2023 FINANCIAL YEAR

INTERIM REPORT AS OF SEPTEMBER 30, 2023

CONTENT

SUMMARY OF THE THIRD QUARTER OF THE 2023 FINANCIAL YEAR

NEW PROCESS FOR FILLING HYDROGEN TANKS IN THE VACUUM CHAMBER

The EDAG Group, one of the largest independent engineering partners to the mobility industry, is developing a patented process for the resource-saving refueling of hydrogen tanks. This process is based on the use of vacuum technology, which allows the reduced and direct use of resources.

Hydrogen is being used more and more in the automotive industry as an alternative to the electric drive. The number of pilot projects and process tests using hydrogen is on the increase. One of the greatest challenges this technology has posed to date has been the initial filling of the tanks. In the conventional process, a great deal of energy is lost until such time as the necessary purity level for fuel cell operation is reached. The principle of the EDAG Group's vacuum chamber counters this problem: Using the patented process enables resources to be saved and systematically used.

Evolution of the vacuum chamber
The EDAG Group has developed a rapid, material-efficient process for initial refueling. The challenge the team initially faced was that, although the typical type 4 pressure vessel can withstand high internal pressure, it is not suitable for an internal vacuum as this involves high external pressure. This gives rise to the risk of the plastic vessel collapsing under the external pressure.

The EDAG Group therefore transferred the entire system into a chamber. Here, when the tank is closed, a vacuum is first created, resulting in overpressure in the tank. If the tank is now opened, the air it contains flows out and creates a vacuum both inside and outside of the tank. Feeding in the hydrogen now presents no problem. The result is a tank completely filled with H2.

Resource-saving and future-proof
Unlike the conventional processes, no gas is wasted using this method. The hydrogen used is therefore reduced by 100 percent, and the time taken by the process by 90 percent. Since this filling method is fully automated, the manual input involved in the overall process is reduced by 30 percent. Gas inertization using nitrogen is completely eliminated, and equipment usage is reduced by 70 percent. Maintenance costs and wear and tear on the system are consequently reduced throughout the entire process.

The system for filling type 4 pressure vessels was initially designed in a project outline. The pilot vacuum chamber was then set up at EDAG's H2 site of excellence in Bremen, where the process was successfully tested. The hydrogen-filled tanks can easily be used in conjunction with a fuel cell.

"We are very proud to have got this process off the ground," says Marius Koch, Head of Prototype and Vehicle Construction at the EDAG Group's Bremen site. "This innovative technology wastes fewer resources and it will be possible to take the use of hydrogen to the next development level0. So with the vacuum chamber which has now been patented, we are a significant step closer to hydrogen being used in series production."

JULY AUGUST SEPTEMBER

KEY FIGURES OF AND EXPLANATIONS BY THE EDAG GROUP AS PER SEPTEMBER 30, 2023

(in € million or %)	1/1/2023 – 9/30/2023	1/1/2022 – 9/30/2022	7/1/2023 – 9/30/2023	7/1/2022 – 9/30/2022
Vehicle Engineering	361.3	350.1	116.6	122.5
Electrics/Electronics	195.6	167.7	64.8	59.8
ProductionSolutions	82.4	82.4	28.7	28.3
Consolidation	- 11.1	- 10.5	- 3.4	- 3.2
Total revenues[1]	**628.2**	**589.7**	**206.6**	**207.5**
Growth:				
Vehicle Engineering	*3.2%*	*7.8%*	*-4.9%*	*9.6%*
Electrics/Electronics	*16.7%*	*20.6%*	*8.3%*	*27.5%*
ProductionSolutions	*0.0%*	*15.3%*	*1.2%*	*17.5%*
Change of revenues[1]	***6.5%***	***16.5%***	***-0.4%***	***19.9%***
Vehicle Engineering	25.5	24.0	11.5	7.4
Electrics/Electronics	13.3	12.4	5.4	5.6
ProductionSolutions	2.3	1.2	0.7	0.6
Adjusted EBIT	**41.1**	**37.5**	**17.6**	**13.5**
EBIT	**42.5**	**37.9**	**17.6**	**12.8**
Vehicle Engineering	*7.1%*	*6.8%*	*9.9%*	*6.0%*
Electrics/Electronics	*6.8%*	*7.4%*	*8.3%*	*9.3%*
ProductionSolutions	*2.8%*	*1.4%*	*2.5%*	*2.0%*
Adjusted EBIT margin	***6.5%***	***6.4%***	***8.5%***	***6.5%***
EBIT margin	***6.8%***	***6.4%***	***8.5%***	***6.2%***
Profit or loss	***23.6***	***21.0***	***9.6***	***7.1***
Earnings per share (€)	0.94	0.84	0.38	0.28

[1] The performance figure "revenues" is used in the sense of gross performance (sales revenues and changes in inventories) in the following.

