EUR 104.0 million), which is also largely due to the reclassification to items held for sale.

The Group's non-current and current provisions amounted to EUR 65.4 million as of September 30, 2024 (Dec. 31, 2023: EUR 74.7 million). At EUR 27.5 million (Dec. 31, 2023: EUR 23.7 million), non-current provisions mainly comprised personnel-related obligations, for example for partial retirement, long-service awards, and similar future benefits. Current provisions decreased by EUR 13.0 million to EUR 37.9 million between January and September 2024 (Dec. 31, 2023: EUR 50.9 million). Among other factors, the reduction in this item was attributable to the "held for sale" reclassification in the third quarter of 2024 and the reversal of certain items such as provisions for contingent losses.

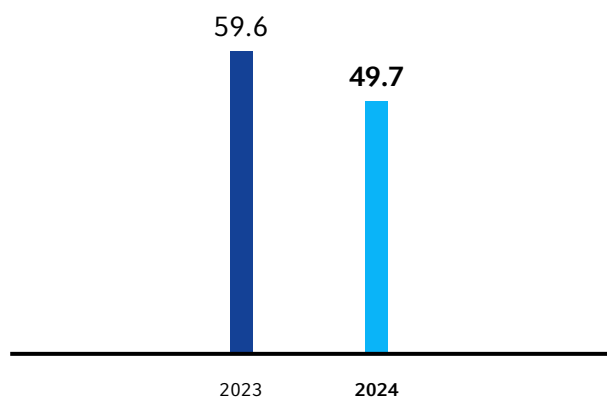
#### Further reduction in net financial liabilities

At the end of the third quarter of 2024, the ElringKlinger Group's net financial liabilities<sup>2</sup> (also referred to as net debt), including liabilities held for sale, amounted to EUR 349.6 million (Dec. 31, 2023: EUR 323.2 million). Compared to the previous twelve months, they fell by EUR 16.6 million. The reduction in debt, which is also evident in a long-term comparison, reflects the management's objective of maintaining a robust financial position for the process of transformation. As of September 30, 2024, including the items held for sale, the net debt-to-EBITDA<sup>3</sup> ratio was 1.7 (Dec. 31, 2023: 1.6), compared to 1.8 twelve months previously.

<sup>2</sup> Current and non-current financial liabilities less cash and cash equivalents and short-term securities

<sup>3</sup> EBITDA: Earnings before interest, taxes, depreciation, and amortization

**Cash flow from operating activities Jan.–Sep.**  
in EUR million



The return on capital employed (ROCE) as of September 30, 2024, was 1.0% (Sep. 30, 2023: 5.6%). This calculation includes items held for sale. Based on adjusted EBIT, i.e., taking into account the same non-recurring factors as those applied to adjusted EBIT, adjusted ROCE including items held for sale stands at 6.4% (Sep. 30, 2023: 6.5%).

**Cash flow from operating activities at EUR 50 million**

In the first nine months of the 2024 financial year, the ElringKlinger Group generated net cash from operating activities of EUR 49.7 million (9M 2023: EUR 59.6 million). The third quarter of 2024 accounted for operating cash flow of EUR 9.8 million (Q3 2023: EUR 36.2 million). The planned sale of two Group companies described above had no impact on cash flow in the reporting period.

The reduction in cash inflow compared to the previous year is attributable to various factors. The key factor in both the first nine months and the third quarter of 2024 was the year-on-year difference in the use of funds primarily required for net working capital – i.e., inventories and trade receivables after deducting trade payables. Including other assets and liabilities not attributable to investing or financing activities, the first nine months of 2024 saw a cash outflow of EUR 74.3 million (9M 2023: EUR -26.0 million). In the third quarter of 2024, the associated cash outflow amounted to EUR 35.0 million, compared to an inflow of EUR 21.7 million in the same quarter of the previous year. It is in the nature of business activities that these factors influencing cash flow fluctuate, as inventories and trade receivables and payables are closely linked to the respective revenue and order volumes and may also be affected by higher fluctuations due to factors relating to the reporting date.

The differences in taxes paid had a contrary effect. They amounted to EUR 11.9 million in the first nine months of 2024, compared to EUR 32.3 million in the same period of the previous year. In the third quarter of the current year, the Group recorded an inflow of EUR 1.6 million (Q3 2023: EUR -15.4 million) with regard to tax payments. Interest paid diluted cash by EUR 18.0 million in the nine-month period (9M 2023: EUR 17.3 million) and by EUR 6.6 million in the third quarter (Q3 2023: EUR 6.5 million), similar to the previous year's periods.

**Slight increase in investments in property, plant, and equipment**

In the first nine months of 2024, the ElringKlinger Group made payments of EUR 58.2 million (9M 2023: EUR 46.4 million) for investments in property, plant, and equipment, which was EUR 11.8 million more than in the same period of the previous year. In the third quarter of 2024, the Group's capital expenditure on property, plant, and equipment totaled EUR 18.6 million (Q3 2023: EUR 16.7 million).

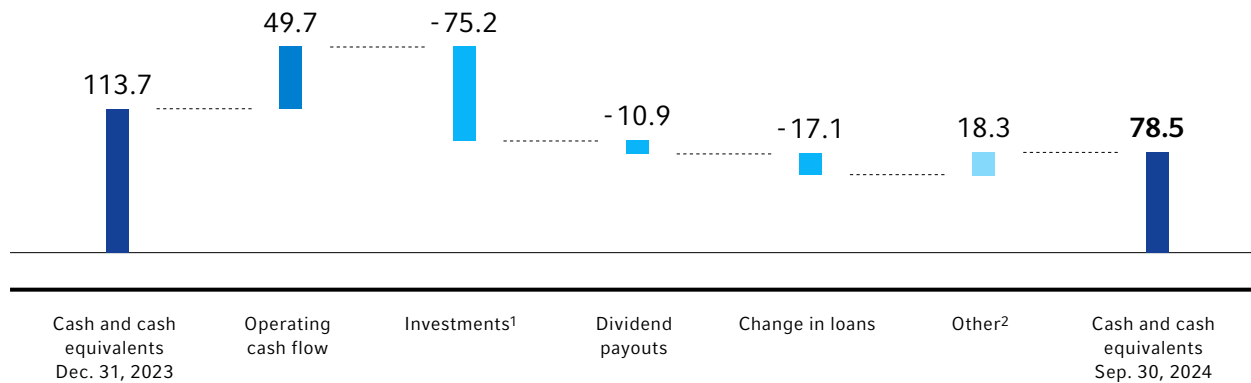
In line with expectations, the investment ratio (payments for investments in property, plant, and equipment in relation to Group revenue) increased to 4.3% in the first nine months of 2024 (9M 2023: 3.3%) and to 4.2% in the third quarter (Q3 2023: 3.7%).

Investments were directed at all segments and Group regions, although the main focus was on the E-Mobility business unit. This also applied to specific customer projects, such as series production ramp-ups for battery technology at the Neuffen plant in Germany. The transformation of the Group's portfolio, which is enshrined in the new SHAPE30 Group strategy, is associated with ongoing innovations relating not only to the expansion of the E-Mobility business unit but also to the traditional business units, for which investment measures were required in the period under review and will continue to be required in the future.

ElringKlinger made payments of EUR 17.0 million (9M 2023: EUR 18.9 million) relating to investments in intangible assets in the first three quarters of 2024, which mainly represent capitalized development costs with a focus on applications in the field of electromobility. Of this amount, EUR 5.8 million was attributable to the third quarter of 2024 (Q3 2023: EUR 8.1 million).

### Changes in cash and cash equivalents Jan. – Sep. 2024

in EUR million



<sup>1</sup> Payments for investments in property, plant, and equipment and intangible assets

<sup>2</sup> Including inflow of EUR 28.0 million from OPmobility for investment in EKPO

Cash flow from operating activities covered the majority of payments for investments in the first nine months of 2024. This resulted in operating free cash flow<sup>4</sup> of EUR -24.4 million for the year to date (9M 2023: EUR -4.9 million). In the third quarter of 2024, which saw a more pronounced increase in receivables from customers due in part to buoyant sales revenue in September, operating free cash flow amounted to EUR -14.1 million (Q3 2023: EUR 11.7 million).

#### Reduction in long-term loans

Inflows and outflows attributable to non-current and current loans resulted in a net outflow of EUR 17.1 million in the first nine months of 2024 (9M 2023: EUR 0.2 million). These funds were mainly used for the purpose of repaying long-term loans. In the third quarter of 2024, the net outflow in this regard amounted to EUR 6.8 million (Q3 2023: EUR -10.4 million).

The distributions to shareholders and non-controlling interests in the amount of EUR 10.9 million (9M 2023: EUR 13.7 million) for the first nine months of 2024, which were almost exclusively disbursed in the second quarter, are also attributable to cash flow from financing activities. At the same time, the Group received EUR 14.0 million in both the first quarter and the third quarter from the co-owner of the Group company EKPO as a capital contribution or in connection with a capital increase executed by this subsidiary.

As a result, the ElringKlinger Group's cash flow from financing activities in the first nine months of 2024 was break-even overall at EUR 0.0 million (9M 2023: inflow of EUR 12.5 million). In the third quarter of 2024, ElringKlinger's net cash inflow from financing activities amounted to EUR 7.2 million (Q3 2023: EUR -3.8 million).

