

March 27th, 2025

EDAG ENGINEERING GROUP AG

# ANALYST CALL FINANCIAL YEAR 2024

YOUR GLOBAL MOBILITY AND  
INDUSTRY ENGINEERING EXPERTS



# WELCOME TO TODAY'S ANALYST CALL



**Harald Keller**

CEO



**Holger Merz**

CFO

# EDAG GROUP FINANCIAL YEAR 2024

## KEY FIGURES



822

m. EUR  
Revenues



31.1

m. EUR  
Adj. EBIT



3.8 %

Adj. EBIT margin

9,133

Employees



4.5 %

Apprentices



22.9

m. EUR  
Investments



# EDAG PRESENTATION AGENDA



MARKET ENVIRONMENT

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KEY ACTIVITIES

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KEY FIGURES

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OUTLOOK

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Q & A

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# AGENDA



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# AGENDA

# MARKET ENVIRONMENT

## GLOBAL ECONOMIC TRENDS 2025



- IMF global economic growth expectations for 2025 still at 3.3% and for Germany only at 0.3%.<sup>(1)</sup>
- Potential tax cuts and deregulation offer opportunities and provide impulses; however, uncertainties persist, particularly regarding political developments in the US (e.g., tariffs for imports into the US).
- Global car sales are expected to increase by 2 percent in 2025, reaching 80.4 m. vehicles.<sup>(2)</sup> In Europe, the CO<sub>2</sub> fleet regulation is expected to drive a significant expansion of electromobility.
- Radical measures by OEMs and Tier 1 suppliers go beyond previously announced cost cuts and restructuring, while R&D investments remain under pressure due to the ongoing shift in OEM strategies and the reassessment of model portfolios.
- European automakers primarily operate their R&D departments in high-wage countries near their home markets. Expectation of suppliers to create further add-value from best-cost countries.

### Notes:

1. IMF World Economic Outlook Update, January 17, 2025.

2. German Automobile Association (VDA), press release from January 21, 2025



# MARKET ENVIRONMENT ENGINEERING SERVICE PROVIDERS



~320 bn. EUR

R&D spending of German  
automotive industry  
2025-2029 worldwide<sup>(1)</sup>



**~540 bn. EUR**  
**R&D expenses and  
invests**  
until 2029

~220 bn. EUR

Invest into new and modified  
plants 2025-2029 worldwide<sup>(1)</sup>

The mobility industry's fundamental transformation continues:

- Ongoing major transformation in the automotive industry
- Allocation of further significant investments
- Creating opportunities for innovative, adaptable, and globally operating ESPs like EDAG

Notes: 1. German Automobile Association (VDA), press release from January 21, 2025

