

REPORT ON THE 2ND QUARTER
AND 1ST HALF

20
24

Key figures

ElringKlinger Group

		2 nd quarter 2024	1 st quarter 2024	4 th quarter 2023	3 rd quarter 2023	2 nd quarter 2023
Order Situation						
Order intake	EUR million	364.9	489.4	465.0	376.8	373.8
Order backlog	EUR million	1,249.3	1,329.3	1,305.2	1,279.3	1,354.1
Sales/Earnings						
Sales revenue	EUR million	445.0	465.3	439.0	451.6	468.7
Cost of sales	EUR million	335.5	354.7	344.2	355.2	368.7
Gross profit margin		24.6%	23.8%	21.6%	21.3%	21.3%
EBITDA	EUR million	49.7	50.8	52.3	47.7	46.8
EBIT	EUR million	22.4	23.8	18.8	21.4	16.7
EBIT adjusted ¹	EUR million	22.5	24.0	26.3	22.7	24.8
EBIT margin adjusted		5.0%	5.2%	6.0%	5.0%	5.3%
Earnings before taxes	EUR million	15.9	17.9	8.3	16.9	11.4
Net income	EUR million	9.5	9.8	24.9	4.7	-0.5
Net income attributable to shareholders of ElringKlinger AG	EUR million	9.8	13.3	22.5	7.8	2.4
Cash flow						
Net cash from operating activities	EUR million	23.2	16.8	70.1	36.2	26.8
Net cash from investing activities	EUR million	-40.8	-22.2	-23.0	-22.6	-25.8
Net cash from financing activities	EUR million	-37.6	30.4	-52.2	-3.8	11.5
Operating free cash flow ²	EUR million	-4.5	-5.8	41.6	11.7	3.7
Balance Sheet						
Balance sheet total	EUR million	2,007.5	2,060.5	2,008.2	2,025.0	2,041.0
Equity	EUR million	905.8	917.3	910.7	884.7	886.0
Equity ratio		45.1%	44.5%	45.3%	43.7%	43.4%
Net financial debt ³	EUR million	350.4	329.1	323.2	366.3	380.1
Net debt-to-EBITDA ratio ⁴		1.7	1.7	1.6	1.8	1.9
Human Resources						
Employees (as at end of quarter)		9,560	9,606	9,576	9,625	9,607
Stock						
Earnings per share	EUR	0.15	0.21	0.36	0.12	0.04

¹ For definition see Annual Report 2023, section internal control system

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

³ Current and non-current financial liabilities less cash and cash equivalents and less short-term securities

⁴ Net debt/EBITDA

Summary of Q2 and H1 2024

- **Group revenue** of ElringKlinger in Q2 and H1 2024 at EUR 445.0 million and EUR 910.2 million respectively – a decline of 3.8%¹ on the strong prior-year figures when adjusted for currency effects; performance influenced by lackluster market environment (global automotive production down 0.2%) and changes in customer call-off volumes for individual series production projects in the passenger car and commercial vehicle sectors; Group outperforms market as a whole in Europe, the region generating the highest revenue; ramp-up in the E-Mobility business unit;
- **Adjusted EBIT** in Q2 and H1 2024 at EUR 22.5 million and EUR 46.5 million respectively; adjusted EBIT margin on target at 5.0% and 5.1% respectively; this is underpinned in part by lower commodity prices and a reduction in material and administrative costs compared to the previous year; earnings per share up significantly at EUR 0.37 in the first half of the year;
- **Financial position and cash flows** of the ElringKlinger Group remain solid; equity ratio rises to 45.1%; net financial liabilities of EUR 350.4 million down year on year; net debt-to-EBITDA ratio improved at 1.7; operating free cash flow in Q2 and H1 2024 at EUR -4.5 million and EUR -10.3 million respectively; investment ratio up as expected in H1 2024, rising to 4.3% as part of the portfolio transformation;
- **Outlook:** Order backlog of EUR 1,249.3 million at the end of the period under review, in H1 slight improvement in order intake; nomination volume in the E-Mobility business unit points to growth trajectory for the coming years; ElringKlinger Group guidance for 2024 financial year confirmed: slight organic revenue growth; adjusted EBIT margin of around 5%;
- **Other events** in H1 2024: ElringKlinger presents SHAPE30 transformation strategy; go-ahead for new Battery Center in the United States; Helmut P. Merch new Chairman of the Supervisory Board since May 16, 2024; Annual General Meeting 2024 approves unchanged dividend payment of EUR 0.15 per share;

“Overall, ElringKlinger can look back on a respectable first half of 2024 in what remains a challenging environment. Despite the slight decline in revenue, we are on track in respect of profitability and also saw improvements in other key financial metrics, such as operating cash flow. At the same time, we are pursuing a clearly charted roadmap in the form of our SHAPE30 strategy, which will guide the Group through its transformation by focusing on the five factors for success.”

Thomas Jessulat, CEO of ElringKlinger AG

¹ Unless otherwise specified, changes refer to the same period of the previous year.

2023 marked the start of series production of cell contacting systems in Neuffen. The e-mobility site plays a pivotal role in ElringKlinger's Group strategy.

Find out more about our efforts in the field of battery technology: »Components of the future« in the 2024 issue of »pulse« magazine offers all the insights.



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Macroeconomic Conditions and Business Environment

Global economic output showed signs of moderate expansion in the first half of 2024, remaining remarkably stable despite prevailing geopolitical uncertainties, according to economists.¹ The differences in economic momentum, particularly among the advanced nations, became less pronounced. The US economy lost some of its drive compared to the previous year, partly due to the slowdown in private consumption within the domestic market, while the European economy emerged from stagnation and trended slightly upwards in the year to date. The Chinese economy expanded at a slower pace, having been impacted by persistent structural problems, such as the real estate crisis and the high level of corporate debt.

In June 2024, the European Central Bank lowered its benchmark interest rate slightly by 0.25% to 4.25% for the first time since the start of its restrictive approach adopted in 2022. However, it has so far been reluctant to loosen it any further. In the wake of stubborn price rises within the services sector, in particular, efforts to drive down inflation stalled over the course of the first half of 2024, making it more difficult to return monetary policy to a more normal course or cut interest rates. The upper limit of the key interest rate corridor set by the US Federal Reserve also remained high at 5.5% as of the end of the first half of 2024, meaning that demand for consumer and capital goods is expected to be subdued in both the US and the eurozone due to restrictive financing terms. In the second quarter of 2024, the level of inflation in the eurozone, at 2.5%, and in the United States, at 3.3%, continued to fall short of the central bank targets of 2% for both economies. Overall, however, it was evident that the majority of central banks overseeing the world's economies have adopted a stance that suggests interest rate cuts.

In addition to prevailing geopolitical conflicts such as the ongoing war in Ukraine and the conflict in the Middle East, trade disputes between the USA, China, and the European Union are a source of tension. Trade policies with regard to the automotive sector became more hawkish in the second quarter of 2024. In June, for example, the EU Commission announced tariffs on e-cars from China in an effort to

counteract what it sees as competition-distorting subsidies granted by the Chinese government. These tariffs were put into force provisionally at the beginning of July. The United States also announced a hike in tariffs for electric cars from China with effect from the third quarter of 2024.

GDP growth

Year-on-year change in %	4 th quarter 2023	1 st quarter 2024	2 nd quarter 2024
Germany	-0.2	-0.2	-0.1
Eurozone	0.2	0.4	0.4
USA	3.1	2.9	2.8
Brazil	2.1	2.5	2.1
China	5.2	5.3	6.0
India	8.6	7.8	7.2
Japan	1.1	-0.1	-0.6

Source: HSBC (June 2024)

Spluttering global vehicle production

Following the gains made last year, vehicle production has increasingly slackened over the course of the year to date. Having overcome supply-side bottlenecks in 2023 and replenished stocks, manufacturers were able to meet demand for new vehicles at shorter notice again this year. According to industry data provider S&P Global Mobility, 43.7 million light vehicles (passenger cars and light commercial vehicles) were produced worldwide in the first half of 2024, which falls just short of zero percent change compared to the previous year. While global production growth stood at 0.1% in the first quarter of 2024 compared to the same period of the previous year, the second quarter of 2024 closed with a decline of 0.5%. The direction taken by the individual regions varied, as shown in the table.

¹ Sources in this section include data from the International Monetary Fund, the Kiel Institute for the World Economy (IWF), HSBC Bank, and own research.

Production Light Vehicles

Region	Vehicles millions		Year-on-year change
	1 st half 2023	1 st half 2024	
Europe ¹	9.1	8.7	-4.6%
China	12.7	13.3	5.1%
Japan/Korea	6.3	5.9	-7.0%
Middle East/Africa	1.1	1.1	4.3%
North America	8.0	8.1	1.8%
South America	1.4	1.3	-8.0%
South Asia	4.8	4.8	-0.8%
World	43.7	43.6	-0.2%

¹ excl. Russland
 Source: S&P Global Mobility, July 2024

More uniform momentum in international sales markets

International sales markets, on the other hand, showed signs of positive growth almost across the board in the first half of 2024, as reflected in data presented by the German association of the automotive industry VDA. With the exception of Japan, sales figures picked up in all major markets and regions, although in some cases – such as the USA and the EU – they still fell short of those recorded in 2019.

In Europe (EU, EFTA, and UK), new car registrations increased by 4.4% year on year to 6.9 million vehicles in the first six months of 2024. The five largest individual markets were similar in their performance, recording the following growth rates: the United Kingdom and Spain each grew by

around 6%, Germany and Italy by 5% each, and France by 3%. The electric vehicle segment grew at a slower rate than the overall market. The USA registered 7.8 million new light vehicles in the reporting period, up 2% on the figure for the same period in the previous year. In June, hacker attacks on dealership IT systems acted as a brake on more vigorous growth. In China, meanwhile, 9.9 million new passenger cars were registered in the first half of 2024, around 3% more than in the same period of the previous year, although sales recently slowed as a result of sluggish consumer spending. While Japan's market for passenger cars is in recession and recorded a year-on-year decline of 12.1%, India continued on an extremely positive trajectory with growth of 7.3%.

Significant Events

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

The anticipated change in the position of Chairman of the Supervisory Board was confirmed subsequent to the Annual General Meeting on May 16, 2024. Klaus Eberhardt was succeeded by Helmut P. Merch, who had previously chaired the Audit Committee. In March 2024, Eberhardt had announced his intention to step down from his position and relinquish his mandate at the end of the Annual General Meeting and pass on the chairmanship to younger hands. Eberhardt had been a member of the Supervisory Board since 2013 and had assumed

the role of Chairman in May 2017. At the constituent meeting of the Supervisory Board held subsequent to the Annual General Meeting 2024, Helmut P. Merch was elected as the new Chairman of the Supervisory Board. Merch has been a member of the Supervisory Board of ElringKlinger AG since July 2020.

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.

Nomination volume up in E-Mobility business unit

ElringKlinger saw a further increase in the number of nominations received for e-mobility applications over the course of the first half of 2024. For example, ElringKlinger subsidiary EKPO Fuel Cell Technologies GmbH (EKPO for short) signed a contract with the Chinese FAW Group for the development and supply of NM12 Single fuel cell modules. The stacks are used in the fuel cell vehicle of FAW’s premium Hongqi marque. EKPO has been represented in China since 2022 with a site for the development and production of fuel cell technology.