As of September 30, 2024, the ElringKlinger Group had cash and cash equivalents of EUR 78.5 million (Sep. 30, 2023: EUR 120.3 million) and open, unused credit lines of EUR 210.0 million (Sep. 30, 2023: EUR 243.6 million).

<sup>4</sup> Cash flow from operating activities less cash flow from investing activities (adjusted for M&A activities and cash flows for financial assets)

## Opportunities and Risks

At the end of the third quarter of 2024 there were again signs of difficult geopolitical and trade policy fundamentals that may have a dampening effect on economic activity. Alongside the fallout from the ongoing war in Ukraine and the resurgence of hostilities in the Middle East, international trade policy saw the emergence of a more protectionist stance in some areas. In particular, trade relations between the United States, China, and the European Union are tense, which has also affected the automotive sector and thus ElringKlinger. In October 2024, for instance, the EU Commission announced its decision to impose additional import tariffs of up to 35.3% on electric cars from China, citing the cost advantages enjoyed by Chinese manufacturers as a result of anti-competitive subsidies granted by the Chinese government. These extra duties are to be applied from November 2024. The Chinese government has announced that it intends to implement countermeasures. At the time of preparing this report, the final outcome to this cascade of measures and international negotiations at a political level cannot be predicted. Further developments will also depend on the future trade policy

of the new US government elected in November 2024. In some cases, the possibility of imposing tariffs was mentioned during election campaigning, which – together with possible countermeasures – could impact international trade and have a detrimental effect on the global economy.

As regards other opportunities and risks for the ElringKlinger Group, the first nine months of 2024 saw no significant changes compared to the disclosures made in the 2023 annual report of the ElringKlinger Group.

There are currently no discernible risks that might jeopardize the future existence of the Group as a going concern, either in isolation or in conjunction with other risk factors.

The opportunity and risk report of the 2023 annual report (pages 96 ff.) can be accessed via the ElringKlinger website: [www.elringklinger.de/ar2023/report-on-opportunities-and-risks](http://www.elringklinger.de/ar2023/report-on-opportunities-and-risks)

## Report on Expected Developments

### Outlook – Market and Sector

Upon conclusion of the first nine months of 2024, the forecast presented by the International Monetary Fund (IMF) as part of its World Economic Outlook in October 2024 points to growth in the global gross domestic product (GDP) of 3.2% for 2024 as a whole. At the same time, the IMF emphasized that adverse developments associated with geopolitical conflicts or protectionist trade and industrial policies may act as a catalyst for lower growth.

According to economists<sup>5</sup>, performance in the respective regions is likely to vary considerably. Among the industrialized countries, the USA is expected to lead the way with growth in economic output of 2.8%. At the same time, how-

ever, it should be noted that the US economy is expected to lose momentum. In contrast, the Japanese and eurozone economies look set to pick up slightly. Private consumption is expected to improve in Europe, supported by higher real wages, solid labor market conditions, and declining inflation. The economy in Germany, which is characterized by a high percentage of value added within the industrial sector and a strong focus on exports, is set to stagnate in 2024. Growth in China is expected to slacken. Driven by the government's supportive monetary and fiscal policy measures, it is likely to reach a rate of almost 5%.

Even though the world's major central banks have taken the first tentative steps towards a turnaround in interest rate policy in response to the gradual decline in inflation, interest rates remain high and are having a dampening effect on the

<sup>5</sup> Details relating to the economic outlook are based on information provided by the International Monetary Fund and the Kiel Institute for the World Economy as well as the company's own estimates

## GDP growth projections

| Year-on-year change in %          | 2023       | 2024e <sup>1</sup> | 2025e <sup>1</sup> |
|-----------------------------------|------------|--------------------|--------------------|
| <b>World</b>                      | <b>3.3</b> | <b>3.2</b>         | <b>3.2</b>         |
| Advanced economies                | 1.7        | 1.8                | 1.8                |
| Emerging and developing countries | 4.4        | 4.2                | 4.2                |
| Germany                           | -0.3       | 0.0                | 0.8                |
| Eurozone                          | 0.4        | 0.8                | 1.2                |
| USA                               | 2.9        | 2.8                | 2.2                |
| Brazil                            | 2.9        | 3.0                | 2.2                |
| China                             | 5.2        | 4.8                | 4.5                |
| India                             | 8.2        | 7.0                | 6.5                |
| Japan                             | 1.7        | 0.3                | 1.1                |

<sup>1</sup> Projection  
 Source: IMF (Oct. 2024)

economy. What is more, the additional tariffs and protectionist measures recently announced by the United States, Europe, and China with regard to the automotive sector are causing uncertainty and disruptions to global trade.

### Decline in global vehicle production

Production output in the automotive industry has slowed over the course of 2024, with marked regional differences. The projection by industry data service provider S&P Mobility as part of its outlook of October 2024 points to global production output of 88.5 million light vehicles (passenger cars and light commercial vehicles) in 2024. This represents a decline of 2.2% compared to the previous year, during which inventories had been built up due in part to the resolution of supply chain issues.

### Sales markets record slight growth

According to data published by the German Association of the Automotive Industry (VDA) in October 2024, the majority of international sales markets, measured in terms of new car and light vehicle registrations, are expected to achieve slight growth for the year as a whole. The US is expected to see an increase of around 2% to 15.7 million light vehicles (passenger cars and light commercial vehicles), while China is likely to record slight growth of around 1% to 21.9 million passenger cars. In Europe (EU, EFTA, UK), new registrations are expected to increase by around 4% to 13.3 million new passenger cars in 2024 as a whole, while Brazil could see an expansion of around 5% to 2.3 million new light vehicles.

## Projections Light vehicle production

| Region              | Vehicles millions |                    | Year-on-year change |
|---------------------|-------------------|--------------------|---------------------|
|                     | 2023              | 2024e <sup>1</sup> |                     |
| Europe <sup>2</sup> | 17.3              | 16.2               | -6.5%               |
| China               | 29.0              | 29.3               | 1.0%                |
| Japan/Korea         | 12.8              | 12.0               | -6.3%               |
| Middle East/Africa  | 2.3               | 2.2                | -4.8%               |
| North America       | 15.7              | 15.5               | -1.4%               |
| South America       | 2.9               | 2.9                | -0.7%               |
| South Asia          | 9.8               | 9.5                | -2.5%               |
| <b>World</b>        | <b>90.5</b>       | <b>88.5</b>        | <b>-2.2%</b>        |

<sup>1</sup> Projection  
<sup>2</sup> excl. Russia  
 Source: S&P Global Mobility, Oct. 2024

## Outlook – Company

The economic environment as a whole remains challenging. Among the news items grabbing the global headlines at present are the geopolitical conflicts in Ukraine and the Middle East as well as increasingly hawkish trade policy measures, particularly with regard to the international automotive industry. While economists are forecasting solid growth for the global economy as a whole, expectations for 2024 have recently been revised downwards in the home region of Germany. Global automotive production is expected to decline by 2.2% in 2024 according to S&P Global Mobility. In this context, the principal markets are developing along divergent lines: Europe (excluding Russia) is a key driver at -6.5%. North America is expected to shrink slightly by 1.4%, while China is set to grow marginally by 1.0%.

### Significant increase in order intake, order backlog up

ElringKlinger recognizes as orders received and included in order backlog all call orders entered by customers in the respective systems. As a result, order intake and order backlog do not generally comprise the “nominated” volume over the entire term of the contract.

The volatile and challenging fundamentals are also reflected in the Group’s order book. Having returned to more normal levels in recent quarters on the back of strong reporting periods, the third quarter of 2024 saw another significant increase in order intake. This was driven primarily by projects in the E-Mobility business unit. In total, the Group recorded call-offs relating to customers’ ongoing scheduling arrangements of EUR 481.3 million in the period from July to September 2024 (Q3 2023: EUR 376.8 million), which corresponds to growth of EUR 104.5 million or 27.7 % compared to the same period of the previous year. If exchange rates had remained unchanged, the Group would have seen an improvement

by as much as EUR 139.5 million or 37.0%. The first nine months of the year were also characterized by buoyant growth: order intake increased by EUR 110.1 million or 9.0% to EUR 1,335.6 million compared to the same period of the previous year (9M 2023: EUR 1,225.5 million).

ElringKlinger also managed to expand its order backlog. At the end of the third quarter, customer call-offs totaled EUR 1,289.7 million (Sep. 30, 2023: EUR 1,279.3 million), which corresponds to an increase of EUR 10.4 million or 0.8%. Adjusted for currency effects, the increase was even more pronounced at EUR 50.4 million or 3.9% to EUR 1,329.7 million.

### Guidance revised, earnings outlook confirmed

In the context of the divestment of two subsidiaries announced on October 7, 2024, the Management Board has reassessed the annual outlook for 2024. ElringKlinger has maintained its projection of an adjusted EBIT margin of around 5% of Group revenue for the current financial year. The Group expects ROCE for 2024 to be significantly below the previous year’s level of 5.6%. The Group had previously forecast a figure of around 6% for 2024. The Group now anticipates revenue to be at a level slightly below the previous year’s figure in organic terms (previously: slight organic growth) and expects operating free cash flow to be just within positive territory (previously: around 2% of Group revenue). Expectations with regard to the other key financials in 2024 can be confirmed in line with the guidance provided in the outlook section of the 2023 annual report.

