

PRESS RELEASE

## **ElringKlinger enjoys solid start to 2024 financial year**

- **Group revenue of EUR 465.3 million amid challenging market conditions (Q1 2023: EUR 487.7 million)**
- **Adjusted EBIT margin of 5.2% on track for annual target of around 5%**
- **Robust financial position and cash flows: equity ratio of 44.5%, net financial liabilities down markedly year on year at EUR 329.1 million (Q1 2023: EUR 372.3 million)**
- **Guidance confirmed**

**Dettingen/Erms (Germany), May 7, 2024** +++ ElringKlinger AG (ISIN DE0007856023 / WKN 785602) has published its results for the first quarter of 2024. The Group generated revenue of EUR 465.3 million in the period just ended (Q1 2023: EUR 487.7 million). Exchange rates caused a headwind of 0.8%, as a result of which the decline in revenue in organic terms, i.e., assuming stable exchange rates, amounted to 3.8%. In the same period, global automotive production shrank by 0.8%, while Europe recorded a downturn of 2.5%.

Asked to comment on the quarterly results, Thomas Jessulat, CEO of ElringKlinger, said "Overall, we succeeded in further reinforcing our financial base in the quarter under review. Against the backdrop of a challenging market environment, we came close to maintaining our adjusted EBIT margin year on year, despite a slight dip in revenue. We are fully on track when it comes to achieving our target for the annual period as a whole. Our ambition now is to tackle the next stage of the transformation process in line with our SHAPE30 strategy. In this context, the focus is on ramping up series production relating to the high-volume nominations already secured in the field of e-mobility, while also continuing our sales efforts in pursuit of sustained success. Our established business centering on components for the combustion engine forms the backbone of our transformation. ElringKlinger has a robust business model in support of market transition."

### **Sluggish market momentum in Europe and Asia-Pacific**

The direction taken by revenue varied from region to region: ElringKlinger recorded revenue of EUR 153.2 million (Q1 2023: EUR 159.1 million) in the Rest of Europe, its strongest region in terms of revenue, in the first quarter of 2024. Here, revenue was down EUR 5.9 million or 3.7% on the previous year, with currency effects playing a role in the year-on-year decline. Assuming stable exchange rates, the decrease was less pronounced at EUR 2.8 million or 1.8%.

The Group generated revenue of EUR 70.7 million in the Asia-Pacific region in the quarter just ended (Q1 2023: EUR 81.4 million). Adjusted for currency effects, revenue amounted to EUR 73.7 million in the first three months of the financial year. In North America, revenue generated from sales during the first three months of 2024 amounted to EUR 121.3 million (Q1 2023: EUR 127.7 million) after strong growth in the previous

year, which corresponds to a change of -5.0%. Exchange rates provided some support. In the region encompassing South America and Rest of World, revenue increased by 15.6% year on year to EUR 25.8 million in the quarter just ended (Q1 2023: EUR 22.3 million).

### **Adjusted EBIT margin at 5.2%**

Against the backdrop of lower revenue, earnings before interest, taxes, depreciation, and amortization (EBITDA) remained comparatively robust at EUR 50.8 million (Q1 2023: EUR 53.6 million). This is attributable to the Group's revenue mix as well as a better, albeit high, footing with regard to commodity and material costs. ElringKlinger achieved adjusted EBIT of EUR 24.0 million (Q1 2023: EUR 26.4 million), corresponding to an adjusted EBIT margin of 5.2% (Q1 2023: 5.4%). The share of net income attributable to the shareholders of ElringKlinger AG increased to EUR 13.3 million (Q1 2023: EUR 6.7 million) thanks to a marked improvement in net finance cost and a year-on-year reduction in income tax expenses. Earnings per share totaled EUR 0.21 (Q1 2023: EUR 0.11).

### **Robust equity ratio, further reduction in net financial liabilities**

The ElringKlinger Group's financial position and cash flows remained very solid in the first quarter of 2024, with an equity ratio of 44.5% (Q1 2023: 44.4%) and a net debt-to-EBITDA ratio of 1.7 (Q1 2023: 2.0). The Group was able to scale back its net financial debt significantly to EUR 329.1 million at the end of the quarter (Q1 2023: EUR 372.3 million).

### **Slight reduction in headcount**

The headcount of the ElringKlinger Group stood at 9,606 (Mar. 31, 2023: 9,635) at the end of the first quarter, which corresponds to a slight decrease of 0.3%. In Germany, upstaffing was centered in part around fuel cell technology, a field of strategic importance to the future. Overall, the proportion of employees in Germany rose slightly to 42.8% (Mar. 31, 2023: 42.4%).