Start for battery center in the United States

In June 2024, ElringKlinger has started with the establishment of its new battery center in the US. The Group company ElringKlinger South Carolina, LLC. founded for this purpose at the site in Easley, South Carolina, represents the next step in the implementation of the Group’s SHAPE30 transformation strategy. Its focus will be on the manufacture of battery technology products from 2025 onward. ElringKlinger has already secured its first high-volume series production nomination. The plan is to develop the site into a battery hub for the American market.

Sales and Earnings Performance

Year-on-year decline in Group revenue amid challenging market conditions

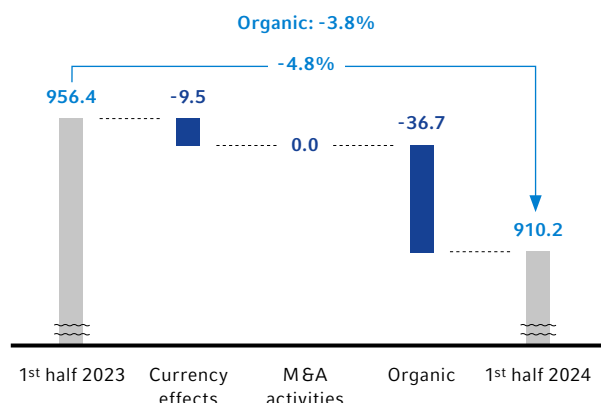
Following a record second-quarter performance in the previous year, the Group generated revenue of EUR 445.0 million in the second quarter of 2024 (Q2 2023: EUR 468.7 million), down EUR 23.7 million or 5.1%. Alongside the effects of foreign exchange rates, changes in customer call-off volumes relating to individual series production projects for e-vehicles and in the commercial vehicle sector had a dampening effect on revenue. In the first half of the year, revenue amounted to EUR 910.2 million (H1 2023: EUR 956.4 million), a decrease of EUR 46.2 million or 4.8%.

This performance reflects the weaker market environment compared to the previous year. According to data prepared by industry data service provider S&P Global Mobility, global automobile production from April to June 2024 fell by 0.5% compared to the same quarter of the previous year, and by as much as 6.1% in Europe, ElringKlinger’s strongest market in terms of revenue. In the first six months of 2024, the volume of light vehicles produced worldwide was 0.2% lower than in the first half of 2023, and 3.5% lower in Europe.

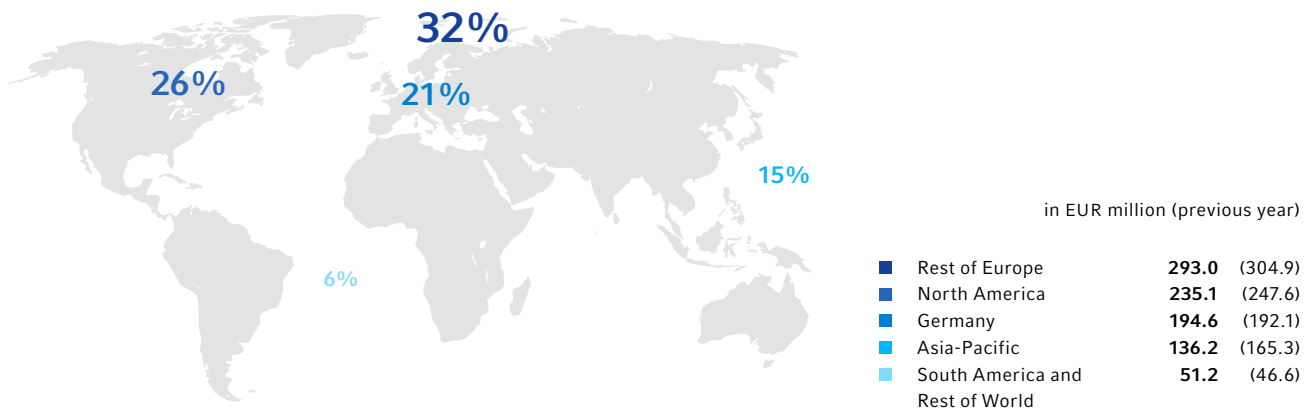
Group revenue was also affected by the direction taken by exchange rates. The movement of the Mexican peso provided a slight tailwind for revenue in the second quarter of 2024, while changes in the Turkish lira, the Japanese yen, and the Brazilian real had the opposite effect. Adjusted for currency

effects, revenue amounted to EUR 919.7 million in the first half of 2024, down 3.8% on the same period of the previous year, and EUR 450.7 million in the second quarter, also 3.8% less than in the previous year. There were no effects from changes in the scope of consolidation (M&A activities) in either the quarter under review or in the first half of 2024 as a whole.

Factors influencing Group revenue in 1st half 2024
in EUR million



Group revenue by region 1st half 2024



Challenging market environment in the key automotive regions

In its strongest revenue-generating region, Rest of Europe, the ElringKlinger Group recorded sales revenue of EUR 139.9 million in the second quarter of 2024 (Q2 2023: EUR 145.8 million), which corresponds to a share of 31.4% of Group revenue and a year-on-year decline of 4.0%. Adjusted for currency effects, revenue generated in this region fell by just 1.6%, which was significantly better than the direction taken by car production in Europe, which contracted by 6.1% in the second quarter (Europe excluding Germany and Russia: -7.8%). In the first half of 2024, the Group recorded revenue of EUR 293.0 million (H1 2023: EUR 304.9 million) in this sales region. Adjusted for currency effects, revenue in this period amounted to EUR 299.7 million, down 1.7% on the prior-year figure but well above the market trend in Europe of -3.5% (excluding Germany and Russia: -4.1%).

In Germany, revenue increased by EUR 5.3 million or 5.6% to EUR 100.2 million in the second quarter of 2024 (Q2 2023: EUR 94.9 million), while automotive production in Germany fell by 3.5% in this period. Revenue from foreign sales as a percentage of Group revenue was slightly lower than in the period from April to June 2023 at 77.5% (Q2 2023: 79.8%). In the first half of 2024, 78.6% (H1 2023: 79.9%) of revenue was generated abroad, or 78.9% when adjusted for currency effects (H1 2023: 79.9%).

In the Asia-Pacific region, meanwhile, the Group generated revenue of EUR 65.5 million in the second quarter (Q2 2023: EUR 83.9 million), which corresponds to 14.7% of Group revenue. Thus, the revenue trend seen in the first quarter

continued into the next period. The decline was attributable primarily to a change in customer call-off patterns relating to series production projects for e-mobility applications as well as currency effects. In the first half of 2024, revenue in the Asia-Pacific region amounted to EUR 136.2 million (H1 2023: EUR 165.3 million). In comparative terms, markets in this region moved along divergent lines in the first six months of 2024. While automotive production in China increased noticeably, Japan, Korea, and South Asia recorded significant declines in some cases.

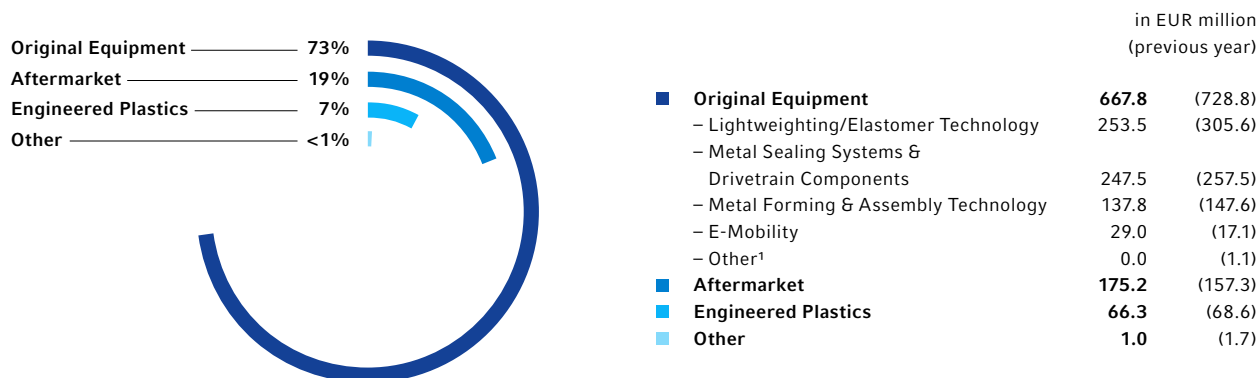
Slight downturn in North America

Following significant growth in the second quarter of the previous year, revenue in the sales region of North America declined slightly in the quarter under review. The region encompassing North America accounted for around a quarter (25.6%) of Group revenue in the second quarter of 2024, with revenue of EUR 113.8 million (Q2 2023: EUR 119.9 million). This makes North America the Group's second strongest region. In the first half of 2024, revenue amounted to EUR 235.1 million (H1 2023: EUR 247.6 million). Exchange rate effects played a relatively minor role with regard to the revenue trajectory in the region encompassing North America. Automotive production in the region has been relatively lackluster in the year to date. The second quarter of 2024 saw an expansion of 1.7%, while the first six months produced growth of 1.8%.

Growth in South America and Rest of World

Revenue in South America and Rest of World totaled EUR 25.4 million in the quarter under review, i. e., 5.7% of Group revenue (Q2 2023: EUR 24.3 million or 5.2%), which corresponds to growth of 4.5% in the second quarter of 2024. Exchange rate movements acted as a brake on growth. In the

Group revenue by segment and business unit 1st half 2024



¹ Revenue "Other" mainly attributable to Exhaust Gas Purification business unit until 2023

first half of 2024, revenue expanded by as much as 9.8%, or 10.9% adjusted for currency effects. As a result, revenue in this region took a different path compared to the market as a whole, which contracted by -4.6% in the second quarter and -2.6% in the first six months of 2024.

Original Equipment: growth for E-Mobility business unit

In the second quarter of 2024, the Original Equipment segment recorded a decline in revenue of EUR 31.4 million compared to the same quarter of the previous year. From April to June 2024, the above-mentioned challenges in the Asia-Pacific region and the sluggish momentum of automotive production in Europe (excluding Russia), which S&P Global Mobility put at -6.8%, had a dampening effect on segment revenue. Revenue generated in the Original Equipment segment totaled EUR 328.3 million in the second quarter of 2024 (Q2 2023: EUR 359.7 million). Accounting for 73.7% of Group revenue in the second quarter of 2024, Original Equipment is the Group's largest segment.

Project ramp-ups developed favorably, including in the E-Mobility business unit. E-Mobility revenue increased by EUR 6.8 million or 62.4% to EUR 17.7 million (Q2 2023: EUR 10.9 million). This expansion was driven by growth in the area of battery technology. By contrast, revenue attributable to what were originally seen as the traditional business units Lightweighting/Elastomer Technology, Metal Forming & Assembly Technology, and Metal Sealing Systems & Drivetrain Components declined year on year amid challenging market conditions, as described above. In the first half of 2024, ElringKlinger recorded revenue of EUR 667.8 million (H1 2023: EUR 728.8 million) in the Original Equipment segment. The effects of volume in the Original Equipment

business were also of significance when looking at the first half of the year.