# EDAG PRESENTATION AGENDA



MARKET ENVIRONMENT

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KEY ACTIVITIES

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KEY FIGURES

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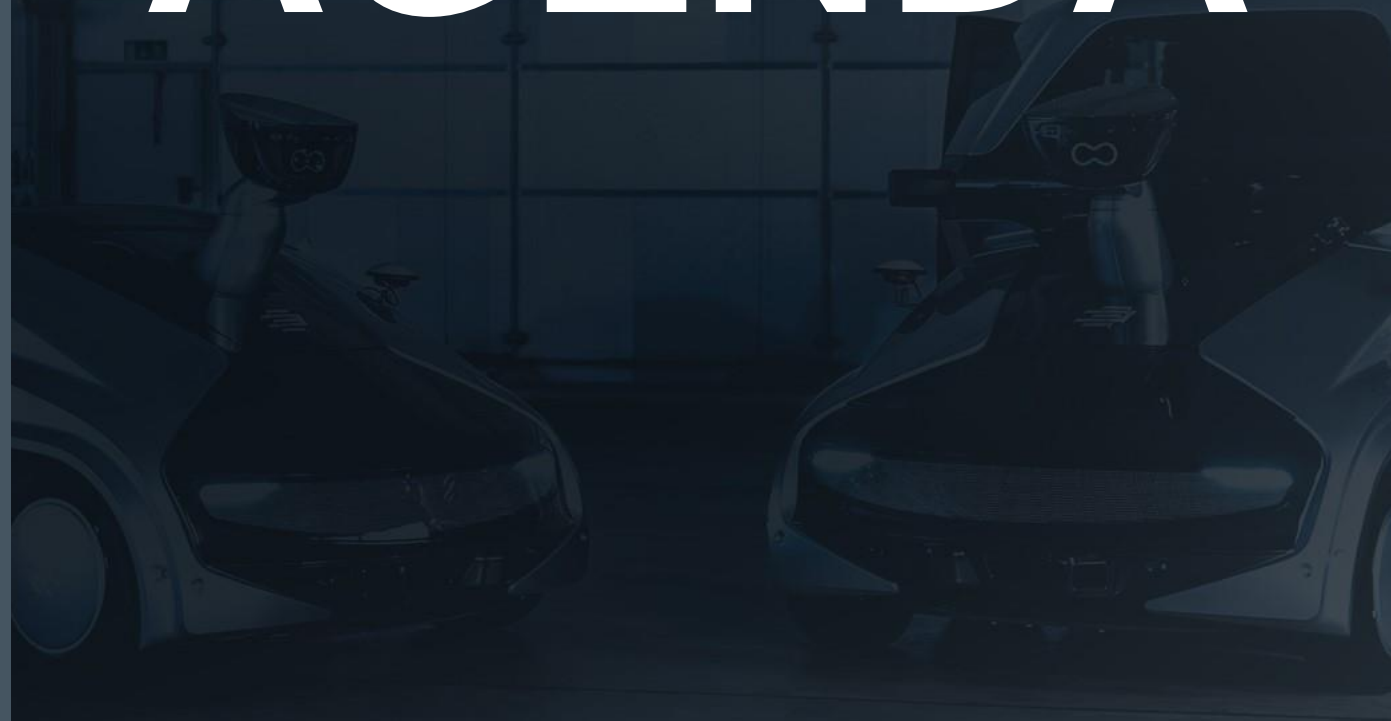
OUTLOOK

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Q & A

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# AGENDA





# KEY ACTIVITIES RECAP ACTIVITIES



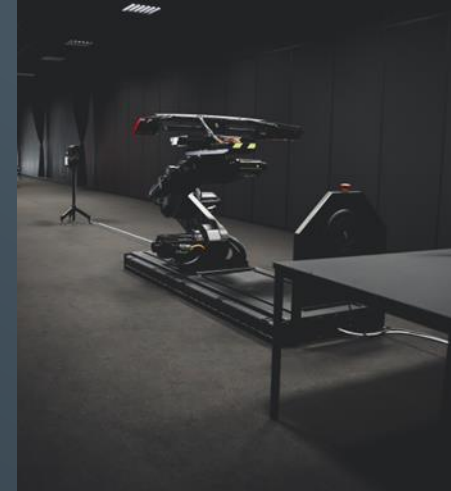
## ZERO PROTOTYPE LAB

- Opening of Zero Prototype Lab in Wolfsburg in June 2024
- Vehicles can be driven virtually
- Reduction construction of cost-intensive prototypes and shortens development cycles



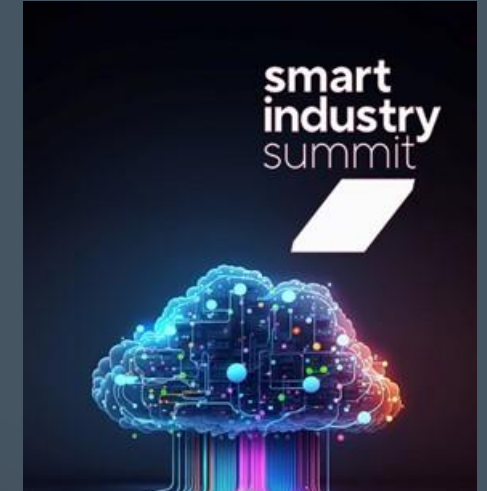
## EMC COMPETENCE CENTER

- Opening of EMC Center in Fulda in July 2024
- Testing of electro-magnetic compatibility of products for customers from fields such as medical technology, agriculture, construction and mobility