(in € million or %)	9/30/2023	12/31/2022
Fixed assets	350.1	350.8
Net working capital	130.6	61.5
Net financial debt (incl. lease liabilities)	- 261.5	- 198.7
Provisions	- 59.5	- 64.7
Equity	**159.8**	**148.9**
Balance sheet total	**682.4**	**721.7**
Net financial debt/credit [-/+] w/o lease liabilities	- 81.9	- 15.5
Equity/BS total	*23.4%*	*20.6%*
Net gearing [%] incl. lease liabilities	*163.6%*	*133.4%*

(in € million or %)	1/1/2023 – 9/30/2023	1/1/2022 – 9/30/2022	7/1/2023 – 9/30/2023	7/1/2022 – 9/30/2022
Operating cash flow	- 9.9	5.9	4.2	12.9
Investing cash flow	- 17.8	- 17.4	- 5.4	- 6.0
Free cash flow	- 27.7	- 11.5	- 1.3	6.9
Adjusted cash conversion rate[1]	74.8%	72.9%	79.9%	73.5%
CapEx	18.1	17.6	5.6	6.1
CapEx/revenues	*2.9%*	*3.0%*	*2.7%*	*2.9%*

[1] The key figure "adjusted cash conversion rate" is defined as the adjusted EBIT before depreciation, amortization and impairment less gross investments divided by the adjusted EBIT before depreciation, amortization and impairment. The adjusted EBIT before depreciation, amortization and impairment is calculated from the adjusted EBIT plus depreciation, amortization and impairment less expenses from the purchase price allocation.

	9/30/2023	12/31/2022
Headcount end of period incl. apprentices	8,712	8,412
Apprentices as %	3.9%	3.3%

At € 628.2 million, the revenue in the nine-month period just ended was a significant € 38.5 million or 6.5 percent above the previous year's level (Q1-3 2022: € 589.7 million). While the Production Solutions segment remained at the previous year's level, revenue in the Vehicle Engineering and Electrics/Electronics segments increased in the reporting period, in some cases significantly, compared to the same period in the previous year.

At € 42.5 million, the EBIT in the reporting period were significantly above the previous year (Q1-3 2022: € 37.9 million). An EBIT margin of 6.8 percent was achieved as a result (Q1-3 2022: 6.4 percent).

Primarily adjusted for the depreciation, amortization and impairments from the purchase price allocations that were recorded in the reporting period in 2023 (€ 0.2 million) and compensation payments (€ -1.6 million), the adjusted EBIT figure was € 41.1 million (Q1-3 2022: € 37.5 million), which is equivalent to an adjusted EBIT margin of 6.5 percent (Q1-3 2022: 6.4 percent).

The headcount, including trainees, on September 30, 2023 was 8,712 employees (12/31/2022: 8,412 employees). 6,078 of these employees were employed in Germany, and 2,634 in the rest of the world (RoW) (12/31/2022: [Germany: 5,962; RoW: 2,450]).

Gross investments in fixed assets amounted to € 18.1 million in the reporting period, which was slightly above the level of the same period in the previous year (Q1-3 2022: € 17.6 million). The equity ratio on the reporting date increased to 23.4 percent (12/31/2022: 20.6 percent).

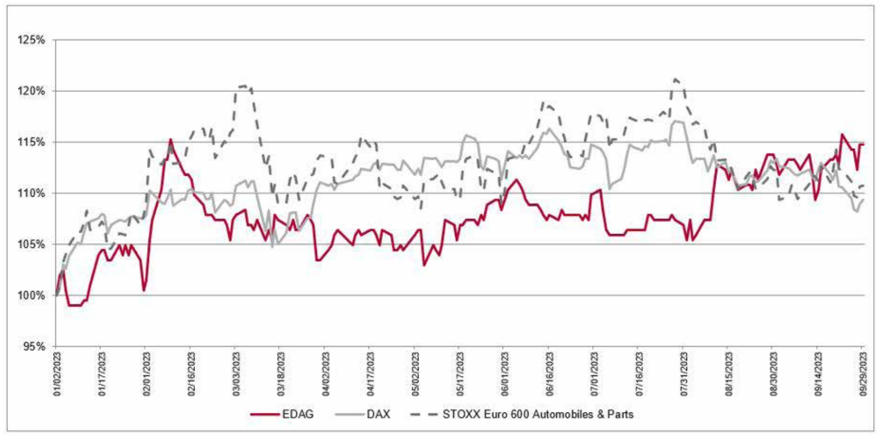
At € 261.5 million, the net financial debt (including lease liabilities) on September 30, 2023, increased significantly in the nine-month period just ended compared to the level recorded on December 31, 2022 (€ 198.7 million), due to a build-up of working capital in the first half of the year. Without taking lease liabilities into account, the net financial debt on September 30, 2023 amounted to € 81.9 million (12/31/2022: net financial debt € 15.5 million).