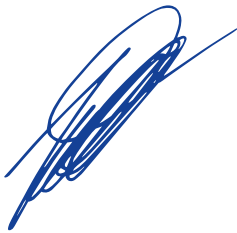
**Mid-term outlook**

Despite the difficult conditions seen within the business environment in which ElringKlinger operates, the company considers itself to be well positioned in the medium to long term. ElringKlinger was quick off the mark in its efforts to embrace the transition toward e-mobility with products engineered specifically for battery and fuel cell systems as well as for electric drive units. The Lightweighting/Elastomer Technology, Metal Sealing Systems & Drivetrain Components, and Metal Forming & Assembly Technology business units, originally focused on the traditional fields of application, have an established market position in product solutions centered

around the combustion engine but are also geared up for the transformation of the mobility market, as evidenced by the revenue already achieved in connection with e-mobility applications or the nominations received in recent years. Against this backdrop, ElringKlinger anticipates further growth. In the medium term, i.e., over a period of 3 to 5 years, the Group expects revenue to increase at an annual organic growth rate of around 5 to 7%. With regard to the earnings situation, the Group has set itself the goal of achieving an adjusted EBIT margin of around 7% in the medium term. The Group has also confirmed its other medium-term targets.

Dettingen/Erms, November 12, 2024

Management Board



Thomas Jessulat  
CEO



Reiner Drews



Dirk Willers

# ElringKlinger and the Capital Markets

## Global benchmark indices bounce back

The third quarter marked a noticeable recovery in the world's key stock indices. After a sluggish August, share prices picked up again to scale new heights. This revival was underpinned by the decision taken by the US Federal Reserve to cut interest rates in September 2024.

Inflation rates in the United States and the eurozone trended lower to reach more stable levels, thus providing central banks with scope for further monetary easing. The US Fed lowered its target range for key interest rates to between 4.75% and 5.00%, while the ECB reduced its main refinancing rate in two stages over the course of September, most recently to 3.50%.

Germany's blue-chip index, the DAX, and the MDAX rose by 6.0% and 6.7% respectively in the third quarter, while the SDAX fell by 1.1%. The direction taken by the indices illustrates that shares with a higher market capitalization benefited to a greater extent from positive market sentiment, while smaller stocks, such as those listed in the SDAX, remained under pressure.

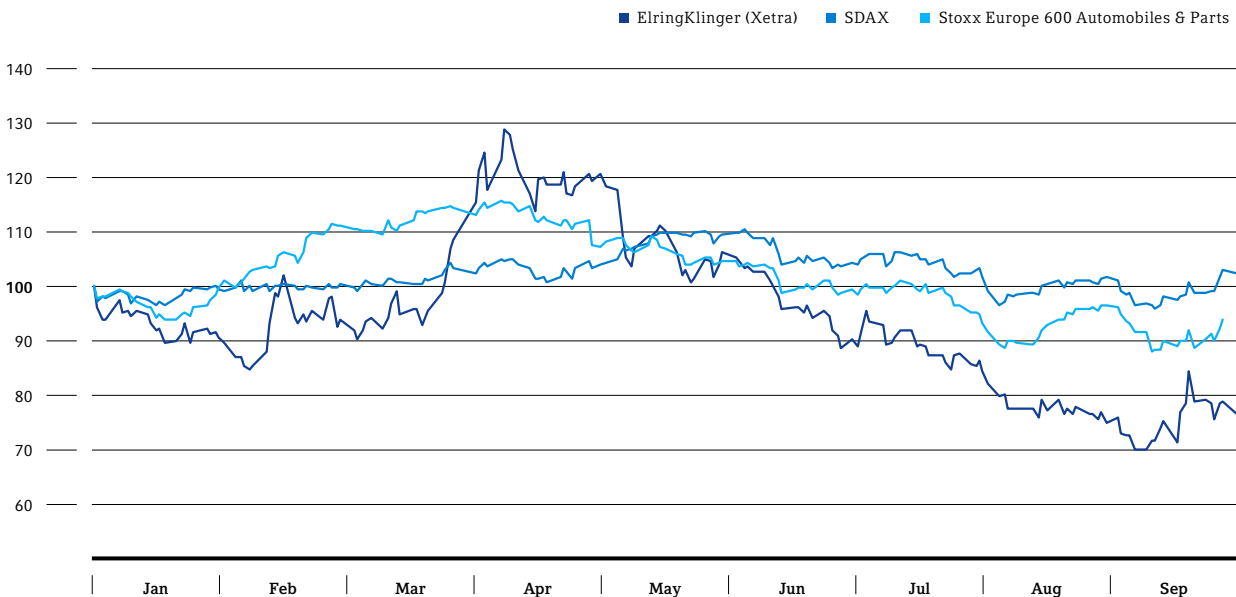
At an international level, markets developed along divergent lines. The S&P 500 rose by 5.5%, while the Nasdaq 100 gained 1.9%. The Euro Stoxx 50 was up by 2.2%, thus lagging behind its US counterparts. The Japanese Nikkei 225 fell by 4.2% in the third quarter; on August 5, it experienced its biggest daily decline in the last 35 years. In China, meanwhile, stock market performance was boosted by the recovery seen across the consumer and services sectors, complemented by improved competitiveness within the export market. Against this backdrop, the Hang Seng in Hong Kong rose by 19.3% and the SSE Composite Index of the Shanghai Stock Exchange by 12.4%.

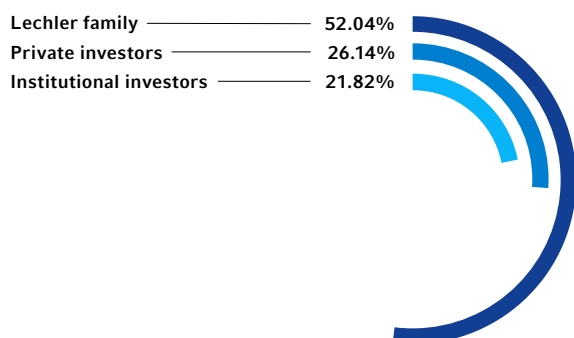
## ElringKlinger stock trends lower in the third quarter of 2024

ElringKlinger's share price reached its quarterly high of EUR 5.34 on July 4, 2024. The stock recorded losses as the third quarter of 2024 progressed, reaching its lowest point for the year to date on September 6 with a share price of EUR 3.94. Mirroring the general trend in the automotive industry, ElringKlinger's share price retreated over the course of the third quarter of 2024. In addition, ElringKlinger's stock was impacted by the uncertainty surrounding punitive tariffs

## ElringKlinger's share price performance from January 1 to September 30, 2024 (indexed)

in %



**Shareholder structure as of September 30, 2024**

imposed by the EU on electric cars imported from China, a decision announced in the second quarter of 2024. At the end of the third quarter of 2024, the company's share price stood at EUR 4.30.

**Higher trading volume**

In the third quarter of 2024, the volume traded was higher than in the same period last year (Q3 2023: 62,008 shares), with 84,158 shares traded on average per stock exchange day. The average daily value of ElringKlinger shares traded

on German stock exchanges in the third quarter of 2024 was lower than in the prior-year period, at EUR 370 thousand per day in the period under review (Q3 2023: EUR 412 thousand). The trading volume of ElringKlinger shares was particularly high on two occasions in the third quarter of 2024: on August 30, a total of 889,673 shares were traded. This was attributable in part to the record high achieved by the DAX, but also to general skepticism in anticipation of the infamous September Effect, which is associated with historically weak stock market returns. September 20 was another day that produced a peak volume, with 724,546 ElringKlinger AG shares traded. High trading volumes are characteristic of a major expiration date such as this. The stock's liquidity was sufficiently high at all times during the quarter under review, thus also providing the basis for larger share transactions to be concluded during this period.

**Interacting with the capital markets**

ElringKlinger maintained its dialogue with international investors, analysts, and other capital market players in the third quarter of 2024. On August 7, ElringKlinger AG published its results for the second quarter and first half of 2024. In the context of this publication, the Management Board hosted a conference call as part of which it presented the Group's key financials for the second quarter of 2024 just ended to analysts and journalists.