## LIGHT LABORATORY

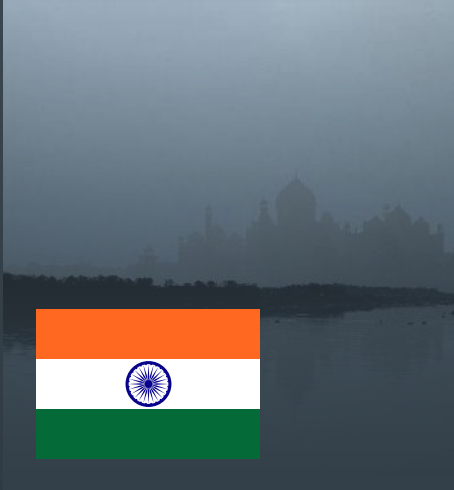
- Opening of Light Laboratory in Wolfsburg in September 2024
- Ensuring functionality, quality, user-friendliness, energy efficiency and durability of devices and components



## EDAG SMART INDUSTRY SUMMIT

- In-house exhibition in September 2024
- Information stands, expert talks and panel discussions across key industrial portfolio sectors: Smart Product, Smart Factory, Smart People, Smart Ecosystem and Industrial Metaverse

# KEY ACTIVITIES OPERATIONAL MEASURES



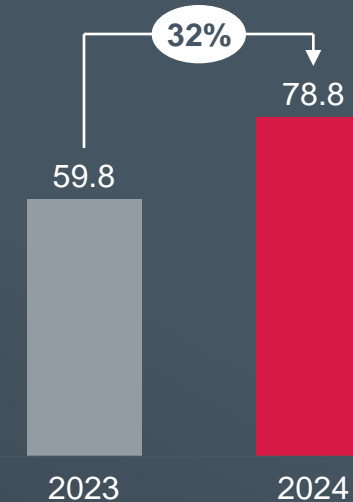
## STRENGTHENING OF POSITION IN BCC

- Purchase of two Indian companies to strengthen resources in one of our best-cost country
- Enabling EDAG to increase competitiveness throughout the entire group



## REDUCTION OF TIME-2-MARKET

- Reduced development times by utilizing the EDAG product engineering process
- Maximized use of virtual development tools
- Generative AI tools support the use of virtual tools



## EXPANSION OF PORTFOLIO INTO THREE SECTORS

- Diversification of portfolio: Mobility, Industry and Public Solutions
- > 30% growth in other industries
- Newly identified target industries medical products, renewable energies, defense, rail transport, chemicals and the semiconductor industry offer high innovation potential and long-term growth perspective
- Exhibiting at Hannover Trade Fair for first time ever next week