THE EDAG SHARE

On January 2, 2023, the DAX started the trading year with 13,992.71 points. On the same day, the index marked its lowest closing level for the period, 14,069.26 points. Following this, the index made steady gains, closing at 16,469.75 points on July 28, a new all-time high. Uncertainties regarding the further development of the global economy and interest rates subsequently weighed on the stock markets. Thus, the DAX closed at 15,386.58 points on the last trading day of the reporting period. During the first nine months of 2023, the STOXX Automobiles & Parts Index fluctuated between its lowest closing level of 544.07 points on January 2 and its highest closing level of 658.97 points on July 28.

1 Price Development

On January 2, 2023, the opening price of the EDAG share in XETRA trading was € 10.05. In the course of the general market recovery, the share price rose successively. At the Annual General Meeting on June 28, the decision was taken to pay a dividend of € 0.55 per share. The ex dividend price of the EDAG share was negotiated on June 29. The EDAG share reached its highest closing price in the reporting period on September 22 at € 11.75. The third quarter ended with a closing price of € 11.65. During the first nine months of 2023, the average XETRA trade volume was 5,480 shares a day.



Source: Comdirect

2 Key Share Data

	1/1/2023 – 9/30/2023
Prices and trading volume:	
Share price on September 30 (€)[1]	11.65
Share price, high (€)[1]	11.75
Share price, low (€)[1]	10.05
Average daily trading volume (number of shares)[2]	5,480
Market capitalisation on September 30 (€ million)	291.25

[1] Closing price on Xetra
[2] On Xetra

A current summary of the analysts' recommendations and target prices for the EDAG share, the current share price and financial calendar are available on our homepage, on www.edag.com.

INTERIM MANAGEMENT REPORT

1 Basic Information on the Group

1.1 Business Model

Three Segments

With the parent company, EDAG Engineering Group AG, Arbon (Switzerland) ("EDAG Group AG"), the EDAG Group is one of the largest independent engineering partners to the automotive industry, and specializes in the development of vehicles, derivatives, modules and production facilities. The entire group of companies will hereinafter be referred to as EDAG Group or EDAG.

The business is organized into the following segments: Vehicle Engineering, Electrics/Electronics and Production Solutions. The principle we work on is that of production-optimized solutions. This means that we always ensure that development results are in line with current production requirements.

Our main focus is on the automotive and commercial vehicle industries. Further potential is also seen in the industrial and smart city environments. Our global network ensures our local presence for our customers.

Presentation of the Vehicle Engineering Segment

The Vehicle Engineering segment ("VE") consists of services along the vehicle development process as well as responsibility for modules, derivatives and complete vehicles. We serve our customers from the initial idea through to the finished prototype. The segment is divided into the following divisions:

Our Body Engineering division brings together all of our services such as package & ergonomics, body assembly, surface design and interior & exterior. This also includes the development of door, cover and lid systems. Further, the Body Engineering division is involved in new technologies and lightweight design, commercial vehicle development and the development of glazing through to the optical design of car lights such as headlamps, rear and small lamps. In addition to dealing with computation and simulation, the Dimensional Management team works on the reproducibility and geometrical quality of the products. Interface management and the management of complex module developments are taking on an increasingly significant role in the projects. As an engineering service provider, we already have a major impact on the future carbon footprint of our customers' products during the design and development phases of products and production plants. A team of specialists will in the future be offering a growing range of sustainable solutions. These will include a life cycle assessment to evaluate the carbon footprint and environmental impact, and also advice as to the choice of materials, drive technologies, lightweight design solutions and decarbonization in production and the entire supply chains.