**ElringKlinger Stock (WKN 785 602)**

|   | 3 <sup>rd</sup> quarter 2024 | 3 <sup>rd</sup> quarter 2023 |
|---|------------------------------|------------------------------|
| Number of shares outstanding  | 63,359,990                   | 63,359,990                   |
| Share price (daily price in EUR) <sup>1</sup>                       |                              |                              |
| High  | 5.34                         | 8.41                         |
| Low   | 3.94                         | 5.76                         |
| Closing price <sup>2</sup>  | 4.30                         | 5.87                         |
| Average daily trading volume (volume of shares traded) <sup>3</sup> | 84,158                       | 62,008                       |
| Average daily trading value (in EUR) <sup>3</sup>                   | 369,911                      | 411,996                      |
| Market capitalization (EUR million) <sup>1,2</sup>                  | 273.13                       | 371.92                       |

<sup>1</sup> Xetra trading

<sup>2</sup> as of Sep. 30

<sup>3</sup> German stock exchanges

# Group Income Statement

## of ElringKlinger AG, January 1 to September 30, 2024

| EUR k   | 3 <sup>rd</sup> quarter 2024 | 3 <sup>rd</sup> quarter 2023 | 9 months 2024    | 9 months 2023    |
|---|------------------------------|------------------------------|------------------|------------------|
| <b>Sales revenue</b>  | <b>440,822</b>               | <b>451,646</b>               | <b>1,351,070</b> | <b>1,408,083</b> |
| Cost of sales   | -333,782                     | -355,237                     | -1,023,913       | -1,100,091       |
| <b>Gross profit</b>   | <b>107,040</b>               | <b>96,409</b>                | <b>327,157</b>   | <b>307,992</b>   |
| Selling expenses  | -37,856                      | -37,817                      | -115,350         | -114,072         |
| General and administrative expenses                               | -26,775                      | -22,049                      | -78,547          | -74,018          |
| Research and development costs                                    | -18,740                      | -15,736                      | -62,212          | -57,288          |
| Other operating income  | 3,150                        | 3,171                        | 9,913            | 12,946           |
| Other operating expenses  | -62,006                      | -2,595                       | -69,945          | -11,420          |
| <b>Earnings before interest and taxes (EBIT)</b>                  | <b>-35,187</b>               | <b>21,383</b>                | <b>11,016</b>    | <b>64,140</b>    |
| Finance income  | 7,864                        | 11,836                       | 17,921           | 21,447           |
| Finance costs   | -17,925                      | -16,033                      | -38,390          | -37,865          |
| Share of result of associates                                     | -54                          | -297                         | -2,025           | -2,820           |
| <b>Net finance costs</b>  | <b>-10,115</b>               | <b>-4,494</b>                | <b>-22,494</b>   | <b>-19,238</b>   |
| <b>Earnings before taxes</b>                                      | <b>-45,302</b>               | <b>16,889</b>                | <b>-11,478</b>   | <b>44,902</b>    |
| Income tax expense  | -10,854                      | -12,193                      | -25,374          | -36,318          |
| <b>Net income</b>   | <b>-56,156</b>               | <b>4,696</b>                 | <b>-36,852</b>   | <b>8,584</b>     |
| Of which: attributable to non-controlling interests               | 20                           | -3,059                       | -3,836           | -8,209           |
| <b>Of which: attributable to shareholders of ElringKlinger AG</b> | <b>-56,176</b>               | <b>7,755</b>                 | <b>-33,016</b>   | <b>16,793</b>    |
| Basic and diluted earnings per share in EUR                       | -0.89                        | 0.12                         | -0.52            | 0.27             |

# Group Statement of Comprehensive Income

## of ElringKlinger AG, January 1 to September 30, 2024

| EUR k   | 3 <sup>rd</sup> quarter 2024 | 3 <sup>rd</sup> quarter 2023 | 9 months 2024  | 9 months 2023  |
|---|------------------------------|------------------------------|----------------|----------------|
| <b>Net income</b>   | <b>-56,156</b>               | <b>4,696</b>                 | <b>-36,852</b> | <b>8,584</b>   |
| Currency translation difference   | -1,184                       | -2,630                       | -18,414        | -12,957        |
| Share of other comprehensive income of associates   | -68                          | 50                           | -184           | -33            |
| <b>Gains and losses that can be reclassified to the income statement in future periods</b>    | <b>-1,252</b>                | <b>-2,580</b>                | <b>-18,598</b> | <b>-12,990</b> |
| Remeasurement of defined benefit plans, net   | 4,000                        | 0                            | 4,000          | 0              |
| <b>Gains and losses that cannot be reclassified to the income statement in future periods</b> | <b>4,000</b>                 | <b>0</b>                     | <b>4,000</b>   | <b>0</b>       |
| <b>Other comprehensive income after taxes</b>   | <b>2,748</b>                 | <b>-2,580</b>                | <b>-14,598</b> | <b>-12,990</b> |
| <b>Total comprehensive income</b>   | <b>-53,408</b>               | <b>2,116</b>                 | <b>-51,450</b> | <b>-4,406</b>  |
| Of which: attributable to non-controlling interests   | 62                           | -2,842                       | -3,987         | -9,117         |
| <b>Of which: attributable to shareholders of ElringKlinger AG</b>                             | <b>-53,470</b>               | <b>4,958</b>                 | <b>-47,463</b> | <b>4,711</b>   |

# Group Statement of Financial Position

## of ElringKlinger AG, as at September 30, 2024

| EUR k                         | Sep. 30, 2024    | Dec. 31, 2023    | Sep. 30, 2023    |
|-------------------------------|------------------|------------------|------------------|
| <b>ASSETS</b>                 |                  |                  |                  |
| Intangible assets             | 177,800          | 168,151          | 159,412          |
| Property, plant and equipment | 752,118          | 857,981          | 874,632          |
| Financial assets              | 11,909           | 11,646           | 13,787           |
| Shares in associates          | 11,879           | 14,089           | 13,816           |
| Non-current income tax assets | 2,542            | 2,464            | 2,977            |
| Other non-current assets      | 1,691            | 1,732            | 11,755           |
| Deferred tax assets           | 24,107           | 24,889           | 21,164           |
| Contract performance costs    | 6,455            | 5,348            | 5,716            |
| Non-current contract assets   | 8,207            | 5,991            | 436              |
| <b>Non-current assets</b>     | <b>996,708</b>   | <b>1,092,291</b> | <b>1,103,695</b> |
| Inventories                   | 414,914          | 436,276          | 440,390          |
| Current contract assets       | 4,604            | 7,327            | 7,480            |
| Trade receivables             | 244,661          | 246,908          | 269,835          |
| Current income tax assets     | 10,787           | 20,243           | 5,548            |
| Other current assets          | 77,716           | 91,420           | 77,754           |
| Cash and cash equivalents     | 78,531           | 113,712          | 120,328          |
| <b>Current assets</b>         | <b>831,213</b>   | <b>915,886</b>   | <b>921,335</b>   |
| Assets held for sale          | 119,290          | 0                | 0                |
|                               | <b>1,947,211</b> | <b>2,008,177</b> | <b>2,025,030</b> |

| EUR k  | Sep. 30, 2024    | Dec. 31, 2023    | Sep. 30, 2023    |
|--|------------------|------------------|------------------|
| <b>LIABILITIES AND EQUITY</b>                                      |                  |                  |                  |
| Share capital  | 63,360           | 63,360           | 63,360           |
| Capital reserves   | 118,238          | 118,238          | 118,238          |
| Revenue reserves   | 628,729          | 671,249          | 648,729          |
| Other reserves   | -24,166          | -9,719           | -11,159          |
| <b>Equity attributable to the shareholders of ElringKlinger AG</b> | <b>786,161</b>   | <b>843,128</b>   | <b>819,168</b>   |
| Non-controlling interest in equity                                 | 70,181           | 67,552           | 65,571           |
| <b>Equity</b>  | <b>856,342</b>   | <b>910,680</b>   | <b>884,739</b>   |
| Provisions for pensions  | 95,193           | 103,968          | 97,889           |
| Non-current provisions   | 27,483           | 23,713           | 18,480           |
| Non-current financial liabilities                                  | 298,755          | 282,227          | 283,246          |
| Non-current contract liabilities                                   | 1,551            | 1,562            | 1,513            |
| Deferred tax liabilities   | 28,581           | 25,851           | 27,994           |
| Other non-current liabilities                                      | 6,116            | 6,419            | 9,629            |
| <b>Non-current liabilities</b>                                     | <b>457,679</b>   | <b>443,740</b>   | <b>438,751</b>   |
| Current provisions   | 37,908           | 50,939           | 57,437           |
| Trade payables   | 199,960          | 216,931          | 200,745          |
| Current financial liabilities                                      | 100,226          | 167,711          | 222,212          |
| Current contract liabilities                                       | 13,004           | 14,740           | 10,826           |
| Tax payable  | 19,428           | 20,933           | 29,811           |
| Other current liabilities  | 170,503          | 182,503          | 180,509          |
| <b>Current liabilities</b>   | <b>541,029</b>   | <b>653,757</b>   | <b>701,540</b>   |
| Liabilities relating to assets held for sale                       | 92,161           | 0                | 0                |
|  | <b>1,947,211</b> | <b>2,008,177</b> | <b>2,025,030</b> |