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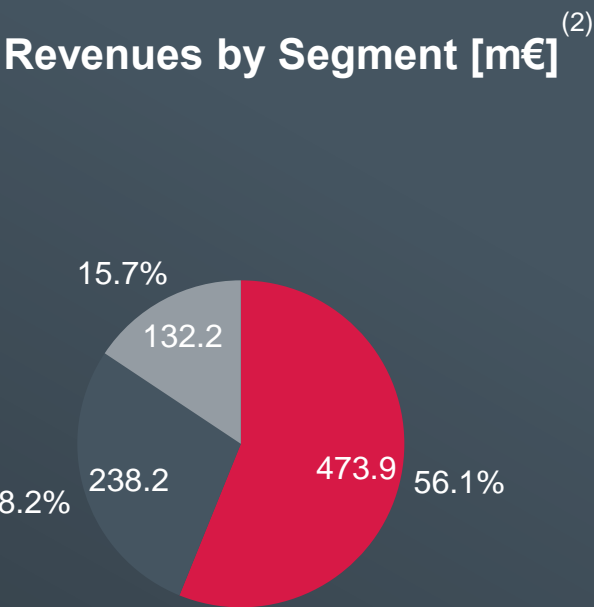
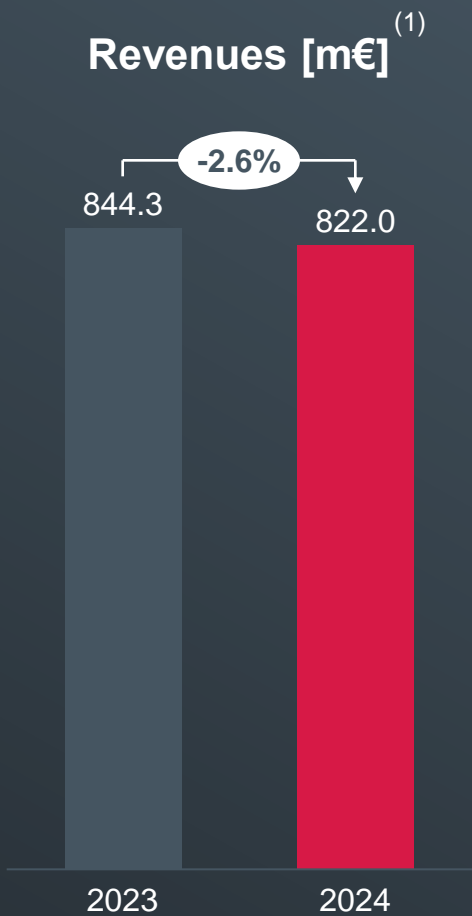
Q & A

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# AGENDA



# FINANCIAL YEAR 2024 REVENUES



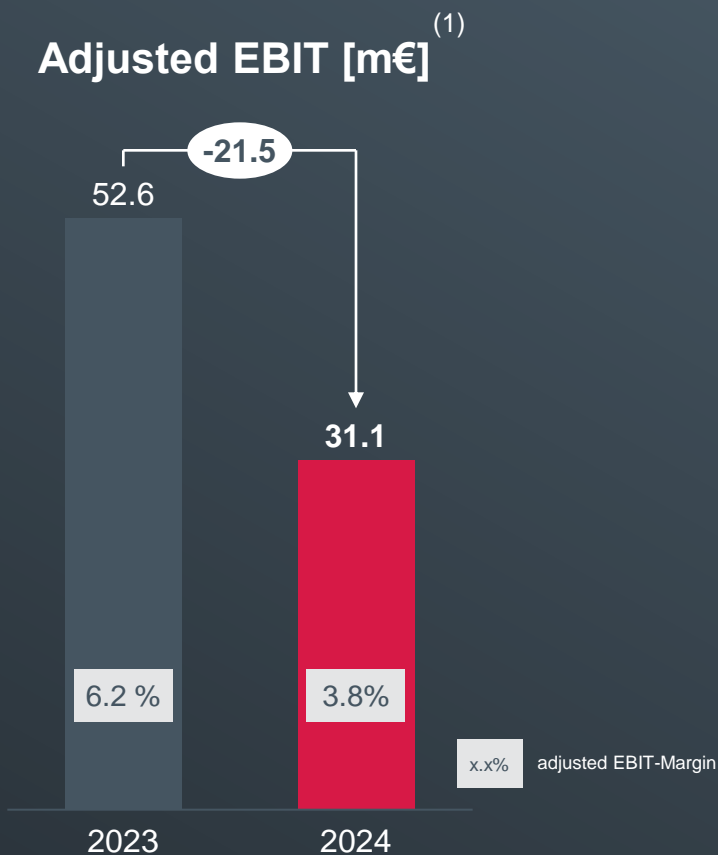
Change to 2023

Vehicle Engineering	- 2.3 %
Electrics / Electronics	- 9.2 %
Production Solutions	+ 16.0 %