Although the direction taken by segment revenue was also reflected in earnings, effects relating to the product mix and the development of procurement prices for several key raw materials helped to bolster the segment result in a year-on-year comparison. In the second quarter of 2024, adjusted earnings before interest and taxes (adjusted EBIT) for the Original Equipment segment amounted to EUR -1.3 million (Q2 2023: EUR 3.4 million), with a margin of -0.4% (Q2 2023: 0.9%). In the first six months of 2024, the segment recorded an adjusted EBIT margin of -0.6% (H1 2023: 0.6%).

Aftermarket business up by 12 percent

In the second quarter of 2024, the Aftermarket segment saw revenue continue to grow compared to the same period of the previous year. With revenue standing at EUR 84.8 million (Q2 2023: EUR 75.6 million) in the months from April to June 2024, the Aftermarket segment accounted for 19.1% of Group revenue, making it the second largest segment. Revenue increased by EUR 9.2 million or 12.2% in the second quarter. As in the first three months of 2024, all key sales regions contributed to growth generated in the quarter under review. Revenue in Europe as well as in North and South America showed particularly dynamic growth in the second quarter of 2024. Segment revenue in the first half of the year amounted to EUR 175.2 million (H1 2023: EUR 157.3 million).

On the back of revenue growth, the segment also saw an increase in earnings. Adjusted EBIT amounted to EUR 20.5 million in the quarter under review (Q2 2023:

EUR 19.0 million). This translates into an adjusted EBIT margin of 24.2% for the second quarter (Q2 2023: 25.1%). In the first half, the segment achieved adjusted EBIT of EUR 43.2 million (H1 2023: EUR 38.9 million), corresponding to an adjusted EBIT margin of 24.7% (H1 2023: 24.7%).

Engineered Plastics segment

The Engineered Plastics segment generated revenue of EUR 31.5 million in the second quarter of 2024 (Q2 2023: EUR 32.7 million), representing 7.1% of Group revenue. Thanks to its broad industry mix, the segment's revenue remained robust overall despite the lack of economic momentum. In the first half of 2024, revenue in the Engineered Plastics segment amounted to EUR 66.3 million (H1 2023: EUR 68.6 million).

As regards earnings, slightly higher staff costs as part of the segment's transformation contrasted with an improved materials expense ratio due to a slight year-on-year decline in prices for high-performance plastics such as fluoropolymers. Overall, the Engineered Plastics segment's adjusted EBIT improved from EUR 2.5 million in the second quarter of the previous year to EUR 2.7 million from April to June 2024, which corresponds to an adjusted EBIT margin of 8.6% (Q2 2023: 7.6%). In the first half of the year, the adjusted EBIT margin for the Engineered Plastics segment was 9.0% (H1 2023: 11.1%).

Other segment

The segment referred to as "Other" mainly comprises services provided by various subsidiaries. This includes logistics services for the Group's aftermarket business, in addition to catering services provided by a subsidiary. In the second quarter of 2024, segment revenue amounted to EUR 0.4 million (Q2 2023: EUR 0.7 million). In the first six months, revenue declined to EUR 1.0 million (H1 2023: EUR 1.7 million), which is partly due to the discontinuation of business activities in the area of engine testing services. Adjusted segment earnings before interest and taxes improved from EUR -2.8 million in the second quarter of the previous year to EUR 0.5 million.

Headcount down slightly

The headcount of the ElringKlinger Group stood at 9,560 (Jun. 30, 2023: 9,607) at the end of the quarter under review, which corresponds to a decrease of 0.5%. While the Group expanded its workforce in Germany and North America, the number of employees in the Asia-Pacific and Rest of Europe regions as well as South America and Rest of World decreased. In Germany, upstaffing was centered around the strategic future areas battery and fuel cell technology.

Compared to the same quarter of the previous year, the proportion of employees in Germany rose to 43.2% (Jun. 30, 2023: 42.4%). Accordingly, as a percentage, the non-domestic headcount declined to 56.8% (Jun. 30, 2023: 57.6%).

Gross profit margin improved at 24.6%

While Group revenue decreased by 5.1% in the quarter under review, the cost of sales fell by EUR 33.2 million or 9.0% and amounted to EUR 335.5 million (Q2 2023: EUR 368.7 million). The Group's gross profit improved by EUR 9.5 million to EUR 109.5 million in the second quarter (Q2 2023: EUR 100.0 million). This corresponds to a gross profit margin of 24.6% (Q2 2023: 21.3%) in the quarter under review. For the period from January to June 2024, the gross profit margin amounted to 24.2% (H1 2023: 22.1%).

Overall, changes in the procurement prices for several key raw materials required by the Group for its production relative to the months of April to June 2023 proved beneficial. For example, the price of aluminum trended lower compared to the second quarter of the previous year despite a slight increase in exchange prices. Prices for steels and plastic pellets were also lower compared to the previous year. Despite these developments, the overall price level for key raw materials remained noticeably above the pre-crisis level. Prices for certain elastomers were significantly higher than in the previous year. Thus, the cost of materials amounted to EUR 186.1 million in the quarter under review (Q2 2023: EUR 216.5 million), while the cost-of-materials ratio (cost of materials in relation to revenue) fell to 41.8% (Q2 2023: 46.2%). It also fell significantly from 45.1% in the first six months of 2023 to 42.0% in the first half of the year.

Staff costs within the Group, which are accounted for in various functional categories of the income statement, totaled EUR 150.9 million in the second quarter of 2024 (Q2 2023: EUR 152.4 million). The slightly lower number of direct and indirect employees and a non-recurring effect from the termination of the CEO's contract in the same period of the previous year helped to drive staff costs down. In total, staff costs fell by 1.0%. As a result, staff costs in relation to revenue amounted to 33.9% both in the quarter under review (Q2 2023: 32.5%) and in the first six months of 2024 (H1 2023: 32.2%).

The ElringKlinger Group's selling expenses rose to EUR 39.4 million in the second quarter of 2024 (Q2 2023: EUR 37.9 million) due to a slight increase in staff costs. In the first six months of 2024, selling expenses totaled EUR 77.5 million, compared to EUR 76.3 million in the first half of the year.

EBIT 1st half 2024¹

in EUR million	2 nd quarter 2024	2 nd quarter 2023	Year-on-year change	1 st half 2024	1 st half 2023	Year-on-year change
Reported EBIT	22.4	16.7	5.7	46.2	42.8	3.4
Impairment losses	0.0	0.5		0.0	0.5	
of which goodwill impairment losses	0.0	0.0		0.0	0.0	
Restructuring	0.1	2.9		0.1	3.2	
Other non-operational effects	0.0	4.7		0.2	4.7	
Adjusted EBIT	22.5	24.8	-2.3	46.5	51.2	-4.7
<i>Adjusted EBIT margin</i>	<i>5.0%</i>	<i>5.3%</i>	<i>-0.3 pp</i>	<i>5.1%</i>	<i>5.4%</i>	<i>-0.3 pp</i>

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

General and administrative expenses decreased by EUR 1.2 million to EUR 25.2 million in the second quarter of 2024 (Q2 2023: EUR 26.4 million), which is mainly due to the aforementioned one-off effect in the same quarter of the previous year. In the first six months of 2024, general and administrative expenses remained virtually unchanged at EUR 51.8 million (H1 2023: EUR 52.0 million).

R&D ratio of 6.0% for the first half of the year

The ElringKlinger Group's research and development (R&D) activities are focused on alternative drive technologies. In the second quarter of 2024, R&D expenses amounted to EUR 22.5 million in total (Q2 2023: EUR 19.0 million). The year-on-year increase is partly due to the scheduled expansion of personnel in the strategic future areas. In addition, a total amount of EUR 5.2 million (Q2 2023: EUR 5.8 million) was capitalized in the quarter under review. In the first half of 2024, R&D expenses totaled EUR 43.5 million (H1 2023: EUR 41.6 million). In addition, a sum of EUR 10.9 million (H1 2023: EUR 10.5 million) was capitalized. This translates into a capitalization ratio of 18.7% for the second quarter of 2024 (Q2 2023: 23.5%) and 20.0% in the first half of 2024 (H1 2023: 20.2%).

As a result, the R&D ratio (i. e., R&D expenses, incl. capitalization, in relation to Group revenue) increased to 6.2% in the second quarter (Q2 2023: 5.3%) and 6.0% in the first half (H1 2024: 5.4%) of 2024.

Similar to other operating expenses, which amounted to EUR 3.6 million for the period from April to June 2024 (Q2 2023: EUR 6.3 million), other operating income was down on the prior-year figure and totaled EUR 3.6 million for the period from April to June 2024 (Q2 2023: EUR 6.3 million). This includes government grants of EUR 2.1 million (Q2 2023: EUR 2.1 million). In the first six months of 2024, government grants amounted to EUR 2.7 million (H1 2023: EUR 2.4 million).

Adjusted EBIT margin on track at 5.1%

Despite the decline in revenue in the second quarter of 2024, the ElringKlinger Group generated earnings before interest, taxes, depreciation, and amortization (EBITDA) of EUR 49.7 million (Q2 2023: EUR 46.8 million). Thus, EBITDA for the second quarter of 2024 showed a significant improvement compared to the period from April to June 2023. This was driven by the price trends for materials mentioned above as well as the Group's revenue mix. In the period from January to June 2024, EBITDA remained largely unchanged at EUR 100.5 million (H1 2023: EUR 100.3 million).

After deducting depreciation and amortization, which amounted to EUR 27.3 million in the reporting quarter (Q2 2023: EUR 30.0 million), the Group's reported EBIT stood at EUR 22.4 million (Q2 2023: EUR 16.7 million), which corresponds to a gain of EUR 5.7 million. The same quarter of the previous year had included non-recurring effects totaling EUR 8.1 million, which were due, among other things, to the discontinuation of engine testing services and the termination of the CEO's contract. Taking these one-off items into account, adjusted EBIT amounted to EUR 24.8 million in the same quarter of the previous year.

The Group posted adjusted EBIT of EUR 22.5 million (Q2 2023: EUR 24.8 million) in the quarter under review, resulting in an adjusted EBIT margin of 5.0% (Q2 2023: 5.3%). Compared to the same quarter of the previous year, the lower contribution margins due to the decline in revenue contrasted with lower expenses for certain key raw materials as well as for energy and logistics. In the first half, adjusted EBIT stood at EUR 46.5 million (H1 2023: EUR 51.2 million), while the adjusted EBIT margin amounted to 5.1% (H1 2023: 5.4%).