# Group Statement of Changes in Equity

## of ElringKlinger AG, January 1 to September 30, 2024

EUR k

|   | Share<br>capital | Capital<br>reserves | Revenue<br>reserves |
|---|------------------|---------------------|---------------------|
| <b>Balance as of Dec. 31, 2022</b>        | <b>63,360</b>    | <b>118,238</b>      | <b>641,440</b>      |
| Dividend distribution                     |                  |                     | -9,504              |
| Increase of capital reserves <sup>1</sup> |                  |                     |                     |
| <b>Total comprehensive income</b>         |                  |                     | <b>16,793</b>       |
| Net income                                |                  |                     | 16,793              |
| Other comprehensive income                |                  |                     |                     |
| <b>Balance as of Sep. 30, 2023</b>        | <b>63,360</b>    | <b>118,238</b>      | <b>648,729</b>      |
| <b>Balance as of Dec. 31, 2023</b>        | <b>63,360</b>    | <b>118,238</b>      | <b>671,249</b>      |
| Dividend distribution                     |                  |                     | -9,504              |
| Increase of capital reserves <sup>1</sup> |                  |                     |                     |
| <b>Total comprehensive income</b>         |                  |                     | <b>-33,016</b>      |
| Net income                                |                  |                     | -33,016             |
| Other comprehensive income                |                  |                     |                     |
| <b>Balance as of Sep. 30, 2024</b>        | <b>63,360</b>    | <b>118,238</b>      | <b>628,729</b>      |

<sup>1</sup> Capital increase concerning EKPO Fuel Cell Technologies GmbH

| Other reserves                                       |  |  | Equity<br>attributable to the<br>shareholders of<br>ElringKlinger AG | Non-controlling<br>interests<br>in equity | Group equity |
|--|--|--|--|---|--------------|
| Remeasurement<br>of defined<br>benefit plans,<br>net | Equity impact of<br>controlling<br>interests | Currency<br>translation<br>differences |  |   |              |
| -18,760  | 48,317                                       | -28,634                                | 823,961  | 72,872                                    | 896,833      |
|  |  |  | -9,504   | -4,184                                    | -13,688      |
|  |  |  | 0  | 6,000                                     | 6,000        |
|  |  | -12,082                                | 4,711  | -9,117                                    | -4,406       |
|  |  |  | 16,793   | -8,209                                    | 8,584        |
|  |  | -12,082                                | -12,082  | -908                                      | -12,990      |
| -18,760  | 48,317                                       | -40,716                                | 819,168  | 65,571                                    | 884,739      |
| -24,115  | 48,069                                       | -33,673                                | 843,128  | 67,552                                    | 910,680      |
|  |  |  | -9,504   | -1,384                                    | -10,888      |
|  |  |  | 0  | 8,000                                     | 8,000        |
| 4,000  |  | -18,447                                | -47,463  | -3,987                                    | -51,450      |
|  |  |  | -33,016  | -3,836                                    | -36,852      |
| 4,000  |  | -18,447                                | -14,447  | -151                                      | -14,598      |
| -20,115  | 48,069                                       | -52,120                                | 786,161  | 70,181                                    | 856,342      |

# Group Statement of Cash Flows

of ElringKlinger AG, January 1 to September 30, 2024

| EUR k   | 3 <sup>rd</sup> quarter 2024 | 3 <sup>rd</sup> quarter 2023 | 9 months 2024  | 9 months 2023  |
|---|------------------------------|------------------------------|----------------|----------------|
| Earnings before taxes   | -45,302                      | 16,889                       | -11,478        | 44,902         |
| Depreciation/amortization (less write-ups) of non-current assets  | 86,385                       | 26,283                       | 140,729        | 83,719         |
| Net interest  | 7,144                        | 7,045                        | 17,547         | 19,140         |
| Change in provisions  | -6,327                       | -12,038                      | -3,931         | -9,999         |
| Gains/losses on disposal of non-current assets  | -19                          | 355                          | -88            | 516            |
| Share of result of associates   | 54                           | 297                          | 2,025          | 2,820          |
| Change in inventories, trade receivables and other assets not resulting from financing and investing activities | -43,984                      | 27,057                       | -75,576        | -12,398        |
| Change in trade payables and other liabilities not resulting from financing and investing activities            | 8,980                        | -5,321                       | 1,290          | -13,614        |
| Income taxes paid   | 1,551                        | -15,410                      | -11,859        | -32,295        |
| Interest paid   | -6,629                       | -6,521                       | -17,965        | -17,277        |
| Interest received   | 1,219                        | 368                          | 2,683          | 1,373          |
| Other non-cash expenses and income  | 6,689                        | -2,764                       | 6,330          | -7,301         |
| <b>Net cash from operating activities</b>   | <b>9,761</b>                 | <b>36,240</b>                | <b>49,707</b>  | <b>59,586</b>  |
| Proceeds from disposals of property, plant and equipment and intangible assets                                  | 491                          | 202                          | 1,083          | 796            |
| Proceeds from disposals of financial assets   | 7,307                        | 5,024                        | 22,846         | 8,904          |
| Payments for investments in intangible assets   | -5,796                       | -8,130                       | -17,035        | -18,894        |
| Payments for investments in property, plant and equipment   | -18,596                      | -16,653                      | -58,171        | -46,360        |
| Payments for investments in financial assets  | -3,142                       | -2,994                       | -31,400        | -9,848         |
| Payments for shares in associates   | 0                            | 0                            | 0              | -1,800         |
| <b>Net cash from investing activities</b>   | <b>-19,736</b>               | <b>-22,551</b>               | <b>-82,677</b> | <b>-67,202</b> |
| Payments received from non-controlling interests  | 14,000                       | 10,000                       | 28,000         | 26,000         |
| Dividends paid to shareholders and to non-controlling interests   | -2                           | -3,375                       | -10,888        | -13,688        |
| Proceeds from the addition of long-term loans   | 65,303                       | 46,042                       | 65,558         | 93,536         |
| Payments for the repayment of long-term loans   | -103,795                     | -54,191                      | -114,204       | -144,660       |
| Change in current loans   | 31,672                       | -2,253                       | 31,502         | 51,293         |
| <b>Net cash from financing activities</b>   | <b>7,178</b>                 | <b>-3,777</b>                | <b>-32</b>     | <b>12,481</b>  |
| Changes in cash   | -2,797                       | 9,912                        | -33,002        | 4,865          |
| Effects of currency exchange rates on cash  | 486                          | 1,065                        | -2,107         | -3,640         |
| Less cash relating to assets held for sale  | -72                          | 0                            | -72            | 0              |
| Cash at beginning of period   | 80,914                       | 109,351                      | 113,712        | 119,103        |
| <b>Cash at end of period</b>  | <b>78,531</b>                | <b>120,328</b>               | <b>78,531</b>  | <b>120,328</b> |

# Group Sales Revenue

of ElringKlinger AG, January 1 to September 30, 2024

## Sales revenue by regions

| EUR k                           | 3 <sup>rd</sup> quarter 2024 | 3 <sup>rd</sup> quarter 2023 | 9 months 2024    | 9 months 2023    |
|---------------------------------|------------------------------|------------------------------|------------------|------------------|
| Germany                         | 97,883                       | 88,513                       | 292,524          | 280,596          |
| Rest of Europe                  | 140,087                      | 137,403                      | 433,136          | 442,257          |
| North America                   | 106,707                      | 118,646                      | 341,839          | 366,214          |
| Asia-Pacific                    | 67,664                       | 79,761                       | 203,893          | 245,071          |
| South America and Rest of World | 28,481                       | 27,323                       | 79,678           | 73,945           |
| <b>Group</b>                    | <b>440,822</b>               | <b>451,646</b>               | <b>1,351,070</b> | <b>1,408,083</b> |

## Sales revenue by segments

| EUR k   | 3 <sup>rd</sup> quarter 2024 | 3 <sup>rd</sup> quarter 2023 | 9 months 2024    | 9 months 2023    |
|---|------------------------------|------------------------------|------------------|------------------|
| Lightweighting/Elastomer Technology           | 115,804                      | 138,939                      | 369,306          | 444,516          |
| Metal Sealing Systems & Drivetrain Components | 109,275                      | 122,126                      | 356,815          | 379,590          |
| Metal Forming & Assembly Technology           | 62,387                       | 67,381                       | 200,137          | 214,977          |
| E-Mobility                                    | 35,300                       | 14,395                       | 64,274           | 31,515           |
| Exhaust Gas Purification                      | 11                           | 39                           | 21               | 1,104            |
| Other   | 81                           | 5                            | 82               | 7                |
| <b>Segment Original Equipment</b>             | <b>322,858</b>               | <b>342,885</b>               | <b>990,635</b>   | <b>1,071,709</b> |
| Segment Original Equipment                    | 322,858                      | 342,885                      | 990,635          | 1,071,709        |
| Segment Aftermarket                           | 84,879                       | 74,416                       | 260,079          | 231,686          |
| Segment Engineered Plastics                   | 32,776                       | 33,756                       | 99,078           | 102,363          |
| <b>Sale of goods</b>                          | <b>440,513</b>               | <b>451,057</b>               | <b>1,349,792</b> | <b>1,405,758</b> |
| Proceeds from the rendering of services       | 309                          | 589                          | 1,278            | 2,325            |
| <b>Revenue from contracts with customers</b>  | <b>440,822</b>               | <b>451,646</b>               | <b>1,351,070</b> | <b>1,408,083</b> |
| <b>Group</b>                                  | <b>440,822</b>               | <b>451,646</b>               | <b>1,351,070</b> | <b>1,408,083</b> |