Notes: 1. Revenue defined as sales revenue plus change in inventories 2. Figures include sales revenue with other segments

# FINANCIAL YEAR 2024

## ADJUSTED EBIT



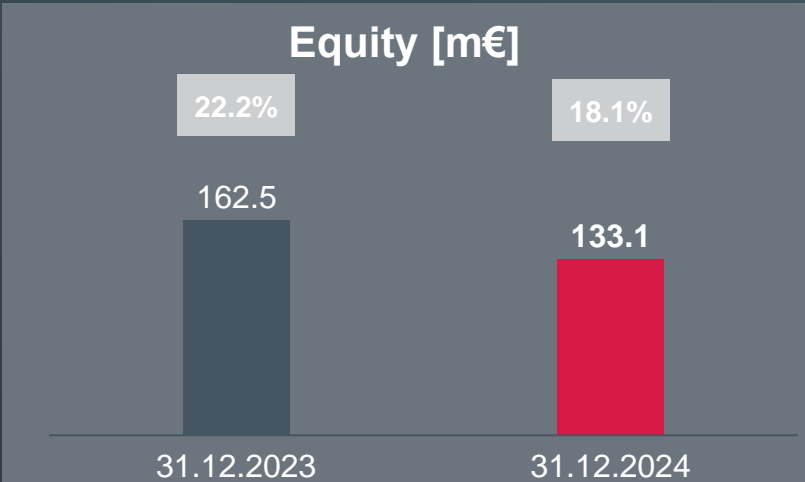
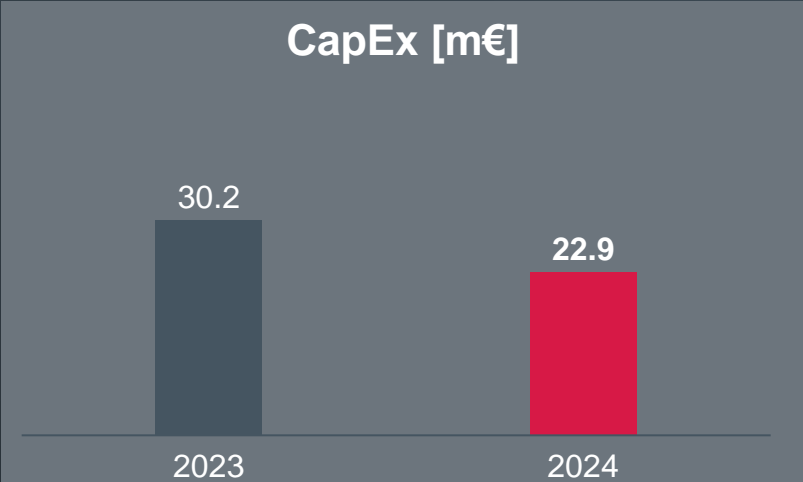
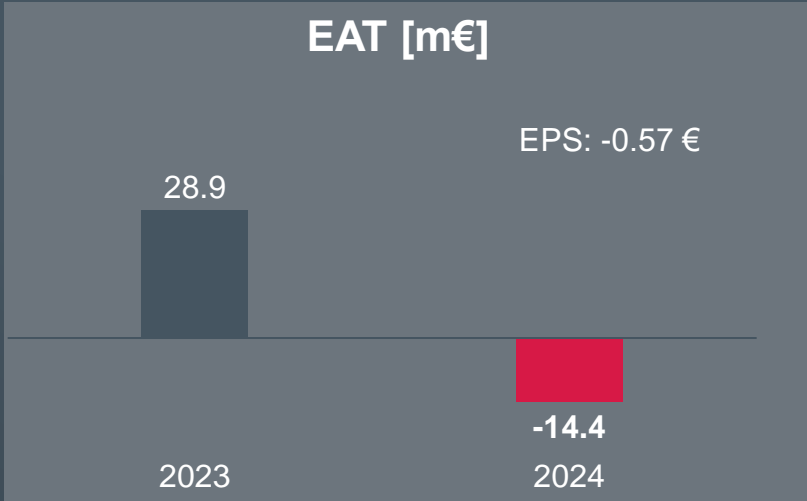
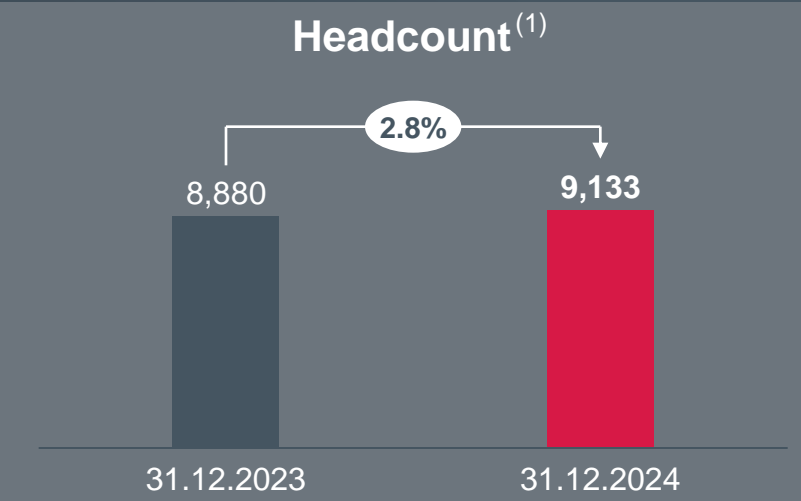
### Adjusted EBIT by Segment [m€]