Lower interest expense, improved net interest result

At EUR -5.8 million (Q2 2023: EUR -7.3 million), the net interest result for the months from April to June 2024 improved by EUR 1.5 million compared to the second

Net finance cost/income 1st half 2024

in EUR million	2 nd quarter 2024	2 nd quarter 2023	Year-on-year change	1 st half 2024	1 st half 2023	Year-on-year change
Net interest result	-5.8	-7.3	1.5	-10.4	-12.1	1.7
Net foreign exchange result and other net finance result	-0.7	2.0	-2.7	-2.0	-2.6	0.6
Net finance cost	-6.5	-5.3	-1.2	-12.4	-14.7	2.4

quarter of the previous year. Interest expense amounted to EUR 6.5 million in the second quarter of 2024 (Q2 2023: EUR 7.9 million). While realized interest expenses were roughly on a par with the previous year, the same period of the previous year had included unrealized interest expenses for pensions in the amount of EUR 1.5 million. Interest income remained largely unchanged in the quarter under review. The downturn in foreign exchange gains coincided with lower foreign exchange losses, which led to a net foreign exchange result and other net finance result of EUR -0.7 million (Q2 2023: EUR 2.0 million).

Income from associates, which is included in net finance cost and relates to the interest held in hofer AG, amounted to EUR -0.8 million (Q2 2023: EUR 0.4 million). At EUR -6.5 million (Q2 2023: EUR -5.3 million), net finance cost was down on the prior-year figure in the second quarter of 2024.

In the first six months of 2024, the net finance result of EUR -12.4 million (H1 2023: EUR -14.7 million) was better than in the same period of the previous year – mainly due to lower interest expenses and a stronger net result from associates than in the first half of 2023.

Taking net finance cost into account, ElringKlinger recorded a noticeable increase in earnings before taxes to EUR 15.9 million in the second quarter of 2024 (Q2 2023: EUR 11.4 million). Earnings before taxes amounted to EUR 33.8 million in the first half of 2024 (H1 2023: EUR 28.0 million).

Reduction in income tax expense

Income tax expense for the period from April to June 2024 fell by EUR 5.4 million to EUR 6.5 million (Q2 2023: EUR 11.9 million) compared to the second quarter of the previous year, mainly as a result of effects from the change in the transfer pricing system. This produces an effective tax rate – i. e., income tax expenses in relation to earnings before income taxes – of 40.5% (Q2 2023: 104.1%) in the reporting quarter and 42.9% (H1 2023: 86.1%) in the first half of 2024.

Significant increase in earnings per share

Having deducted income tax expenses, net income for the ElringKlinger Group stood at EUR 9.5 million in the second quarter of 2024 (Q2 2023: EUR -0.4 million). Taking into account the share of net income attributable to non-controlling interests, net income attributable to the shareholders of ElringKlinger AG amounted to EUR 9.8 million (Q2 2023: EUR 2.4 million). In the first half of 2024, net income for the period amounted to EUR 19.3 million and EUR 23.2 million for ElringKlinger shareholders (H1 2023: EUR 3.9 million and EUR 9.0 million respectively).

As a result, earnings per share in the first six months of 2024, at EUR 0.37, and in the second quarter of 2024, at EUR 0.15, were also well in excess of the previous year's figures of EUR 0.14 and EUR 0.04 respectively. As of June 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 financial position and cash flows of the ElringKlinger Group can still be described as solid at the end of the first half of 2024. With the equity ratio standing at 45.1% of the balance sheet total, a large proportion of assets continues to be financed by the Group's own funds. Net financial liabilities amounted to EUR 350.4 million at the end of the reporting period and were therefore around EUR 30 million lower than

at the end of the first half of 2023. The Group generated net cash from operating activities of EUR 39.9 million in the first six months of 2024. This largely covered the payments made in connection with investing activities. On this basis, operating free cash flow² in the first half of the year amounted to EUR -10.3 million.

Key figures Financial Position and Cash Flows

in EUR million	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2023	Jun. 30, 2023
Total equity and liabilities	2,007.5	2,060.5	2,008.2	2,041.0
Equity ratio	45.1%	44.5%	45.3%	43.4%
Net working capital¹	482.4	489.3	466.3	529.0
in relation to Group revenue	26.8%	26.8%	25.2%	28.0%
Net financial debt²	350.4	329.1	323.2	380.1
Net debt-to-EBITDA ratio ³	1.7	1.7	1.6	1.9
ROCE ⁴	6.2%	6.4%	5.6%	5.6%

	2 nd quarter 2024	2 nd quarter 2023	1 st half 2024	1 st half 2023
Net cash from operating activities	23.2	26.8	39.9	23.3
Operating free cash flow⁵	-4.5	3.7	-10.3	-16.5
Investments in property, plant, and equipment (payments)	22.7	17.4	39.6	29.7
Investment ratio	5.1%	3.7%	4.3%	3.1%

¹ Inventories as well as trade receivables less trade payables

² Current and non-current financial liabilities less cash and short-term securities

³ Net financial liabilities/EBITDA

⁴ Return on capital employed; ROCE adjusted (calculation based on EBIT adjusted): Jun. 30, 2024: 6.3%, Mar. 31, 2024: 6.4%, Dec. 31, 2023: 6.8%, Jun. 30, 2023: 6.7%

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

Total assets stand at two billion euros

At EUR 2,007.5 million as of June 30, 2024 (Dec. 31, 2023: EUR 2,008.2 million), the ElringKlinger Group's total assets were on a par with the figure posted at the beginning of the year. Compared to the previous quarter, total assets were down by EUR 53.0 million or 2.6% and compared to the previous year by EUR 33.5 million or 1.6%, which in both cases is attributable to lower carrying amounts in the category of current assets. Currency effects at the end of the first half of the year proved slightly dilutive for many balance sheet items, particularly compared to the end of the previous quarter.

Non-current assets had a total carrying amount of EUR 1,095.9 million as of June 30, 2024 (Dec. 31, 2023: EUR 1,092.4 million). Their share of total assets corresponded to 54.6% (Dec. 31, 2023: 54.4%). In this context, property, plant, and equipment constituted the largest item at EUR 856.2 million (Dec. 31, 2023: EUR 858.0 million). At EUR 53.2 million, additions from investments in property, plant, and equipment (including additions from leases) were slightly higher than depreciation and amortization (including write-ups) of EUR 51.2 million in the same period. Currency effects from reporting date valuations resulted in a slight overall decline in the carrying amount of property, plant, and

² Cash flow from operating activities less cash flow from investing activities (adjusted for M&A activities and cash flows for financial assets)

equipment compared to the end of the previous year and also compared to the total of EUR 859.9 million at the end of the previous quarter. The decline in property, plant, and equipment by EUR 19.1 million compared to the 2023 half-year reporting date (EUR 875.3 million) is due, among other things, to the discontinuation of engine testing services and the associated disposal of assets in 2023.

Compared to the 2023 year-end figure, intangible assets were up slightly at EUR 173.9 million as of June 30, 2024 (Dec. 31, 2023: EUR 168.2 million). This 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.

There were no significant changes in the other items of non-current assets compared to the end of the reporting periods of the previous quarter or year-end 2023.

Net working capital down year on year

Current assets recognized by the ElringKlinger Group were down on the comparative figures for the previous quarter, the end of the year, and the first half of the previous year; their carrying amount as of June 30, 2024, was EUR 911.7 million (Dec. 31, 2023: EUR 915.9 million). Their share of total assets corresponded to 45.4% (Dec. 31, 2023: 45.6%). Compared to the end of the first quarter of 2024 (EUR 968.1 million), current assets fell by EUR 56.5 million.

Working capital, which is made up of inventories and trade receivables, accounts for a significant proportion of current assets. Although it increased slightly compared to the end of the year to EUR 706.6 million (Dec. 31, 2023: EUR 683.2 million), it was scaled back by EUR 17.7 million and EUR 26.3 million compared to the previous quarter and the preceding twelve months respectively. At EUR 247.5 million (Dec. 31, 2023: EUR 246.9 million), trade receivables were almost at the same level as at the end of 2023. Inventories increased slightly by EUR 22.8 million to EUR 459.1 million at the end of the first half of the year (Dec. 31, 2023: EUR 436.3 million). The change in inventories was attributable to a multitude of developments, including, for example, a ramp-up in the prototype production of battery components in the E-Mobility business unit or the temporary increase in inventories of customer-specific tools, which are held in stock in advance of series production ramp-ups until they are sold to the respective customer. In addition, measures aimed at relocating specific production activities at Group level also led to temporary increases in inventories, the objective being to ensure that call-off volumes requested by customers as part

of their ongoing scheduling arrangements could be processed smoothly at any time.

Working capital less trade represents net working capital and amounted to EUR 224.3 million at the end of the first half (Dec. 31, 2023: EUR 216.9 million), and to EUR 482.4 million as of June 30, 2024 (Dec. 31, 2023: EUR 466.3 million) respectively. Net working capital decreased by EUR 6.9 million and EUR 16.1 million compared to the previous quarter and the 2023 year-end figure respectively; it was down even more substantially compared to the end of the first half of the previous year, by as much as EUR 46.6 million. Group management endeavors to limit the amount of capital tied up in net working capital as much as possible, while at the same time maintaining the inventories necessary for effective operations.

For the first half of 2024, the ratio of net working capital to revenue amounted to 26.8% (Dec. 31, 2023: 25.2%), which was on a par with the ratio recorded at the end of the previous quarter. Compared to the end of the first half of 2023 (28.0%), it was scaled back by 1.2 percentage points.

As of June 30, 2024, the ElringKlinger Group had cash and cash equivalents of EUR 80.9 million (Dec. 31, 2023: EUR 113.7 million).

Equity ratio up slightly at 45%

At 45.1% (Dec. 31, 2023: 45.3%), the ElringKlinger Group's equity continued to represent a large proportion of total equity and liabilities at the end of the first half of 2024. Thus, the ratio was slightly higher than at the end of the first half of 2023 (43.4%) and remains within the management's target range of 40% to 50%.

Overall, Group equity amounted to EUR 905.8 million at the end of the period under review, compared to EUR 910.7 million at the end of the 2023 financial year. It amounted to EUR 886.0 million as of June 30, 2023. In the first half of 2024, it was up as a result of net income for the period of EUR 19.3 million and a capital allocation of EUR 4.0 million from the co-owner of the Group subsidiary EKPO Fuel Cell Technologies GmbH, Dettingen/Erms, Germany (EKPO for short). By contrast, differences from the currency translation of separate financial statements, which are recognized in total comprehensive income, led to a dilution of equity of EUR -17.3 million. In addition, the second quarter of 2024 saw ElringKlinger distribute the dividend for the 2023 financial year to shareholders of ElringKlinger AG; the proposed and approved dividend amounted to 15 cents per share.

Including distributions to non-controlling interests, the dividend payout amounted to EUR 10.9 million in total.

At EUR 102.7 million at the end of the first half of 2024 (Dec. 31, 2023: EUR 104.0 million), the Group's pension provisions were almost on a par with the carrying amount posted at the end of the 2023 financial year.