# Segment Reporting

## of ElringKlinger AG, July 1 to September 30, 2024

| Segment                                    | Original Equipment              |                                 | Aftermarket                     |                                 | Engineered Plastics             |                                 |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|  | 3 <sup>rd</sup> quarter<br>2024 | 3 <sup>rd</sup> quarter<br>2023 | 3 <sup>rd</sup> quarter<br>2024 | 3 <sup>rd</sup> quarter<br>2023 | 3 <sup>rd</sup> quarter<br>2024 | 3 <sup>rd</sup> quarter<br>2023 |
| EUR k                                      |                                 |                                 |                                 |                                 |                                 |                                 |
| <b>External revenue</b>                    | <b>322,858</b>                  | <b>342,885</b>                  | <b>84,879</b>                   | <b>74,416</b>                   | <b>32,776</b>                   | <b>33,756</b>                   |
| Intersegment revenue                       | 11,712                          | 10,326                          | 0                               | 0                               | 64                              | 67                              |
| <b>Segment revenue</b>                     | <b>334,570</b>                  | <b>353,211</b>                  | <b>84,879</b>                   | <b>74,416</b>                   | <b>32,840</b>                   | <b>33,823</b>                   |
| <b>EBIT<sup>1</sup></b>                    | <b>-58,510</b>                  | <b>795</b>                      | <b>19,140</b>                   | <b>16,116</b>                   | <b>3,714</b>                    | <b>4,392</b>                    |
| Adjustments                                | 58,230                          | 1,298                           | 0                               | 0                               | 0                               | 0                               |
| <b>EBIT adjusted<sup>2</sup></b>           | <b>-280</b>                     | <b>2,093</b>                    | <b>19,140</b>                   | <b>16,116</b>                   | <b>3,714</b>                    | <b>4,392</b>                    |
| Depreciation and amortization <sup>3</sup> | -24,870                         | -24,275                         | -1,665                          | -797                            | -1,608                          | -1,761                          |
| Capital expenditures <sup>4</sup>          | 41,509                          | 24,008                          | 1,480                           | 1,541                           | 1,555                           | 1,084                           |

## January 1 to September 30, 2024

| Segment                                    | Original Equipment |                  | Aftermarket      |                  | Engineered Plastics |                  |
|--|--------------------|------------------|------------------|------------------|---------------------|------------------|
|  | 9 months<br>2024   | 9 months<br>2023 | 9 months<br>2024 | 9 months<br>2023 | 9 months<br>2024    | 9 months<br>2023 |
| EUR k                                      |                    |                  |                  |                  |                     |                  |
| <b>External revenue</b>                    | <b>990,635</b>     | <b>1,071,709</b> | <b>260,079</b>   | <b>231,686</b>   | <b>99,078</b>       | <b>102,363</b>   |
| Intersegment revenue                       | 31,823             | 28,110           | 0                | 0                | 173                 | 101              |
| <b>Segment revenue</b>                     | <b>1,022,458</b>   | <b>1,099,819</b> | <b>260,079</b>   | <b>231,686</b>   | <b>99,251</b>       | <b>102,464</b>   |
| <b>EBIT<sup>1</sup></b>                    | <b>-62,493</b>     | <b>638</b>       | <b>62,366</b>    | <b>54,382</b>    | <b>9,701</b>        | <b>11,565</b>    |
| Adjustments                                | 58,497             | 5,958            | 0                | 591              | 0                   | 470              |
| <b>EBIT adjusted<sup>2</sup></b>           | <b>-3,996</b>      | <b>6,596</b>     | <b>62,366</b>    | <b>54,973</b>    | <b>9,701</b>        | <b>12,035</b>    |
| Depreciation and amortization <sup>3</sup> | -71,968            | -73,200          | -4,953           | -2,368           | -4,843              | -5,112           |
| Capital expenditures <sup>4</sup>          | 101,828            | 63,073           | 3,456            | 2,978            | 3,595               | 3,753            |

<sup>1</sup> Earnings before interest and taxes

<sup>2</sup> Adjusted for impairments on goodwill, impairments on non-current assets, restructuring and restructuring-related charges and other non-operating effects

<sup>3</sup> Scheduled depreciation and amortization

<sup>4</sup> Investments in intangible assets and property, plant and equipment

| Other                           |                                 | Consolidation                   |                                 | Group                           |                                 |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| 3 <sup>rd</sup> quarter<br>2024 | 3 <sup>rd</sup> quarter<br>2023 | 3 <sup>rd</sup> quarter<br>2024 | 3 <sup>rd</sup> quarter<br>2023 | 3 <sup>rd</sup> quarter<br>2024 | 3 <sup>rd</sup> quarter<br>2023 |
| 309                             | 589                             | 0                               | 0                               | 440,822                         | 451,646                         |
| 4,105                           | 3,361                           | -15,881                         | -13,754                         | 0                               | 0                               |
| 4,414                           | 3,950                           | -15,881                         | -13,754                         | 440,822                         | 451,646                         |
| 469                             | 80                              |                                 |                                 | -35,187                         | 21,383                          |
| 0                               | 0                               |                                 |                                 | 58,230                          | 1,298                           |
| 469                             | 80                              |                                 |                                 | 23,043                          | 22,681                          |
| -261                            | -577                            |                                 |                                 | -28,404                         | -27,410                         |
| 201                             | 670                             |                                 |                                 | 44,745                          | 27,303                          |

| Other            |                  | Consolidation    |                  | Group            |                  |
|------------------|------------------|------------------|------------------|------------------|------------------|
| 9 months<br>2024 | 9 months<br>2023 | 9 months<br>2024 | 9 months<br>2023 | 9 months<br>2024 | 9 months<br>2023 |
| 1,278            | 2,325            | 0                | 0                | 1,351,070        | 1,408,083        |
| 11,596           | 9,667            | -43,592          | -37,878          | 0                | 0                |
| 12,874           | 11,992           | -43,592          | -37,878          | 1,351,070        | 1,408,083        |
| 1,442            | -2,445           |                  |                  | 11,016           | 64,140           |
| 19               | 2,720            |                  |                  | 58,516           | 9,739            |
| 1,461            | 275              |                  |                  | 69,532           | 73,879           |
| -757             | -1,630           |                  |                  | -82,521          | -82,310          |
| 357              | 838              |                  |                  | 109,236          | 70,642           |

# Notes to the Third Quarter and First Nine Months of 2024

## General information

ElringKlinger AG is an exchange-listed stock corporation headquartered in Dettingen/Erms, Germany.

The accompanying condensed consolidated interim financial statements of ElringKlinger AG and its subsidiaries as of September 30, 2024, have been prepared on the basis of IAS 34 (Interim Financial Reporting). The interim financial statements conform with the International Financial Reporting Standards (IFRS), including the Interpretations issued by the IFRS Interpretations Committee (IFRS IC), as adopted by the European Union.

As the consolidated interim financial statements are presented in a condensed format, the financial statements as of September 30, 2024, do not include all information and disclosures required under IFRS for annual consolidated financial statements.

The consolidated interim financial statements as of September 30, 2024, have been neither audited nor reviewed in any way by an independent auditor.

They were authorized for issue based on a resolution passed by the Management Board on November 12, 2024.

## Accounting policies

The accounting policies applied in this interim report are fundamentally based on the same as those applied in the preparation of the 2023 consolidated financial statements, where they are also explained in detail.

The interim report incorporates estimates and judgments. These may have a direct impact on the amount of assets and liabilities recognized. Due to external factors, such as further unforeseeable consequences regarding the impact of the Russia-Ukrainian conflict, the conflict in the Middle East, the tense situation within the commodity markets, the general macroeconomic trajectory, and developments within the automotive sector, these are subject to heightened uncertainty. When updating the estimates and judgments, information available in respect of expected economic trends and country-specific measures were taken into account.

## Scope of consolidated financial statements

Alongside the financial statements of ElringKlinger AG, the interim financial statements as of September 30, 2024, include the financial statements of six domestic and 35 foreign entities in which ElringKlinger AG holds more than 50% of the interests, either directly or indirectly, or over which, for other reasons, it has the power to govern the financial and operating policies. Inclusion in the consolidated group commences on the date on which control is obtained; it ceases as soon as control no longer exists.

The interests held in hofer AG, Nürtingen, Germany, totaling 24.71% have been accounted for as an associate in non-current Group assets, as ElringKlinger has significant influence over the entity's operating and financial policies. A significant influence over an associate is presumed to exist if an entity holds 20% to 50% of the voting power of the investee.

Compared to the consolidated financial statements as of December 31, 2023, there were no other changes in the scope of consolidation with the exception of the formation of ElringKlinger Plastics Technology (Qingdao) Ltd., with its registered office in Qingdao, China, and ElringKlinger South Carolina, LLC., with its registered office in Easley, USA, as well as the mergers of ElringKlinger Motortechnik GmbH, with its registered office in Bietigheim-Bissingen, Germany, into ElringKlinger AG, with its registered office in Dettingen/Erms, Germany, and ElringKlinger Engineered Plastics (Qingdao) Co., with its registered office in Qingdao, China, into ElringKlinger Plastics Technology (Qingdao) Ltd., with its registered office in Qingdao, China.

### Newly established entities

ElringKlinger Plastics Technology (Qingdao) Ltd., with its registered office in Qingdao, China, a wholly owned subsidiary of ElringKlinger Kunststofftechnik GmbH, with its registered office in Bietigheim-Bissingen, Germany, was founded on March 4, 2024.