The services offered by the Vehicle Integration division range from engineering and simulation to component, system and complete vehicle validation for automobiles, motorcycles and commercial vehicles. The division covers the entire spectrum of energy system and powertrain development through to integration with the corresponding energy storage systems (e.g. battery and hydrogen), and is developing the CO_2-saving, intelligent chassis of the future. Using computer-aided development, the CAE team provides product development support in the functional design of components and systems through to complete vehicles, which then pass through our test laboratories, where all aspects of functionality are validated and durability analyzed in readiness for start of production.

In the Models & Vehicle Solutions division, we offer a full range of styling, ideation and design services, and in our design studios we are able to implement the virtual design validation process and construct physical models for all phases of vehicle engineering. In the associated Prototype and Vehicle Construction department, we create complete test vehicles as well as sub-assemblies and vehicle bodies for the physical validation of these modules and systems. The development and low-volume production of individual vehicle conversions round off the portfolio of this division. This also includes the construction of classic cars, including custom-made spare parts. The Bremen site deals with the development, filling and commissioning of hydrogen tank systems.

Complete vehicle development and interdisciplinary module packages, some of them calling for the involvement of our international subsidiaries, are managed by the Project Management department. where we provide support in areas ranging from the definition of the product strategy through concept development to series development and production. Project Management networks and directs all the development departments - internal and external - involved, in this way ensuring continuous design status progress throughout the development.

The Product Quality & Care department offers advisory and operational product support assistance with a focus on aftersales. Key areas handled by the department are preventive and corrective quality assurance, technical support, technical communication and digitalization in the field of processes, tools and data. Perceived quality and customer satisfaction are the key factors in the success of after sales. The interdisciplinary teams ensure sustained improvements in function, efficiency and serviceability.

Presentation of the Electrics/Electronics Segment

The service portfolio in the Electrics/Electronics segment (E/E) is divided into five key areas, for which comprehensive solutions are provided for all relevant development tasks in electronics development and the current challenges of the mobility industry. These key areas are Vehicle Electrics & Electronics, eDrive & Energy Systems, Autonomous Drive & Safety, User Experience & User Functions, and Mobility & Connected Services. Systematic innovation management, the use of new agile development processes and rapid customer-oriented development are the basis for a sustainable, high quality cooperation in projects with customers.

Technical Sales in the E/E segment is responsible for the further development of this portfolio. To this end, market trends are identified at an early stage and incorporated into the service portfolio in accordance with customer requirements.

With a constantly evolving organization of excellence in four areas of competence, the structure of the delivery organization of the E/E segment covers all development services necessary for a complete vehicle development or mobility solution. Increasingly, projects are handled in cooperations across various segments and sites, in global delivery models.

The Systems Engineering division develops electrical and electronic systems and functions, through to entire E/E architectures. In this context, the division develops innovative domain or service-oriented E/E architectures on the basis of a fully integrated tool-based E/E architecture development process. Starting with the initial feature list, through topology and the vehicle electrical system, to integration in the corresponding vehicle, EDAG provides support and development services for all development phases through to series production, Both the overall systems and their components, sensors, actuators and controls, are taken into account during the development of electronic systems in all relevant functional groups of the E/E architecture. The core competency centers on the management of the development process throughout the entire development, following either the OEM's or EDAG's process model. Whereas there is a tendency to perform specifying activities at the beginning, the focus of tasks shifts towards controlling system integration and system validation as the project progresses, concluding with support during the approval phase of the market-ready systems.

The Integration & Validation division combines functional E/E validation skills. The key aspects here are the creation of test strategies and test specifications for testing electronic vehicle functions, and carrying out the corresponding tests. These are carried out in virtual test environments, in the laboratory, at a test site, or on the road, in a variety of ways ranging from manual to highly automated. This division also handles the conception and provision of the required testing technology and test infrastructure, which involves developing and setting up test facilities optimized for the test requirements concerned. All E/E aspects relating to prototype and test vehicle construction are also covered by this division.

E/E Software & Digitalization develops hardware and software components. EDAG provides support throughout the entire development cycle from the concept phase to series production, and assumes responsibility for all development activities. Development in line with the ASPICE standard in highly automated tool chains and agile development teams is one of the daily challenges faced in the endeavor to ensure efficient processing with high-quality engineering in the projects. Information technology is another key aspect of Software & Digitalization. Here, E/E develops innovative services on behalf of customers. Key aspects involved are the connection of vehicles to the mobility backend, user interfaces and the development of specialized tools for mobility development. The E/E service portfolio also includes agile development processes and distinctive technological expertise in classic software development in the frontend and backend and in special applications in the field of AI and data science.