	2023	margin	2024	margin
Vehicle Engineering	34.7	7.2 %	24.0	5.1 %
Electrics / Electronics	15.3	5.8 %	1.6	0.7 %
Production Solutions	2.6	2.3 %	5.5	4.2 %

Notes: 1. Adj. for one-offs (purchase price allocation, cyber security insurance refunds and restructuring costs)

# FINANCIAL YEAR 2024

## HEADCOUNT, EAT, CAPEX, EQUITY



x.x% Equity / Balance Sheet total

Notes: 1. Including apprentices

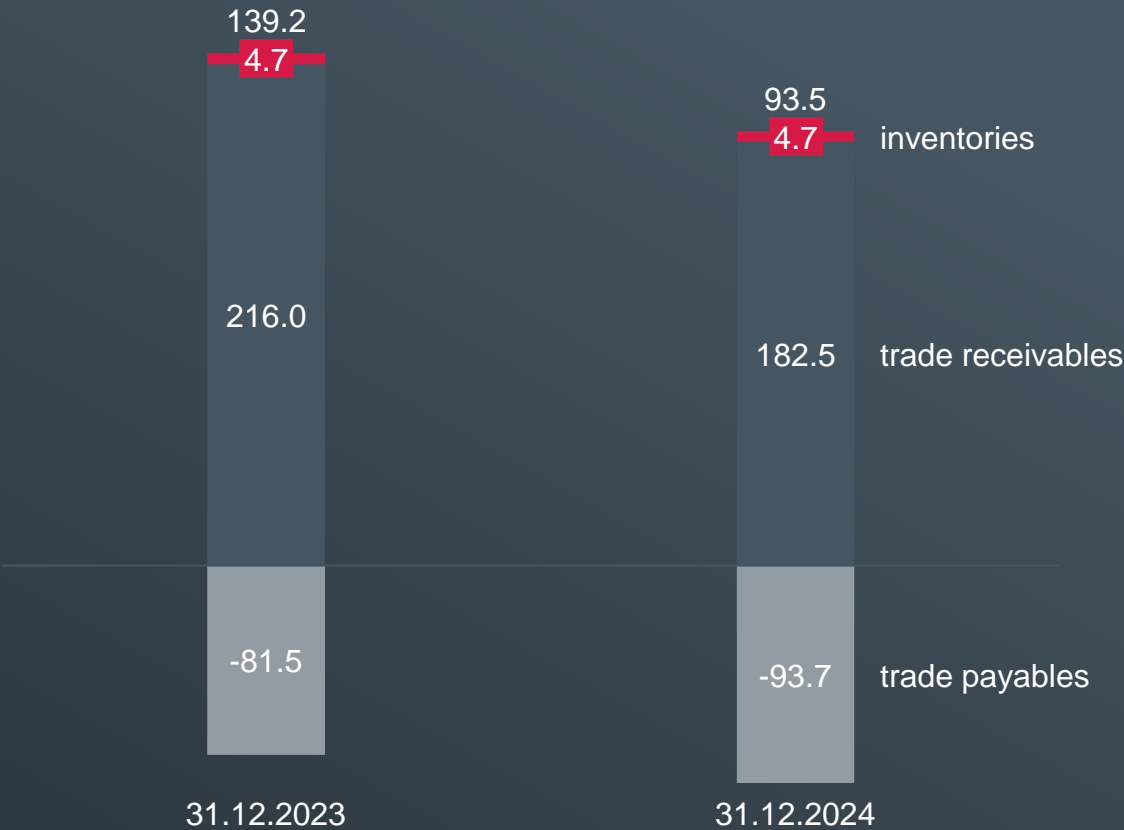


# FINANCIAL YEAR 2024

## TRADE WORKING CAPITAL



Trade Working Capital [m€]

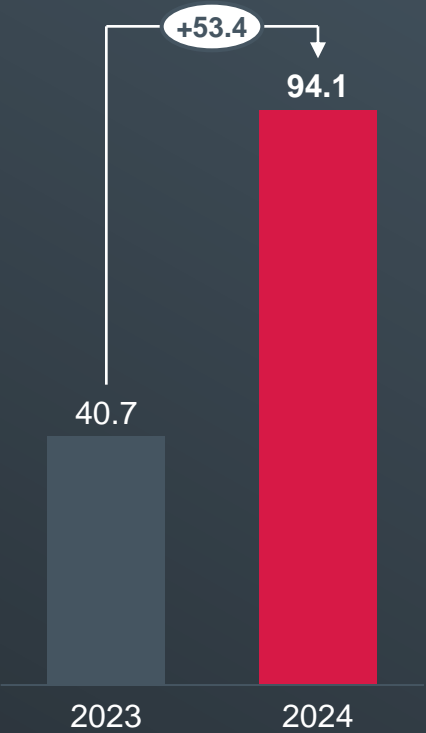


# FINANCIAL YEAR 2024

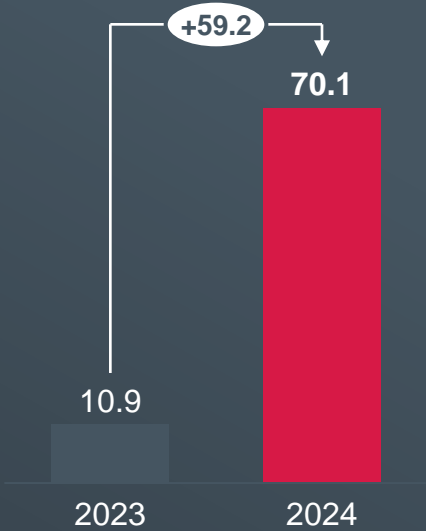
## CASH FLOWS



Operating CF [m€]