In addition, non-current and current provisions totaled EUR 78.0 million (Dec. 31, 2023: EUR 74.7 million) at the end of the reporting period. Non-current provisions remained largely unchanged compared to the end of the previous quarter at EUR 28.0 million and mainly comprised personnel-related obligations, for example for partial retirement, long-service awards, and similar future benefits. At EUR 50.0 million as of June 30, 2024, (Dec. 31, 2023: EUR 50.9 million), current provisions were also at a similar level to the figure posted at the end of 2023. The provisions for contingent losses included in this item were slightly higher due to allocations in the first quarter of 2024, which were subsequently scaled back again in the second quarter. Compared to the comparative reporting date of June 30, 2023, non-current and current provisions decreased by a net amount of EUR 8.7 million – partly due to a provision utilized in 2023 in connection with the discontinuation of specific production activities in Germany.

Year-on-year reduction in net financial liabilities

The ElringKlinger Group's net financial liabilities³ (also known as net financial debt or net debt) amounted to EUR 350.4 million as of June 30, 2024 (Dec. 31, 2023: EUR 323.2 million), again significantly lower than in previous years. Compared to the mid-2023 figure of EUR 380.1 million, net financial liabilities were down by EUR 29.7 million, reflecting the management's ambition to maintain a robust financial position in support of transformation. Non-current financial liabilities amounted to EUR 287.1 million, while current items totaled EUR 169.3 million.

This resulted in a net debt-to-EBITDA⁴ ratio of 1.7 (Dec. 31, 2023: 1.6). This represents an improvement on the figure of 1.9 at the end of the first half of 2023.

Non-current liabilities as a whole amounted to EUR 454.8 million or 22.7% of the balance sheet total at the end of the first half of 2024. Current liabilities had a total carrying amount of EUR 647.0 million, accounting for 32.2% of the balance sheet total at the end of the period under review.

³ Current and non-current financial liabilities less cash and cash equivalents and short-term securities

⁴ EBITDA: Earnings before interest, taxes, depreciation, and amortization

The return on capital employed (ROCE) as of June 30, 2024, was 6.2% (June 30, 2023: 5.6%) or 6.3% (June 30, 2023: 6.7%) taking into account the same non-recurring effects as for adjusted EBIT.

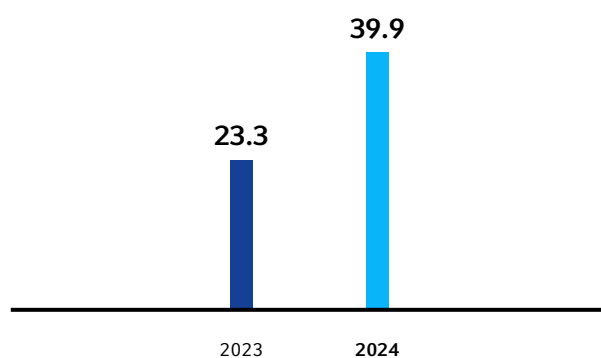
Cash flow from operating activities at EUR 40 million

The ElringKlinger Group generated net cash from operating activities of EUR 39.9 million in the first half of 2024 (H1 2023: EUR 23.3 million). In the second quarter of 2024 financial year, ElringKlinger recorded net cash from operating activities of EUR 23.2 million (Q2 2023: EUR 26.8 million).

In contrast to earnings before taxes for the period of EUR 33.8 million (H1 2023: EUR 28.0 million), non-cash components of earnings were eliminated, as is customary, when calculating operating cash flow. In this context, the largest item is depreciation and amortization (less write-ups) of non-current assets for the period, which amounted to EUR 54.3 million in the first six months of 2024 (H1 2023: EUR 57.4 million). Interest paid in this period reduced cash by EUR 11.3 million (H1 2023: EUR 10.8 million).

Furthermore, the use of funds for net working capital, i.e., the funds used for inventories and trade receivables after deducting trade payables, also had a significant bearing on cash flows. By its very nature, this use of funds is subject to continuous fluctuation, as it is closely linked to prevailing revenue and order levels as well as market conditions. These changes in inventories (including changes in other assets and liabilities that are not attributable to investing or financing activities) resulted in an outflow of EUR 39.3 million for the Group in the year to date, slightly less than in the same period of the previous year (H1 2023: EUR 47.7 million). The second quarter of 2024 accounted for an outflow of EUR 11.0 million (Q2 2023: outflow of EUR 2.0 million).

Cash flow from operating activities 1st half in EUR million



Slight increase in investments in property, plant, and equipment

Capital expenditure on property, plant, and equipment amounted to EUR 39.6 million in the first half of 2024 (H1 2023: EUR 29.7 million). Thus, the ElringKlinger Group invested around EUR 10.0 million more in the first half of 2024 than in the same period a year ago. This trend was also evident in the second quarter, which accounted for EUR 22.7 million (Q2 2023: EUR 17.4 million) of these outflows.

A key area of expenditure related to the expansion and alignment of production activities in support of the Group's strategic goal of transforming its portfolio. Accordingly, a larger proportion of investments was spent on battery and fuel cell technology. The latter is associated with the Group company EKPO; here investments were directed at both the established center at the headquarters in Dettingen/Erms and the US subsidiary. In the first two quarters of 2024, ElringKlinger made larger investments in production facilities and assembly lines for upcoming customer projects and series production ramp-ups in the area of battery technology, for which ElringKlinger AG's specialist plant in Neuffen, Germany, is responsible.

Cash outflows for investments related to all segments and Group regions. The Group's portfolio transformation is embedded within the new SHAPE30 Group strategy. In addition to the expansion of the E-Mobility and Lightweighting business units as well as applications for the hydrogen economy, it also

involves a steady stream of innovations and corresponding investment measures for the long-standing business units.

Capital expenditure on intangible assets amounted to EUR 11.2 million in the first half of 2024 (H1 2023: EUR 10.8 million). Of this amount, EUR 5.3 million was attributable to the second quarter of 2024 (Q2 2023: EUR 5.9 million). This item mainly consists of capitalized development costs with a focus on electromobility applications.

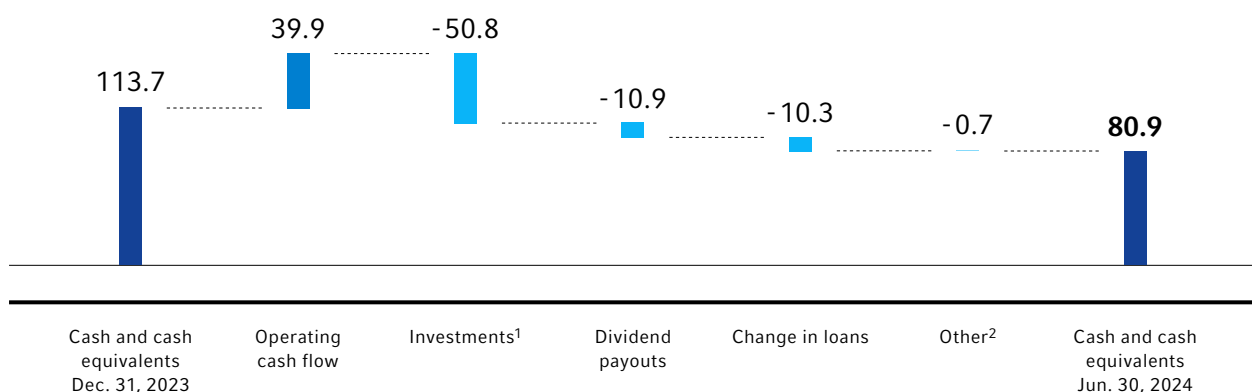
As expected, the investment ratio (payments for investments in property, plant, and equipment in relation to Group revenue) in the first half of 2024 rose year on year to 4.3% (H1 2023: 3.1%), with an increase to 5.1% (Q2 2023: 3.7%) being recorded in the second quarter in particular as a result of preparations for the series production of major orders.

Slight improvement in operating free cash flow

Net cash from operating activities did not fully cover payments for investments in the first half of the year or in the first two quarters of 2024 in each case. This resulted in operating free cash flow of EUR -10.3 million for the reporting period. Nevertheless, the Group achieved a slight improvement compared to the same period of the previous year, when operating free cash flow had stood at EUR -16.5 million. In the second quarter of 2024, operating free cash flow amounted to EUR -4.5 million (Q2 2023: EUR 3.7 million).

Changes in cash 1st half 2024

in EUR million



¹ Payments for investments in property, plant, and equipment and intangible assets

² Including proceeds of EUR 14.0 million from OPmobility for investment in EKPO and utilization of funds of EUR 12.7 million for short-term securities

Reduction in long-term loans

In the first half of 2024, ElringKlinger used net funds of EUR 10.3 million relating to changes in non-current and current loans, which were mainly channeled into the repayment of non-current loans. The distributions to shareholders and non-controlling interests in the amount of EUR 10.9 million, which were almost exclusively effected in the second quarter of 2024, are also attributable to cash flow from financing activities. At the same time, the Group received EUR 14.0 million in the first quarter of 2024 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 outflow from financing activities amounted to EUR 7.2 million in the first six months of 2024 (H1 2023: cash inflow of EUR 16.3 million). In the second quarter, net cash from financing activities amounted to EUR -37.6 million (Q2 2023: EUR 11.5 million).

At the end of the first half of 2024, the ElringKlinger Group had cash and cash equivalents of EUR 80.9 million (Jun. 30, 2023: EUR 109.4 million) and open, unused credit lines of EUR 299.1 million (Jun. 30, 2023: EUR 213.0 million).

Opportunities and Risks

Risks emanating from geopolitical events have persisted in the first half of 2024. Alongside the uncertainties relating to the US presidential elections, which will be held in November 2024, the first half produced new imponderables surrounding protective tariffs and associated trade conflicts. Tariffs and retaliatory measures tend to have an impact on international trade and may prove detrimental to the global economy. In particular, trade relations between the United States, China, and the European Union were strained in the period under review, which also affected the automotive sector and thus ElringKlinger. In July 2024, the EU Commission imposed additional tariffs on e-cars from China on a provisional basis, citing the cost advantages enjoyed by Chinese manufacturers as a result of anti-competitive subsidies granted by the Chinese government. The Chinese government has announced that it intends to implement countermeasures. It remains to be seen what the final outcome of this cascade of measures and international negotiations at a political level will be.

As regards other opportunities and risks for the ElringKlinger Group, the first half 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

Report on Expected Developments

Outlook – Market and Sector

According to economists⁵, the global economy is again expected to experience a moderate upturn in the second half of 2024. In its latest outlook for 2024 as a whole, the International Monetary Fund (IMF) predicts that global economic output will be up 3.2% on the previous year. Global trade in goods is likely to expand only slightly at first.

The growth disparities between industrialized countries are expected to diminish further. In the United States, the economy is expected to cool slightly after a period of more dynamic revival coinciding with a decline in consumption. In contrast, Japan and the eurozone are expected to experience continued economic recovery. In Europe, impetus is likely to come from an upturn in private consumption, underpinned by an increase in wages in real terms, favorable labor market conditions, and lower inflation.

The emerging Asian countries, particularly the heavyweight economies of China and India, are likely to continue to act as the engine of growth for the global economy. Nevertheless, the trend toward lower growth rates is expected to persist in China due to the real estate crisis, high levels of corporate debt, deteriorating employment prospects, and the stance taken on trade policy.