On June 27, 2024, ElringKlinger South Carolina, LLC., with its registered office in Easley, USA, was founded as a wholly owned subsidiary of ElringKlinger Holding USA, Inc., with its registered office in Buford, USA.

### Mergers

Effective August 8, 2024, Elring Klinger Motortechnik GmbH, with its registered office in Idstein, Germany, a wholly owned subsidiary of ElringKlinger AG, with its registered office in Dettingen/Erms, Germany, was merged into ElringKlinger AG, with its registered office in Dettingen/Erms, Germany.

Effective from August 31, 2024, ElringKlinger Engineered Plastics (Qingdao) Co., Ltd., with its registered office in Qingdao, China, a wholly owned subsidiary of ElringKlinger Kunststofftechnik GmbH, with its registered office in Bietigheim-Bissingen, Germany, was merged into ElringKlinger Plastics Technology (Qingdao) Ltd., with its registered office in Qingdao, China, a wholly owned subsidiary of ElringKlinger Kunststofftechnik GmbH, with its registered office in Bietigheim-Bissingen, Germany.

### Exchange rates

Exchange rates developed as follows:

| Currency                      | Abbr. | Closing rate  |               | Average rate     |                  |
|-------------------------------|-------|---------------|---------------|------------------|------------------|
|                               |       | Sep. 30, 2024 | Dec. 31, 2023 | Jan. – Sep. 2024 | Jan. – Dec. 2023 |
| US dollar (USA)               | USD   | 1.11960       | 1.10500       | 1.08733          | 1.08285          |
| Pound (United Kingdom)        | GBP   | 0.83543       | 0.86905       | 0.84903          | 0.86880          |
| Swiss franc (Switzerland)     | CHF   | 0.94390       | 0.92600       | 0.95861          | 0.97166          |
| Canadian dollar (Canada)      | CAD   | 1.51330       | 1.46420       | 1.47940          | 1.46195          |
| Real (Brazil)                 | BRL   | 6.05040       | 5.36180       | 5.72921          | 5.39402          |
| Mexican peso (Mexico)         | MXN   | 21.98420      | 18.72310      | 19.47379         | 19.06578         |
| RMB (China)                   | CNY   | 7.85110       | 7.85090       | 7.81161          | 7.68393          |
| WON (South Korea)             | KRW   | 1,469.11000   | 1,433.66000   | 1,471.11556      | 1,420.12250      |
| Rand (South Africa)           | ZAR   | 19.22580      | 20.34770      | 20.01184         | 20.04102         |
| Yen (Japan)                   | JPY   | 159.82000     | 156.33000     | 164.51889        | 153.17583        |
| Forint (Hungary)              | HUF   | 396.88000     | 382.80000     | 392.60444        | 380.57417        |
| Turkish lira (Turkey)         | TRY   | 38.26930      | 32.65310      | 35.38412         | 26.25843         |
| Leu (Romania)                 | RON   | 4.97530       | 4.97560       | 4.97520          | 4.95140          |
| Indian rupee (India)          | INR   | 93.81300      | 91.90450      | 90.71781         | 89.43426         |
| Indonesian rupiah (Indonesia) | IDR   | 16,975.88000  | 17,079.71000  | 17,290.41333     | 16,482.53083     |
| Bath (Thailand)               | THB   | 36.10700      | 37.97300      | 38.67056         | 37.71792         |
| Swedish krona (Sweden)        | SEK   | 11.30000      | 11.09600      | 11.42108         | 11.48422         |

### Significant events and business transactions

After Chairman of the Supervisory Board Klaus Eberhardt had announced in March 2024 that he would be stepping down from his office and relinquishing his Supervisory Board mandate at ElringKlinger AG, Ludger Heuberg was elected as a new member of the Supervisory Board as proposed by the Annual General Meeting on May 16, 2024. Klaus Eberhardt will be succeeded as Chairman of the Supervisory Board of ElringKlinger AG by the former Chairman of the Audit Committee, Helmut P. Merch. As of this date, Mr. Heuberg took over as Chairman of the Audit Committee.

The automotive industry is undergoing profound change. Underlying conditions are in a state of constant flux, which in turn necessitates substantial investment in order to remain competitive. In the case of ElringKlinger, this applies primarily to products in the area of thermal and acoustic shielding, particularly in Europe and North America. Against this backdrop, the Group took the strategic decision to divest itself of its two wholly owned subsidiaries ElringKlinger Switzerland AG, with its

registered office in Sevelen, Switzerland, and ElringKlinger USA, Inc., with its registered office in Buford, USA. On September 26, 2024, the company's Supervisory Board approved the planned sale. The transaction is scheduled for completion within the financial year. The two entities were therefore classified as a disposal group held for sale as of September 30, 2024. In this context, non-current assets were also classified as held for sale.

As a result of the aforementioned classification, an impairment loss of EUR 58,133k was recognized in other operating expenses as of September 30, 2024, and the carrying amount of the non-current assets and the assets in the disposal group was thus reduced to fair value less costs to sell.

There were no other significant events or business transactions in the third quarter and the first nine months.

For information relating to factors influencing business performance and our estimates in the context of our guidance, please refer to our comments in the interim management report.

### Disclosures relating to financial instruments

This section provides a comprehensive overview of the significance of financial instruments and offers additional information on line items of the statement of financial position containing financial instruments. There was no offsetting of financial instruments recognized by the company.

The following table shows the carrying amounts (CA) and fair values (FV) of financial assets:

|  | Cash           | Trade receivables | Other current assets | Derivatives  | Non-current securities |              | Other financial investments |               | Total          |
|--|----------------|-------------------|----------------------|--------------|------------------------|--------------|-----------------------------|---------------|----------------|
| EUR k  | CA             | CA                | CA                   | CA           | CA                     | FV           | CA                          | FV            | CA             |
| <b>as of Sep. 30, 2024</b>   |                |                   |                      |              |                        |              |                             |               |                |
| Financial assets measured at amortized cost                                | 78,531         | 244,661           | 26,217               | 0            | 1,362                  | 1,375        | 8                           | 8             | 350,779        |
| Financial assets measured at fair value through profit or loss             | 0              | 0                 | 0                    | 1,925        | 0                      | 0            | 10,323                      | 10,323        | 12,248         |
| Financial assets measured at fair value through other comprehensive income | 0              | 0                 | 0                    | 0            | 208                    | 208          | 8                           | 8             | 216            |
| Held for sale  | 72             | 17,968            | 393                  | 0            | 0                      | 0            | 0                           | 0             | 18,433         |
| <b>Total</b>   | <b>78,603</b>  | <b>262,629</b>    | <b>26,610</b>        | <b>1,925</b> | <b>1,570</b>           | <b>1,583</b> | <b>10,339</b>               | <b>10,339</b> | <b>381,676</b> |
| <b>as of Dec. 31, 2023</b>   |                |                   |                      |              |                        |              |                             |               |                |
| Financial assets measured at amortized cost                                | 113,712        | 246,908           | 17,864               | 0            | 1,362                  | 1,362        | 8                           | 8             | 379,854        |
| Financial assets measured at fair value through profit or loss             | 0              | 0                 | 19,912               | 516          | 0                      | 0            | 10,055                      | 10,055        | 30,483         |
| Financial assets measured at fair value through other comprehensive income | 0              | 0                 | 0                    | 0            | 213                    | 213          | 8                           | 8             | 221            |
| <b>Total</b>   | <b>113,712</b> | <b>246,908</b>    | <b>37,776</b>        | <b>516</b>   | <b>1,575</b>           | <b>1,575</b> | <b>10,071</b>               | <b>10,071</b> | <b>410,558</b> |

The following table shows the carrying amounts (CA) and fair values (FV) of financial liabilities:

| EUR k   | Other current liabilities | Current financial liabilities | Current lease liabilities IFRS 16* | Trade payables |
|---|---------------------------|-------------------------------|------------------------------------|----------------|
|   | CA                        | CA                            | CA                                 | CA             |
| <b>as of Sep. 30, 2024</b>  |                           |                               |                                    |                |
| Financial liabilities measured at amortized cost                    | 59,998                    | 84,830                        | 15,396                             | 199,960        |
| Financial liabilities measured at fair value through profit or loss | 0                         | 0                             | n.a.                               | 0              |
| Held for sale   | 1,161                     | 0                             | 2,060                              | 19,112         |
| <b>as of Dec. 31, 2023</b>  |                           |                               |                                    |                |
| Financial liabilities measured at amortized cost                    | 79,077                    | 152,247                       | 15,464                             | 216,931        |
| Financial liabilities measured at fair value through profit or loss | 0                         | 0                             | n.a.                               | 0              |

| EUR k   | Derivatives |       | Non-current financial liabilities |         | Non-current lease liabilities IFRS 16* | Total   |
|---|-------------|-------|-----------------------------------|---------|--|---------|
|   | CA          | FV    | CA                                | FV      | CA                                     | CA      |
| <b>as of Sep. 30, 2024</b>  |             |       |                                   |         |  |         |
| Financial liabilities measured at amortized cost                    | 0           | 0     | 266,957                           | 239,569 | 31,798                                 | 658,939 |
| Financial liabilities measured at fair value through profit or loss | 7,290       | 7,290 | 0                                 | 0       | n.a.                                   | 7,290   |
| Held for sale   | 0           | 0     | 42,558                            | 40,904  | 5,639                                  | 70,530  |
| <b>as of Dec. 31, 2023</b>  |             |       |                                   |         |  |         |
| Financial liabilities measured at amortized cost                    | 0           | 0     | 250,311                           | 214,324 | 31,916                                 | 745,946 |
| Financial liabilities measured at fair value through profit or loss | 9,719       | 9,719 | 0                                 | 0       | n.a.                                   | 9,719   |

\*In accordance with IFRS 7.29 (d), no disclosure of fair value is made. The subsequent measurement of lease liabilities is based on IFRS 16.