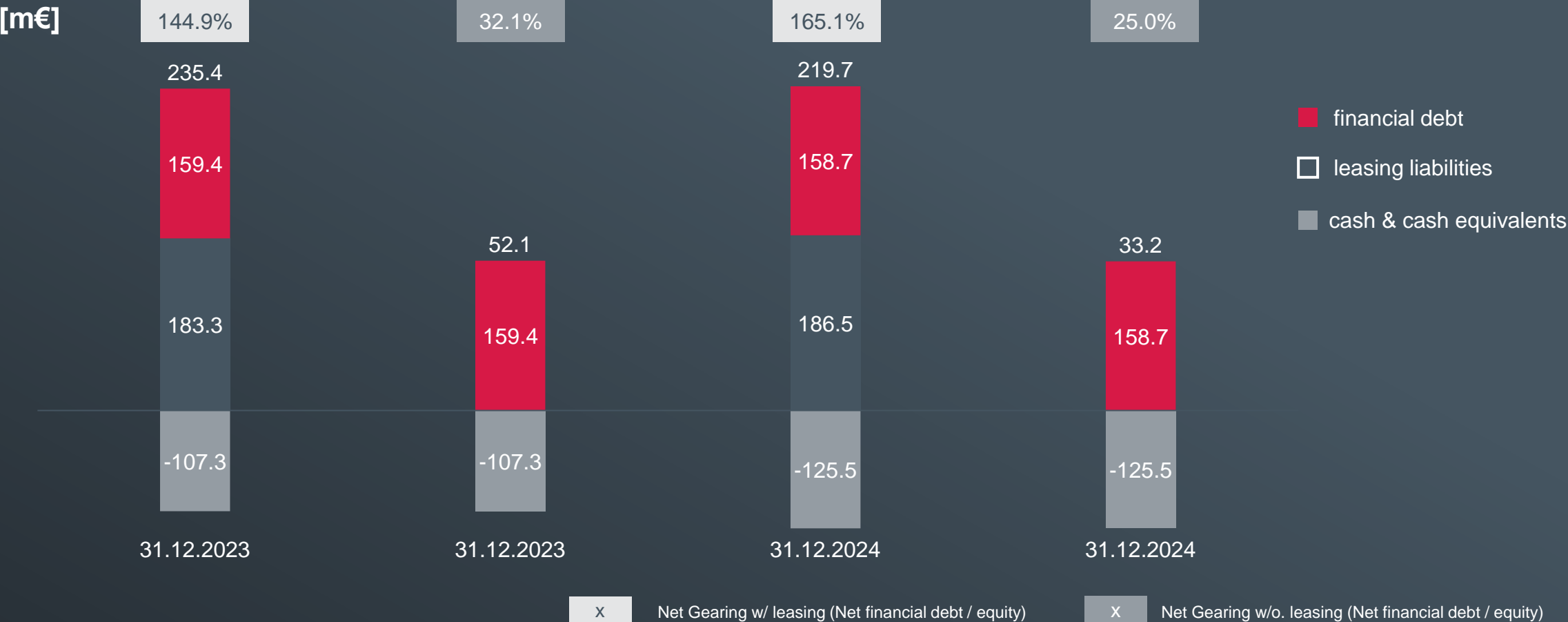


Free CF [m€]



# FINANCIAL YEAR 2024

## NET FINANCIAL DEBT



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# OUTLOOK FINANCIAL YEAR 2025



The EDAG Group expects further challenges in the 2025 financial year, which will also be reflected in the development of revenue and earnings. In addition to the opportunities, the forecast is also associated with risks that arise for our customers and, consequently, for us, primarily from ongoing market dynamics and geopolitical uncertainties.



Revenue is expected to **decrease up to around 8 percent**



The **adjusted EBIT** margin is expected to be **positive up to around 3 percent**



The **investment rate** is expected in a range of around 3 percent

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# AGENDA







# Q & A

# INVESTOR RELATIONS FINANCIAL CALENDER



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# THANK YOU



# INVESTOR RELATIONS CONTACT



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