

PRESS RELEASE

ElringKlinger records solid third quarter 2023 based on preliminary results

- **Group revenue for third quarter of 2023 up slightly by 0.7% in organic terms; excluding currency adjustments, revenue amounted to EUR 451.6 million (Q3 2022: EUR 464.1 million)**
- **Year-on-year improvement in adjusted EBIT at EUR 22.7 million and adjusted EBIT margin at 5.0% for third quarter 2023 (Q3 2022: EUR 18.5 million and 4.0%)**
- **Full-year earnings outlook for 2023 confirmed, revenue guidance for 2023 revised on the basis of new internal revenue forecast due to higher S&P market projections**

Dettingen/Erms (Germany), October 25, 2023 +++ ElringKlinger AG has announced its preliminary results for the third quarter of 2023. The Group achieved revenue of EUR 451.6 million in this period (Q3 2022: EUR 464.1 million). Revenue was adversely impacted by currency effects. Adjusted for exchange rate effects, revenue was up slightly by 0.7% or EUR 3.2 million for the period from July to September 2023. Revenue generated in the first nine months totaled EUR 1,408.1 million (9M 2022: EUR 1,329.3 million). This corresponds to growth of 5.9%. Based on the assumption of stable exchange rates, revenue expanded by 7.7%.

Positive earnings performance

The third quarter of 2023 saw a year-on-year improvement in earnings. The Group achieved adjusted EBIT of EUR 22.7 million (Q3 2022: EUR 18.5 million), corresponding to an adjusted EBIT margin of 5.0% (Q3 2022: 4.0%). In the first nine months, the Group increased its adjusted EBIT from EUR 35.3 million to EUR 73.9 million. The adjusted EBIT margin close to doubled from 2.7% (9M 2022) to 5.2% (9M 2023) in the first nine months.

Year-on-year improvement in other key financials

Other key financials also developed favorably in the reporting period: on the back of a slight increase in net working capital (NWC) to EUR 509.5 million (Sept. 30, 2022: EUR 505.4 million), the NWC ratio was scaled back to 27.1% (Sept. 30, 2022: 29.1%). The Group improved its operating free cash flow substantially year on year in the third quarter of 2023, taking the figure to EUR 11.7 million (Q3 2022: EUR -10.2 million). This was one of the reasons for the significant reduction in ElringKlinger's net financial liabilities from EUR 411.0 million to EUR 366.3 million. The debt ratio, i.e., net financial debt in relation to EBITDA, decreased to 1.8 (Sept. 30, 2022: 2.7).

Earnings outlook for 2023 confirmed, Group revenue guidance revised

Based on its preliminary figures, the Group continues to expect an adjusted EBIT margin of around 5% for the 2023 financial year. As regards Group revenue, the Management

Board of ElringKlinger AG has revised its revenue guidance for the 2023 financial year following an updated internal revenue forecast based on higher S&P market projections. Industry data provider S&P Global Mobility had most recently revised upwards its estimates for global light vehicle production to +7.5% after 3.3% at the beginning of the year and 5.3% in mid-2023. An internal reassessment now resulted in a reduced revenue projection compared to previous forecasting, in particular due to changed year-end orders placed by customers as part of their ongoing scheduling arrangements. Against this backdrop, the Group now expects to report organic revenue growth of around 3 to 5% in 2023 (previously: "significantly above the rate of change in global light vehicle production"). Expectations relating to the other key financials for 2023 have been confirmed.

The Group will publish its full financial results for the third quarter of 2023 on November 7, 2023. For a definition of adjusted EBIT, please refer to p. 117 of the 2022 Annual Report.

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Key financials for the third quarter and first nine months of 2023

in EUR million	9M 2023	9M 2022	Δ abs.	Δ rel.	Q3 2023	Q3 2022	Δ abs.	Δ rel.
Revenue	1,408.1	1,329.3	+78.8	+5.9 %	451.6	464.1	-12.5	-2.7 %
of which currency			-24.0	-1.8 %			-15.7	-3.4 %
of which M&A			±0.0	±0.0 %			±0.0	±0.0 %
of which organic			+102.8	+7.7 %			+3.2	+0.7 %
EBITDA	148.0	116.5	+31.5	+27.0 %	47.7	47.0	+0.7	+1.5 %
Adjusted EBIT	73.9	35.3	+38.6	+>100 %	22.7	18.5	+4.2	+22.7 %
Adjusted EBIT margin (in %)	5.2	2.7	+2.5 PP	-	5.0	4.0	+1.0 PP	-
EBIT	64.1	-64.9	+129.0	+>100 %	21.4	18.1	+3.3	+18.2 %
EBIT margin (in %)	4.6	-4.9	+9.5 PP	-	4.7	3.9	+0.8 PP	-
Operating free cash flow	-4.9	-26.2	+21.3	+81.3 %	11.7	-10.2	+21.9	+>100 %
ROCE (in %)	5.6	-5.4	-11.0 PP	-				
ROCE adjusted (in %)	6.5	3.0	+3.5 PP	-				
Net working capital	509.5	505.4	+4.1	+0.8 %				
Net financial debt	366.3	411.0	-44.7	-10.9 %				
Net financial debt / EBITDA	1.8	2.7	-0.9	-33.3 %				



About ElringKlinger AG

As an automotive supplier, ElringKlinger has become a trusted partner to its customers – with a firm commitment to shaping the future of mobility. Whether optimized combustion engines, high-performance hybrids, or environmentally-friendly battery and fuel cell technology, ElringKlinger provides innovative solutions for all types of drive system. ElringKlinger's lightweighting concepts help to reduce the overall weight of vehicles. As a result, vehicles powered by combustion engines consume less fuel and emit less CO₂, while those equipped with alternative propulsion systems benefit from an extended range. In response to increasingly complex combustion engine technology, the Group also continues to refine and evolve its offering within the area of seals and gaskets in order to meet the highest possible standards. This is complemented by solutions centered around thermal and acoustic shielding technology. Additionally, the Group's portfolio includes products made of the high-performance plastic PTFE, which is also marketed to industries beyond the automotive sector. These efforts are supported by a dedicated workforce of around 9,500 people at 45 ElringKlinger Group locations around the globe.

Disclaimer

This release 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.