Leading central banks may continue to adhere to their restrictive policies for longer in response to the slow pace of disinflation, according to the IMF, but fundamentally the trend appears to be towards interest rate cuts in the second half of 2024. Import duties and industrial policy measures, as reflected in the recent tensions between the USA, the EU, and China in the automotive sector, could pose a further risk to global trade.

GDP growth projections

Year-on-year change in %	2023	2024e ¹
World	3.3	3.2
Advanced economies	1.7	1.7
Emerging and developing countries	4.4	4.3
Germany	-0.2	0.2
Eurozone	0.5	0.9
USA	2.5	2.6
Brazil	2.9	2.1
China	5.2	5.0
India	8.2	7.0
Japan	1.9	0.7

¹ Projection
Source: IMF (July 2024)

Stagnation of global vehicle production

According to the July 2024 forecast presented by industry data service provider S&P Mobility, global vehicle production will reach 88.7 million light vehicles (passenger cars and light commercial vehicles) in 2024. The institute has thus revised its forecast downwards compared to the previous quarter (90.5 million vehicles) across all key regions. Overall, this would suggest that the global market is trending slightly lower compared to the previous year, which had seen significant growth and the replenishment of stocks.

Projections Light vehicle production

Region	Vehicles millions		Year-on-year change
	2023	2024e ¹	
Europe ²	17.3	16.4	-5.6%
China	29.0	29.1	0.0%
Japan/Korea	12.8	12.1	-5.3%
Middle East/Africa	2.3	2.2	-3.0%
North America	15.7	15.8	0.6%
South America	2.9	2.8	-2.9%
South Asia	9.8	9.6	-2.2%
World	90.5	88.7	-2.0%

¹ Projection
² excl. Russia
Source: S&P Global Mobility, July 2024

⁵ Statements based on data provided by the International Monetary Fund, the Kiel Institute for the World Economy (IfW), HSBC Bank, and own research

Sales markets show slight growth

According to data published by the German association of automotive industry VDA in July 2024, the international sales markets, measured in terms of new car and light vehicle registrations, will generate slight growth almost across the board over the year as a whole. In this context, an increase of

around 2% to 15.7 million light vehicles (passenger cars and light commercial vehicles) is expected for the United States and a slight rise of around 1% to 21.9 million passenger cars for China. In Europe (EU, EFTA, UK), new car registrations may rise by around 4% to 13.3 million new vehicles in 2024 as a whole.

Outlook – Company

Business conditions in the automotive industry remain challenging. In addition to being driven by geopolitical tensions, including trade policies centered around customs measures, this is also attributable to macroeconomic developments such as inflation and economic growth as well as industry-specific factors such as declining demand for electric vehicles and debate in Europe about lifting the bans imposed on combustion engines. Fundamentally, this translates into persistent uncertainty and volatility. Nevertheless, ElringKlinger is of the opinion that the trend toward the decarbonization of mobility and the general upturn in demand for electric vehicles remains essentially intact.

Order intake influenced by currency effects

Currency effects had a significant impact on incoming orders: based on reported figures, the Group's order intake in the second quarter of 2024 was EUR 364.9 million (Q2 2023: EUR 373.8 million), down 2.4% or EUR 8.9 million on the same period of the previous year. Assuming stable exchange rates, however, order intake increased by 1.4% or EUR 5.1 million. The Group also saw an improvement in customer call-off volumes in the first half of the year: after EUR 848.7 million in the first half of 2023, the Group recorded incoming orders of EUR 854.3 million in the first six months of 2024 – an increase of 0.7% or EUR 5.6 million. Excluding exchange rate effects, growth in this area amounted to 2.4% or EUR 20.6 million.

In this context, it should be noted that ElringKlinger only uses the order book recording customers' short-term orders placed as part of their scheduling arrangements to determine its key order indicators (order intake and order backlog). These call-offs, i. e., orders placed by customers as part of their scheduling arrangements, refer to the period

immediately thereafter, but not to the nomination volume over the respective contract periods.

Order backlog, which comprises customers' aggregated and as yet unrealized short-term call-offs, amounted to EUR 1,249.3 million at the end of the quarter under review (Jun. 30, 2023: EUR 1,354.1 million). In the case of order backlog, currency effects had a minor impact in the second quarter of 2024; assuming stable exchange rates, order backlog was up EUR 9.6 million or 0.8% at EUR 1,258.9 million.

Guidance confirmed

Against the backdrop of generally challenging economic and geopolitical conditions, ElringKlinger can confirm its guidance for the current financial year on the basis of its half-year results and current market assessments. Accordingly, the Group remains confident that it will be in a position to slightly exceed last year's revenue in organic terms in the current financial year. Amid difficult and uncertain market conditions, the Group assumes that the new series production orders for electric vehicles will ramp up and that general projections regarding the production of light and commercial vehicles will not be subject to any significant further adjustments.

ElringKlinger continues to anticipate an adjusted EBIT margin, i. e., adjusted earnings before interest and taxes (based on the definition presented in the 2023 annual report) in relation to Group revenue, of around 5%. Furthermore, the Group anticipates operating free cash flow of around 2% of Group revenue and ROCE of around 6% in 2024.

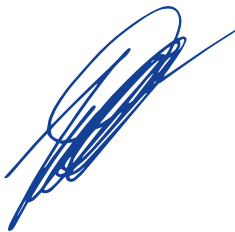
Mid-term outlook

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, August 7, 2024

Management Board



Thomas Jessulat
CEO



Reiner Drews



Dirk Willers

ElringKlinger and the Capital Markets

Stock market with mixed performance

Stock markets performed very well in many regions over the course of the first half of 2024. Market activity was shaped by initial interest rate cuts implemented by the world’s major central banks, together with economic and inflationary trends, the momentum provided by artificial intelligence (AI), and the ongoing conflicts in Ukraine and Gaza.

Meanwhile, falling inflation rates in the eurozone and the US over the course of the first half of the year provided positive impetus for central banks, which for their part are “navigating by sight.” The US Fed left its benchmark interest rate in a target range of 5.25% to 5.50% in the first half of the year but held out the prospect of interest rate cuts in the course of the year. The ECB, by contrast, lowered the main refinancing rate from 4.50% to 4.25%.

Although the performance of Germany’s blue-chip index, the DAX, was well into positive territory, the German stock market as a whole recorded a net outflow of liquidity on account of the economic outlook. It was evident that investors often preferred other asset classes or regions. Stocks with a lower market capitalization (small and mid caps) were particularly negatively affected by this, as they tend to have higher valuation discounts compared to larger stocks (large caps) in

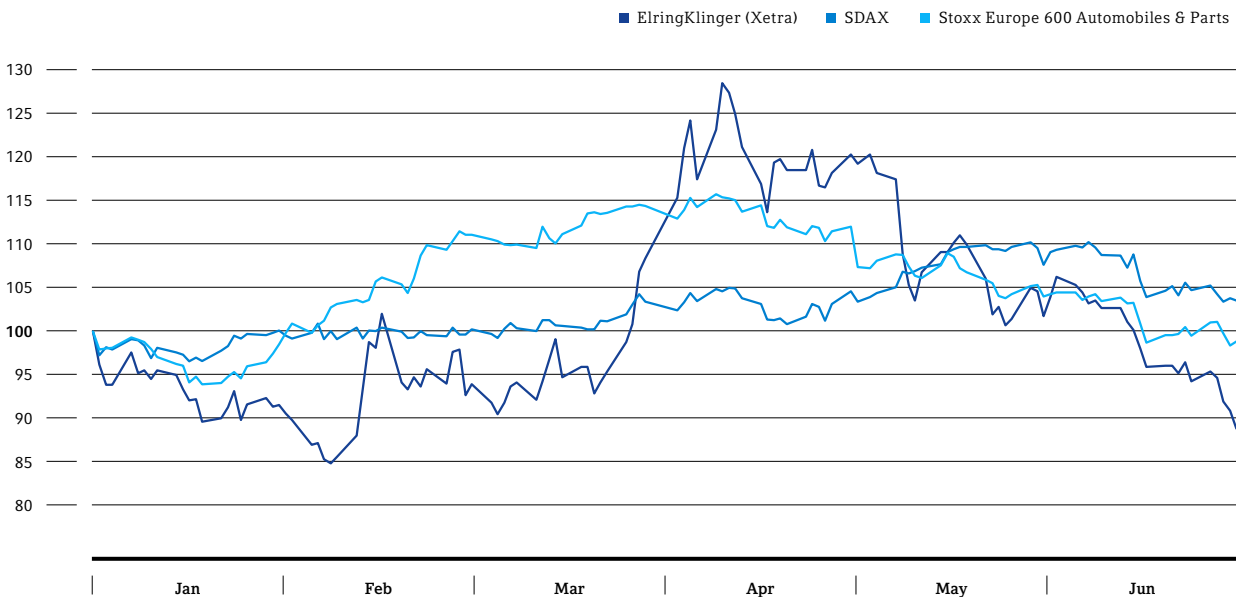
the event of an outflow of liquidity. This explains the mixed performance of the principal German share indices: the DAX blue-chip index rose by 8.9% in the first half of 2024 and the SDAX by just 2.6%, while the MDAX fell by as much as 7.2%.

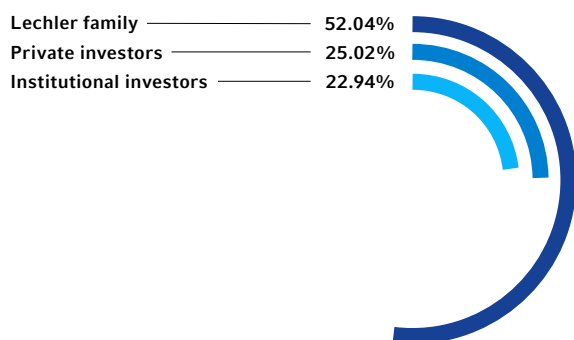
The international markets, particularly those of Japan and the United States, developed positively over the first half of the year. The broad-market S&P 500 rose by 15.3% between January and June 2024, while the tech-laden Nasdaq 100 index gained 17.5%. The Euro Stoxx 50 also gained ground with growth of 11.2%, although it lagged behind the performance of the aforementioned US indices. The US market rally was underpinned by AI-induced momentum and the performance of major tech companies.

Following on from 2023, the Japanese stock market remained bullish, with the Nikkei gaining 19.3% in the first six months of 2024. Meanwhile, investors in China showed concern over the local economy, prompting a less favorable performance of the key Chinese indices compared to their European and US counterparts. Hong Kong’s Hang Seng was up 6.2% at the end of June, while the SSE Composite Index of the Shanghai Stock Exchange gained just 0.9%.

ElringKlinger’s share price performance from January 1 to June 30, 2024 (indexed)

in %



Shareholder structure as of June 30, 2024**ElringKlinger stock at year-to-date high thanks to financial results**

On the back of the favorable stock market reaction to the publication of the financial results for 2023 on March 27, 2024, ElringKlinger's share price continued to rise, reaching its high for the year to date of EUR 7.20 on April 9. However, similar to the route taken by the market as a whole and other automotive stocks, the company's share price subsequently trended downwards again. Alongside short-term profit-taking in the case of ElringKlinger shares, the key industry indices were also impacted by the prospect of trade barriers in the second quarter of 2024. Specifically, the EU Commission announced tariffs on electric cars imported from China in the second quarter of 2024. In general, automotive stocks underperformed the market as a whole in the first half of 2024. This also applied to ElringKlinger's shares. At the end of the second quarter of 2024, the company's share price stood at EUR 4.98.

