

PRESS RELEASE

ElringKlinger plans discontinuation of plant in Thale

- **Group decision reflects current market conditions and challenging fundamentals in the automotive industry in Europe**
- **Series production order to expire in February 2025 without follow-up nominations for the plant**
- **Total of 33 employees affected**
- **Next step involves joint negotiations with staff representatives**

Dettingen/Erms (Germany), November 27, 2024 +++ The automotive industry is facing a period of profound transition. The move towards electromobility has seen the emergence of new market players, while value chains and demand are changing worldwide. As part of its SHAPE30 transformation strategy, automotive supplier ElringKlinger AG has been reviewing its product groups for future viability. The findings of these assessments form the basis for its global site strategy. Against this background, the Management Board has resolved to discontinue operations at the Thale site. The Group is thus taking account of current market conditions and the challenging fundamentals to which the automotive industry is exposed in Europe. In February 2025, a major series production order at the Thale plant will expire.

Asked to comment on the decision, Reiner Drews, COO of the ElringKlinger Group, said: "The situation within the automotive industry is extremely challenging, particularly in Germany. Despite considerable efforts and extensive investment, we were unable to secure any new nominations for the plant. Discussions with existing and potential customers for Thale have highlighted the intensity of cost competition and the site's inability to prevail over other supplier plants in Europe in the bidding process for new projects."

ElringKlinger took over the site in Saxony-Anhalt in 2012 and initially continued tank construction at this location. In anticipation of the foreseeable withdrawal from this line of business, the Group set up new technologies in subsequent years in an effort to further evolve the site in preparation for the transformation of the automotive industry. This also included relocating production machinery for plastic products from the Group headquarters in Dettingen/Erms to Thale.

As of September 30, 2024, a total of 33 employees are affected by the planned discontinuation. The Management Board informed staff of the decision as part of a meeting held at the site this Wednesday. The next step will involve negotiations with staff representatives.



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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, 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.