### **Guidance for 2024 confirmed**

Although the economic environment remains challenging, ElringKlinger anticipates slight organic growth in revenue and, as regards earnings performance, an adjusted EBIT margin of around 5% for the 2024 financial year. The Group has also confirmed its guidance for the other metrics published in the combined management report for 2023.

### **Medium-term forecast also confirmed**

Despite the difficult environment, ElringKlinger considers itself to be well positioned in the medium to long term. The success of ElringKlinger's transformation strategy is reflected not least in the revenue already generated in the field of e-mobility applications and the nominations received within these areas in recent months. Against this backdrop, ElringKlinger anticipates further growth in the future. In the medium term, the Group expects to see revenue growth in organic terms, with a projected annual growth rate of around 5 to 7%. With regard to the earnings situation, the Group has set itself the goal of an adjusted EBIT margin of around 7% in the medium term. The Group has also confirmed its other medium-term targets.

## Key financials for Q1 2024

in EUR million	Q1 2024	Q1 2023	Δ abs.	Δ rel.
Order intake	489.4	474.9	+14.5	+3.1%
Order backlog	1,329.3	1,449.0	-119.7	-8.3%
Revenue	465.3	487.7	-22.4	-4.6%
of which FX effects			-3.8	-0.8%
of which M&A			±0.0	±0.0%
of which organic			-18.6	-3.8%
EBITDA	50.8	53.6	-2.8	-5.2%
Adjusted EBIT	24.0	26.4	-2.4	-9.1%
Adjusted EBIT margin (in %)	5.2	5.4	-0.2 PP	-
Net income (after minorities)	13.3	6.7	+6.6	+98.5%
Earnings per share (in EUR)	0.21	0.11	+0.1	+90.9%
Investments (in property, plant, and equipment)	16.9	12.3	+4.6	+37.4%
Operating free cash flow	-5.8	-20.3	+14.5	+71.4%
Net working capital (NWC)	489.3	518.5	-29.2	-5.6%
NWC ratio (in %)	26.8	28.0	-1.2 PP	-
Equity ratio (in %)	44.5	44.4	+0.1 PP	-
Net financial debt	329.1	372.3	-43.2	-11.6%
Net debt/EBITDA	1.7	2.0	-0.3	-15.0%
Employees (as of Mar. 31)	9,606	9,635	-29	-0.3%

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### About ElringKlinger AG

As an independent supplier operating worldwide, the ElringKlinger Group has established itself as a powerful and trusted partner to the automotive industry – acknowledged for its exceptional depth of expertise.

Our product portfolio encompasses innovative solutions for passenger cars and commercial vehicles powered by electric motors, hybrid technology, or combustion engines. Alongside the powertrain, other areas of application include the underbody, chassis, braking system, interior, and vehicle body. We were among the frontrunners when it came to positioning ourselves as a specialist in the field of e-mobility – with pioneering battery and fuel cell technology, electric drive units, and associated components and assemblies, such as plastic housings, and punched and formed metal parts.



Customized lightweight components engineered by ElringKlinger can be used throughout the entire vehicle; they deliver tangible benefits in terms of weight reduction, efficiency, and functional integration, especially in e-mobility applications.

We offer specifically adapted sealing systems, thermal, and acoustic shielding parts, and dynamic drive components for a wide range of applications and for any type of drive technology. Additionally, we serve the aftermarket in more than 140 countries with an extensive range of spare parts.

This is complemented by state-of-the-art tooling technology and products made from high-performance plastics – tailored to the requirements of the automotive industry and other sectors. Building on our excellence in the field of components and systems, we are also maintaining our forward momentum in the non-automotive sector.

These efforts are supported by a dedicated workforce of around 9,600 people employed within the ElringKlinger Group. Operating at more than 40 sites worldwide, ElringKlinger has established a global presence and is closely aligned with its customers in all major automotive regions.

#### **Legal notice**

This release contains forward-looking statements. These statements are based on the expectations, market assessments, and forecasts of the Management Board and the information currently available to it. These forward-looking statements shall, in particular, not be construed as guarantees of future developments and results referred to therein. Although the Management Board is of the firm opinion that the statements made and their underlying beliefs and expectations are realistic, they are based on assumptions that may prove to be incorrect. Future results and developments depend on a variety of factors, risks, and uncertainties that may lead to changes in the expectations and judgments that have been expressed. These factors include, for example, changes in general economic and business conditions, fluctuations in exchange rates and interest rates, lack of acceptance of new products and services, and changes in business strategy.