Trading volume of around 50 thousand shares per day

At an average of 49,908 shares per stock exchange day, the volume traded in the second quarter of 2024 was lower than in the same period of the previous year (Q2 2023: 72,325 shares). Thus, ElringKlinger's stock also saw a reduction in the daily trading value on German stock exchanges, reaching an average of EUR 0.3 million per day in the second quarter, a lower figure than in the same period last year (Q2 2023: EUR 0.6 million). The stock's liquidity was sufficiently high at all times during the quarter under review, thus providing the basis for larger share transactions to be concluded during this period.

Engaged in dialogue with the capital markets

ElringKlinger maintained its close dialogue with international investors, analysts, and other capital market players over the course of the second quarter of 2024. The financial results for

the first quarter of 2024 were published on May 7. The Management Board presented the key financials for the first quarter to the large number of capital market participants in attendance. Between April and June 2024, ElringKlinger AG also engaged with the capital market at two investor conferences and roadshows, both in person and in a virtual format. In addition, the company held numerous one-on-one meetings with investors and analysts.

Virtual Annual General Meeting in May

The 119th Annual General Meeting of ElringKlinger AG was held on May 16, 2024. The shareholders approved all proposed resolutions with a clear majority. In total, 72.0% of the voting share capital was represented at the Annual General Meeting. The proposed dividend payout of EUR 0.15 per share, unchanged year on year, was approved by a large majority of 99.7%. In addition, the Annual General Meeting approved the actions of the Management Board and the Supervisory Board with 98.0% and 96.4% of the votes respectively, in addition to approving the compensation report as well as the compensation system of the Management Board members. Furthermore, a replacement election was held for the Supervisory Board: 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, Ludger Heuberg was elected as a new member of the Supervisory Board as proposed by the Annual General Meeting.

Former Chairman of the Audit Committee Helmut P. Merch succeeded Klaus Eberhardt as Chairman of the Supervisory Board of ElringKlinger AG. At the Supervisory Board meeting subsequent to the Annual General Meeting, Merch was elected as the new Chairman of the Supervisory Board and Ludger Heuberg was elected Chairman of the Audit Committee at this meeting.

ElringKlinger Stock (WKN 785 602)

	2 nd quarter 2024	2 nd quarter 2023
Number of shares outstanding	63,359,990	63,359,990
Share price (daily price in EUR) ¹		
High	7.20	10.64
Low	4.98	8.02
Closing price ²	4.98	8.25
Average daily trading volume ³ (volume of shares traded)	49,908	72,325
Average daily trading value ³ (in EUR)	311,623	677,143
Market capitalization (EUR million) ^{1,2}	315.2	522.7

¹ Xetra trading

² as of June 30

³ German stock exchanges

Group Income Statement

of ElringKlinger AG, January 1 to June 30, 2024

EUR k	2 nd quarter 2024	2 nd quarter 2023	1 st half 2024	1 st half 2023
Sales revenue	444,952	468,722	910,248	956,437
Cost of sales	- 335,480	- 368,718	- 690,131	- 744,854
Gross profit	109,472	100,004	220,117	211,583
Selling expenses	- 39,383	- 37,870	- 77,494	- 76,255
General and administrative expenses	- 25,157	- 26,363	- 51,772	- 51,969
Research and development costs	- 22,511	- 19,029	- 43,472	- 41,552
Other operating income	3,588	6,262	6,763	9,775
Other operating expenses	- 3,598	- 6,269	- 7,939	- 8,825
Earnings before interest and taxes (EBIT)	22,411	16,735	46,203	42,757
Finance income	7,005	9,117	10,057	9,611
Finance costs	- 12,639	- 14,815	- 20,465	- 21,832
Share of result of associates	- 847	403	- 1,971	- 2,523
Net finance costs	- 6,481	- 5,295	- 12,379	- 14,744
Earnings before taxes	15,930	11,440	33,824	28,013
Income tax expense	- 6,457	- 11,909	- 14,520	- 24,125
Net income	9,473	- 469	19,304	3,888
of which: attributable to non-controlling interests	- 340	- 2,838	- 3,856	- 5,150
of which: attributable to shareholders of ElringKlinger AG	9,813	2,369	23,160	9,038
Basic and diluted earnings per share in EUR	0.15	0.04	0.37	0.14

Group Statement of Comprehensive Income

of ElringKlinger AG, January 1 to June 30, 2024

EUR k	2 nd quarter 2024	2 nd quarter 2023	1 st half 2024	1 st half 2023
Net income	9,473	-469	19,304	3,888
Currency translation difference	-10,082	-11,968	-17,230	-10,327
Share of other comprehensive income of associates	-49	-128	-116	-83
Gains and losses that can be reclassified to the income statement in future periods	-10,131	-12,096	-17,346	-10,410
Gains and losses that cannot be reclassified to the income statement in future periods	0	0	0	0
Other comprehensive income after taxes	-10,131	-12,096	-17,346	-10,410
Total comprehensive income	-658	-12,565	1,958	-6,522
of which: attributable to non-controlling interests	-442	-3,678	-4,049	-6,275
of which: attributable to shareholders of ElringKlinger AG	-216	-8,887	6,007	-247

Group Statement of Financial Position

of ElringKlinger AG, as at June 30, 2024

EUR k	Jun. 30, 2024	Dec. 31, 2023	Jun. 30, 2023
ASSETS			
Intangible assets	173,893	168,151	151,552
Property, plant and equipment	856,175	857,981	875,267
Financial assets	11,815	11,646	13,696
Shares in associates	12,002	14,089	14,063
Non-current income tax assets	2,684	2,464	2,629
Other non-current assets	2,009	1,732	11,814
Deferred tax assets	25,567	24,889	21,323
Contract performance costs	5,914	5,348	5,973
Non-current contract assets	5,798	5,991	357
Non-current assets	1,095,857	1,092,291	1,096,674
Inventories	459,107	436,276	438,927
Current contract assets	4,481	7,327	6,757
Trade receivables	247,522	246,908	293,979
Current income tax assets	18,804	20,243	4,063
Other current assets	100,834	91,420	91,288
Cash and cash equivalents	80,914	113,712	109,351
Current assets	911,662	915,886	944,365
	2,007,519	2,008,177	2,041,039

EUR k	Jun. 30, 2024	Dec. 31, 2023	Jun. 30, 2023
LIABILITIES AND EQUITY			
Share capital	63,360	63,360	63,360
Capital reserves	118,238	118,238	118,238
Revenue reserves	684,905	671,249	640,974
Other reserves	-26,872	-9,719	-8,362
Equity attributable to the shareholders of ElringKlinger AG	839,631	843,128	814,210
Non-controlling interest in equity	66,121	67,552	71,788
Equity	905,752	910,680	885,998
Provisions for pensions	102,682	103,968	97,800
Non-current provisions	28,028	23,713	18,349
Non-current financial liabilities	287,114	282,227	384,968
Non-current contract liabilities	1,367	1,562	1,653
Deferred tax liabilities	29,419	25,851	25,905
Other non-current liabilities	6,175	6,419	9,900
Non-current liabilities	454,785	443,740	538,575
Current provisions	49,956	50,939	68,381
Trade payables	224,253	216,931	203,912
Current financial liabilities	169,336	167,711	125,283
Current contract liabilities	12,603	14,740	14,530
Tax payable	18,959	20,933	36,401
Other current liabilities	171,875	182,503	167,959
Current liabilities	646,982	653,757	616,466
	2,007,519	2,008,177	2,041,039

Group Statement of Changes in Equity

of ElringKlinger AG, January 1 to June 30, 2024

EUR k

	Share capital	Capital reserves	Revenue reserves
Balance as of Dec. 31, 2022	63,360	118,238	641,440
Dividend distribution			-9,504
Capital increase ¹			
Total comprehensive income			9,038
Net income			9,038
Other comprehensive income			
Balance as of Jun. 30, 2023	63,360	118,238	640,974
Balance as of Dec. 31, 2023	63,360	118,238	671,249
Dividend distribution			-9,504
Capital increase ¹			
Total comprehensive income			23,160
Net income			23,160
Other comprehensive income			
Balance as of Jun. 30, 2024	63,360	118,238	684,905

¹ Capital increase concerning EKPO Fuel Cell Technologies GmbH

Other reserves			Equity attributable to the shareholders of ElringKlinger AG	Non-controlling interests in equity	Group equity
Remeasurement of defined benefit plans, net	Equity impact of controlling interests	Currency translation differences			
-18,760	48,317	-28,634	823,961	72,872	896,833
			-9,504	-809	-10,313
			0	6,000	6,000
		-9,285	-247	-6,275	-6,522
			9,038	-5,150	3,888
		-9,285	-9,285	-1,125	-10,410
-18,760	48,317	-37,919	814,210	71,788	885,998
-24,115	48,069	-33,673	843,128	67,552	910,680
			-9,504	-1,382	-10,886
			0	4,000	4,000
		-17,153	6,007	-4,049	1,958
			23,160	-3,856	19,304
		-17,153	-17,153	-193	-17,346
-24,115	48,069	-50,826	839,631	66,121	905,752

Group Statement of Cash Flows

of ElringKlinger AG, January 1 to June 30, 2024

EUR k	2 nd quarter 2024	2 nd quarter 2023	1 st half 2024	1 st half 2023
Earnings before taxes	15,930	11,440	33,824	28,013
Depreciation/amortization (less write-ups) of non-current assets	27,329	29,889	54,344	57,436
Net interest	5,785	7,269	10,403	12,095
Change in provisions	-4,778	-2,586	2,396	2,039
Gains/losses on disposal of non-current assets	-236	179	-69	161
Share of result of associates	847	-403	1,971	2,523
Change in inventories, trade receivables and other assets not resulting from financing and investing activities	4,057	-8,403	-31,592	-39,455
Change in trade payables and other liabilities not resulting from financing and investing activities	-15,055	10,386	-7,690	-8,293
Income taxes paid	-6,756	-10,200	-13,410	-16,885
Interest paid	-6,312	-6,252	-11,336	-10,756
Interest received	713	621	1,464	1,005
Other non-cash expenses and income	1,666	-5,187	-359	-4,537
Net cash from operating activities	23,190	26,753	39,946	23,346
Proceeds from disposals of property, plant and equipment and intangible assets	336	293	592	594
Proceeds from disposals of financial assets	4,813	8	15,539	3,880
Payments for investments in intangible assets	-5,326	-5,924	-11,239	-10,764
Payments for investments in property, plant and equipment	-22,670	-17,386	-39,575	-29,707
Payments for investments in financial assets	-17,914	-1,000	-28,258	-6,854
Payments for shares in associates	0	-1,800	0	-1,800
Net cash from investing activities	-40,761	-25,809	-62,941	-44,651
Payments received from non-controlling interests	0	6,000	14,000	16,000
Dividends paid to shareholders and to non-controlling interests	-10,870	-10,295	-10,886	-10,313
Proceeds from the addition of long-term loans	0	30,234	255	47,494
Payments for the repayment of long-term loans	-4,950	-59,927	-10,409	-90,469
Change in current loans	-21,781	45,476	-170	53,546
Net cash from financing activities	-37,601	11,488	-7,210	16,258
Changes in cash	-55,172	12,432	-30,205	-5,047
Effects of currency exchange rates on cash	-1,532	-3,222	-2,593	-4,705
Cash at beginning of period	137,618	100,141	113,712	119,103
Cash at end of period	80,914	109,351	80,914	109,351