The management has ascertained that the carrying amounts of cash, trade receivables, other current assets, trade payables, other current financial liabilities, and other current liabilities largely correspond to their fair values, primarily as a result of the short maturities of these instruments.

Other current assets also include time deposits and securities amounting to EUR 21,007k (Dec. 31, 2023: EUR 12,983k). The outstanding contribution in other current assets relating to OP-Mobility (formerly Plastic Omnium) was paid in full with the last partial payment in September (Dec. 31, 2023: EUR 19,912k).

ElringKlinger determines the market value of non-current fixed-interest liabilities to banks and derivatives by discounting expected future cash flows with the current prevailing interest rates for similar financial liabilities with comparable residual terms and the company-specific interest rate.

Other current liabilities include a liability of EUR 39,434k (Dec. 31, 2023: EUR 39,434k) that is attributable to a written put option with the non-controlling shareholders of ElringKlinger Marusan Corporation, a company with its registered office in Tokyo, Japan. The obligation arising from this agreement is measured at fair value through profit or loss. The fair value is determined on the basis of internal estimates relating to the forecast of the company's performance and the choice of the country-specific interest rate used with regard to the liability recognized. A change in the enterprise value by 10% would result in an increase/decrease in the put option by approx. EUR 3,943k (Dec. 31, 2023: EUR 3,943k).

Financial assets and liabilities measured at fair value are classified into the following three-level fair value hierarchy as of the end of the reporting period of September 30, 2024:

| EUR k                        | Level 1    | Level 2      | Level 3       |
|------------------------------|------------|--------------|---------------|
| <b>Sep. 30, 2024</b>         |            |              |               |
| <b>Financial assets</b>      |            |              |               |
| Non-current securities       | 208        | 0            | 0             |
| Other financial investments  | 8          | 0            | 10,323        |
| Derivatives*                 | 0          | 1,925        | 0             |
| <b>Total</b>                 | <b>216</b> | <b>1,925</b> | <b>10,323</b> |
| <b>Financial liabilities</b> |            |              |               |
| Derivatives*)                | 0          | 7,290        | 0             |
| <b>Total</b>                 | <b>0</b>   | <b>7,290</b> | <b>0</b>      |
| <b>Dec. 31, 2023</b>         |            |              |               |
| <b>Financial assets</b>      |            |              |               |
| Non-current securities       | 213        | 0            | 0             |
| Other financial investments  | 8          | 0            | 10,055        |
| Derivatives*                 | 0          | 516          | 0             |
| <b>Total</b>                 | <b>221</b> | <b>516</b>   | <b>10,055</b> |
| <b>Financial liabilities</b> |            |              |               |
| Derivatives*                 | 0          | 9,719        | 0             |
| <b>Total</b>                 | <b>0</b>   | <b>9,719</b> | <b>0</b>      |

\*These are derivatives that do not qualify for hedge accounting.

The following table provides details of the classification of financial assets and liabilities that are not measured at fair value but for which a fair value has been presented, according to the three-level fair value hierarchy as of the end of the reporting period of September 30, 2024:

| EUR k  | Level 1      | Level 2        | Level 3       |
|--|--------------|----------------|---------------|
| <b>Sep. 30, 2024</b>                             |              |                |               |
| <b>Financial assets</b>                          |              |                |               |
| Non-current securities                           | 1,375        | 0              | 0             |
| Other financial investments                      | 0            | 0              | 8             |
| <b>Total</b>                                     | <b>1,375</b> | <b>0</b>       | <b>8</b>      |
| <b>Financial liabilities</b>                     |              |                |               |
| Non-current financial liabilities                | 0            | 239,569        | 0             |
| Purchase price liability from written put option | 0            | 0              | 39,434        |
| <b>Total</b>                                     | <b>0</b>     | <b>239,569</b> | <b>39,434</b> |
| <b>Dec. 31, 2023</b>                             |              |                |               |
| <b>Financial assets</b>                          |              |                |               |
| Non-current securities                           | 1,362        | 0              | 0             |
| Other financial investments                      | 0            | 0              | 8             |
| <b>Total</b>                                     | <b>1,362</b> | <b>0</b>       | <b>8</b>      |
| <b>Financial liabilities</b>                     |              |                |               |
| Non-current financial liabilities                | 0            | 214,324        | 0             |
| Purchase price liability from written put option | 0            | 0              | 39,434        |
| <b>Total</b>                                     | <b>0</b>     | <b>214,324</b> | <b>39,434</b> |

The levels of the fair value hierarchy are defined as follows:

Level 1: Measurement based on quoted prices

Level 2: Measurement based on inputs for the asset or liability that are observable in active markets either directly or indirectly

Level 3: Measurement based on inputs for assets and liabilities not representing observable market data

The assessment as to whether a transfer has occurred between the levels of the fair-value hierarchy with regard to the assets and liabilities carried at fair value is conducted in each case at the end of the reporting period. No transfers occurred in the reporting period under review.

#### **Contingencies and related-party disclosures**

The contingencies and related-party relationships disclosed in the consolidated financial statements for 2023 were not subject to significant changes in the first nine months of 2024.

#### **Government grants**

Other operating income in the first nine months of 2024 includes government grants totaling EUR 3,652k (Sep. 30, 2023: EUR 3,947k). These grants were attributable primarily to development projects. In addition, grants under the European funding initiative IPCEI ("Important Project of Common European Interest") were deducted from the carrying amount of capitalized development costs in the amount of EUR 3,190k (Sep. 30, 2023: EUR 1,097k) (net method).

#### **Events after the reporting period**

On October 7, 2024, ElringKlinger AG signed an agreement with Certina Group, with its registered office in Grünwald, Germany, on the sale of its two Group companies ElringKlinger Switzerland AG, with its registered office in Sevelen, Switzerland, and ElringKlinger USA, Inc. with its registered office in Buford, USA. The acquirer can draw on extensive expertise in the automotive supply industry gained through its subsidiaries. The closing of the transaction is expected to take place before the end of 2024, subject in particular to antitrust approval. Both parties have agreed not to disclose any further details of the contract.

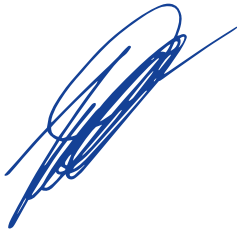
There were no further significant events after the end of the interim reporting period that would necessitate additional explanatory disclosure.

# Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Dettingen/Erms, November 12, 2024

Management Board



Thomas Jessulat  
CEO



Reiner Drews



Dirk Willers

# Imprint

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ElringKlinger AG assumes no responsibility for data and statistics originating from third-party publications.

Further information is available at [www.elringklinger.com](http://www.elringklinger.com)

## Disclaimer – Forward-looking Statements and Forecasts

This report contains forward-looking statements. These statements are based on expectations, market evaluations and forecasts by the Management Board and on information currently available to them. In particular, the forward-looking statements shall not be interpreted as a guarantee that the future events and results to which they refer will actually materialize. Whilst the Management Board is confident that the statements as well as the opinions and expectations on which they are based are realistic, the aforementioned statements rely on assumptions that may conceivably prove to be incorrect. Future results and circumstances depend on a multitude of factors, risks and imponderables that can alter the expectations and judgments that have been expressed. These factors include, for example, changes to the general economic and business situation, variations of exchange rates and interest rates, poor acceptance of new products and services, and changes to business strategy.

## Supplementary Notes

Due to rounding, some of the numbers and percentage figures specified in this document may differ from the actual values, particularly in the case of summation and percentage calculations. For the purpose of readability, we have not used gender specific forms of grammar when referring to general designations of people. Specific terms relate to all people irrespective of gender.

This report was published on November 12, 2024, and is available in German and English. Only the German version shall be legally binding.

# Financial Calendar 2025

MARCH

**27**

Annual Press Conference  
Analysts' Meeting

MAY

**16**

120<sup>th</sup> Annual General  
Shareholders' Meeting

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Changes to the above dates cannot be ruled out.

We therefore recommend visiting our website to check specific financial dates at [www.elringklinger.de/en/investor-relations/financial-calendar](http://www.elringklinger.de/en/investor-relations/financial-calendar)

For trade fairs please visit our websites:

[www.elringklinger.de/en/press/dates-events](http://www.elringklinger.de/en/press/dates-events)

[www.elring.com/dates-events](http://www.elring.com/dates-events)



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