Group Sales Revenue

of ElringKlinger AG, January 1 to June 30, 2024

Sales revenue by regions

EUR k	2 nd quarter 2024	2 nd quarter 2023	1 st half 2024	1 st half 2023
Germany	100,228	94,904	194,641	192,083
Rest of Europe	139,899	145,760	293,049	304,854
North America	113,839	119,857	235,132	247,568
Asia-Pacific	65,545	83,867	136,229	165,310
South America and Rest of World	25,441	24,334	51,197	46,622
Group	444,952	468,722	910,248	956,437

Sales revenue by segments

EUR k	2 nd quarter 2024	2 nd quarter 2023	1 st half 2024	1 st half 2023
Lightweighting/Elastomer Technology	121,353	149,304	253,502	305,577
Metal Sealing Systems & Drivetrain Components	121,654	126,432	247,540	257,464
Metal Forming & Assembly Technology	67,612	72,981	137,750	147,596
E-Mobility	17,685	10,926	28,974	17,120
Exhaust Gas Purification	7	71	10	1,065
Others	0	1	1	2
Segment Original Equipment	328,311	359,715	667,777	728,824
Segment Original Equipment	328,311	359,715	667,777	728,824
Segment Aftermarket	84,813	75,607	175,200	157,270
Segment Engineered Plastics	31,466	32,662	66,302	68,607
Sale of goods	444,590	467,984	909,279	954,701
Proceeds from the rendering of services	362	738	969	1,736
Revenue from contracts with customers	444,952	468,722	910,248	956,437
Income from rental and leasehold	0	0	0	0
Group	444,952	468,722	910,248	956,437

Segment Reporting

of ElringKlinger AG, April 1 to June 30, 2024

Segment	Original Equipment		Aftermarket		Engineered Plastics	
	2 nd quarter 2024	2 nd quarter 2023	2 nd quarter 2024	2 nd quarter 2023	2 nd quarter 2024	2 nd quarter 2023
EUR k						
External revenue	328,311	359,715	84,813	75,607	31,466	32,662
Intersegment revenue	8,095	7,161	0	0	101	18
Segment revenue	336,406	366,876	84,813	75,607	31,567	32,680
EBIT¹	-1,356	-976	20,548	18,423	2,694	2,054
Adjustments	29	4,331	0	591	0	470
EBIT adjusted²	-1,327	3,355	20,548	19,014	2,694	2,524
Depreciation and amortization ³	-23,574	-24,370	-1,643	-803	-1,635	-1,678
Capital expenditures ⁴	28,639	21,993	1,128	800	1,127	1,425

January 1 to June 30, 2024

Segment	Original Equipment		Aftermarket		Engineered Plastics	
	1 st half 2024	1 st half 2023	1 st half 2024	1 st half 2023	1 st half 2024	1 st half 2023
EUR k						
External revenue	667,777	728,824	175,200	157,270	66,302	68,607
Intersegment revenue	20,111	17,784	0	0	109	34
Segment revenue	687,888	746,608	175,200	157,270	66,411	68,641
EBIT¹	-3,983	-157	43,226	38,266	5,987	7,173
Adjustments	267	4,660	0	591	0	470
EBIT adjusted²	-3,716	4,503	43,226	38,857	5,987	7,643
Depreciation and amortization ³	-47,097	-48,925	-3,287	-1,571	-3,236	-3,351
Capital expenditures ⁴	59,753	39,065	2,538	1,437	2,040	2,669

¹ Earnings before interest and taxes

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

³ Scheduled depreciation and amortization

⁴ Investments in intangible assets and property, plant and equipment

	Other		Consolidation		Group	
	2 nd quarter 2024	2 nd quarter 2023	2 nd quarter 2024	2 nd quarter 2023	2 nd quarter 2024	2 nd quarter 2023
	362	738	0	0	444,952	468,722
	3,858	3,192	-12,054	-10,371	0	0
	4,220	3,930	-12,054	-10,371	444,952	468,722
	525	-2,766			22,411	16,735
	19	2,720			48	8,112
	544	-46			22,459	24,847
	-250	-502			-27,102	-27,353
	15	101			30,909	24,319

	Other		Consolidation		Group	
	1 st half 2024	1 st half 2023	1 st half 2024	1 st half 2023	1 st half 2024	1 st half 2023
	969	1,736	0	0	910,248	956,437
	7,491	6,306	-27,711	-24,124	0	0
	8,460	8,042	-27,711	-24,124	910,248	956,437
	973	-2,525			46,203	42,757
	19	2,720			286	8,441
	992	195			46,489	51,198
	-497	-1,053			-54,117	-54,900
	157	168			64,488	43,339

Notes to the First Half 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 June 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 June 30, 2024, do not include all information and disclosures required under IFRS for annual consolidated financial statements.

The consolidated interim financial statements as of June 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 August 7, 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-Ukraine 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 June 30, 2024, include the financial statements of seven domestic and 36 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., based in Qingdao, China, and ElringKlinger South Carolina, LLC., based in Easley, USA.

Newly established entity

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

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

Exchange rates

Exchange rates developed as follows:

Currency	Abbr.	Closing rate		Average rate	
		Jun. 30, 2024	Dec. 31, 2023	Jan. – Jun. 2024	Jan. – Dec. 2023
US dollar (USA)	USD	1.07050	1.10500	1.07915	1.08285
Pound (United Kingdom)	GBP	0.84638	0.86905	0.85347	0.86880
Swiss franc (Switzerland)	CHF	0.96340	0.92600	0.96478	0.97166
Canadian dollar (Canada)	CAD	1.46700	1.46420	1.46825	1.46195
Real (Brazil)	BRL	5.89150	5.36180	5.53493	5.39402
Mexican peso (Mexico)	MXN	19.56540	18.72310	18.53168	19.06578
RMB (China)	CNY	7.77480	7.85090	7.79592	7.68393
WON (South Korea)	KRW	1,474.86000	1,433.66000	1,467.72833	1,420.12250
Rand (South Africa)	ZAR	19.49700	20.34770	20.26750	20.04102
Yen (Japan)	JPY	171.94000	156.33000	166.15000	153.17583
Forint (Hungary)	HUF	395.10000	382.80000	391.37500	380.57417
Turkish lira (Turkey)	TRY	35.18680	32.65310	34.41903	26.25843
Leu (Romania)	RON	4.97730	4.97560	4.97497	4.95140
Indian rupee (India)	INR	89.24950	91.90450	89.84563	89.43426
Indonesian rupiah (Indonesia)	IDR	17,487.21000	17,079.71000	17,303.89667	16,482.53083
Bath (Thailand)	THB	39.31900	37.97300	39.29300	37.71792
Swedish krona (Sweden)	SEK	11.35950	11.09600	11.42362	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.

There were no other significant events or business transactions in the second quarter.

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:

EUR k	Cash	Trade receivables	Other current assets	Derivatives	Non-current securities		Other financial investments		Total
	CA	CA	CA	CA	CA	FV	CA	FV	CA
as of Jun. 30, 2024									
Financial assets measured at amortized cost	80,914	247,522	29,774	0	1,362	1,363	8	8	359,580
Financial assets measured at fair value through profit or loss	0	0	9,975	215	0	0	10,234	10,234	20,424
Financial assets measured at fair value through other comprehensive income	0	0	0	0	203	203	8	8	211
Total	80,914	247,522	39,749	215	1,565	1,566	10,250	10,250	380,215
as of Dec. 31, 2023									
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
Total	113,712	246,908	37,776	516	1,575	1,575	10,071	10,071	410,558

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
as of Jun. 30, 2024				
Financial liabilities measured at amortized cost	67,142	152,343	16,993	224,253
Financial liabilities measured at fair value through profit or loss	0	0	n. a.	0
as of Dec. 31, 2023				
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
as of Jun. 30, 2024						
Financial liabilities measured at amortized cost	0	0	250,676	226,859	36,438	747,845
Financial liabilities measured at fair value through profit or loss	10,976	10,976	0	0	n. a.	10,976
as of Dec. 31, 2023						
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 in the amount of EUR 25,177k (Dec. 31, 2023: EUR 12,983k) and the current portion of the outstanding contribution from Plastic Omnium measured at present value in the amount of EUR 9,975k (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 June 30, 2024:

EUR k	Level 1	Level 2	Level 3
Jun. 30, 2024			
Financial assets			
Non-current securities	203	0	0
Other financial investments	8	0	10,234
Derivatives*	0	215	0
Total	211	215	10,234
Financial liabilities			
Derivatives*	0	10,976	0
Total	0	10,976	0
Dec. 31, 2023			
Financial assets			
Non-current securities	213	0	0
Other financial investments	8	0	10,055
Derivatives*	0	516	0
Total	221	516	10,055
Financial liabilities			
Derivatives*	0	9,719	0
Total	0	9,719	0

* 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 June 30, 2024:

EUR k	Level 1	Level 2	Level 3
Jun. 30, 2024			
Financial assets			
Non-current securities	1,363	0	0
Other financial investments	0	0	8
Total	1,363	0	8
Financial liabilities			
Non-current financial liabilities	0	226,859	0
Purchase price liability from written put option	0	0	39,434
Total	0	226,859	39,434
Dec. 31, 2023			
Financial assets			
Non-current securities	1,362	0	0
Other financial investments	0	0	8
Total	1,362	0	8
Financial liabilities			
Non-current financial liabilities	0	214,324	0
Purchase price liability from written put option	0	0	39,434
Total	0	214,324	39,434

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 half of 2024.

Government grants

Other operating income in the first half of 2024 includes government grants totaling EUR 2,748k (Jun. 30, 2023: EUR 2,385k). 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 1,842k (Jun. 30, 2023: EUR 796k) (net method).

Events after the reporting period

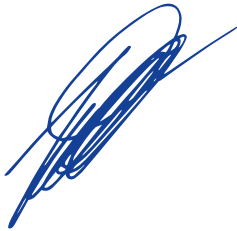
There were no further significant events after the end of the interim reporting period that would necessitate additional explanatory disclosure.

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, August 7, 2024

Management Board



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Reiner Drews



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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

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 August 7, 2024, and is available in German and English. Only the German version shall be legally binding.

Financial Calendar 2024

NOVEMBER

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Financial Results
on the 3rd Quarter and
1st Nine Months of 2024

MAY 2025

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120th Annual General
Shareholders' Meeting

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

For trade fairs please visit our websites:

www.elringklinger.de/en/press/dates-events

www.elring.com/dates-events



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