In its cross-company interdisciplinary function, competence in the field of safety & security is becoming increasingly significant. One of the division's key points of focus is functional safety in line with the ISO 26262 standard. In society's endeavors to minimize risks (Vision Zero), comprehensive security concepts that also cover the infrastructure and monitoring elements, vehicle guidance systems for instance, are being developed. Through legal requirements for the type approval of vehicles (UNECE R 155) and standards such as ISO/SAE 21434, cybersecurity continues to become increasingly important. Here, too, EDAG offers a wide, constantly expanding service portfolio.

A further addition to the service portfolio is Process & Product Data Management ("PPDM"), which attends to the cross-divisional management of all processes aimed at achieving milestones in the product creation process. The services range from process management, through certification, homologation and release management, to commissioning and digital mock-up.

In addition to the areas of competence, PMBO (Project Management Office & Business Operation) consolidates the segment-wide project management processes, schools E/E project leaders, and provides an explicit project management framework for handling small to large-scale projects.

The further development of the segment strategy and E/E organization is carried out centrally by an independent team. In addition to coordinating international cooperation in the segment, this also includes the introduction of agile methods.

Presentation of the Production Solutions Segment

The Production Solutions (PS) segment is an all-round engineering partner which accepts responsibility for the development and implementation of Smart Factories at eleven sites in Germany and at international sites particularly in the USA, India, Hungary and China. In addition to handling the individual stages in the product creation process and all factory and production systems-related services, EDAG PS is also able to optimally plan and realize complete factories from consulting to general contractor over all fields, including cross processes. The Industry 4.0 methods and tools serve as the basis for the networked engineering between the product development and plant construction processes.

EDAG PS is organized into the following business segments: Automotive Solutions, Industrial Solutions and Smart City Solutions.

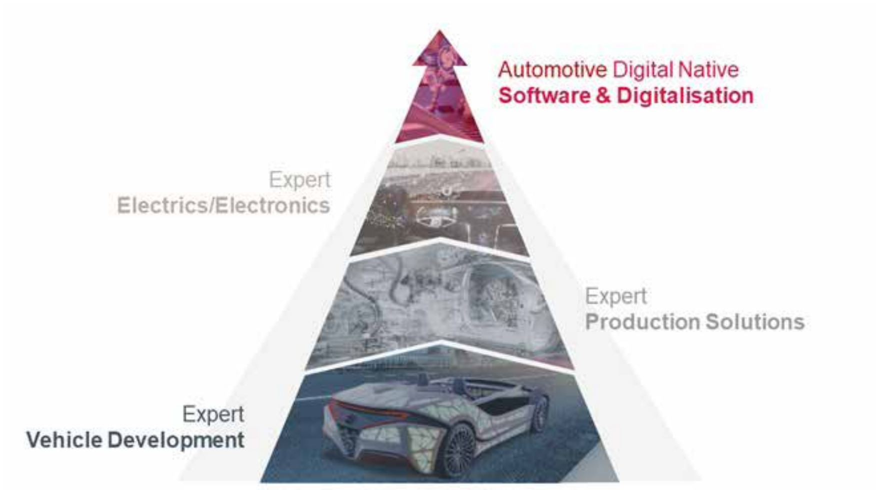
The Automotive Solutions division comprises the long-standing business segment of EDAG PS. EDAG PS offers customers in the automotive industry an extensive portfolio which ranges from planning to virtual commissioning. It has the comprehensive production development competence needed to master all the interfaces between product development, production engineering and plant engineering and construction. In this business field, the focus is on product manufacturing and feasibility, and also on the new technologies within the automotive industry. The new automotive technology innovations encompass everything to do with the battery, eDrive, alternative drive systems and sustainability environments. Another area on which the division focuses is mechatronic engineering in body manufacturing, final assembly and the component. The aim is to reduce the number of hours in the engineering process for each factory, production line and production cell by means of standardization and automation. Digital factory methods are used in all production lines (digital, virtual and real-life) to guarantee that functional requirements are met and implemented. To meet customers' requirements, the engineering teams develop realistic 3D simulation cells in which the planning, design and technological concepts are implemented and validated, both mechanically and electrically, in line with process requirements. Early involvement during the engineering process makes it possible to systematically improve production processes and ensure an optimized start of production (ramp-up).

In the Industrial Solutions division, holistic and independent production solutions are developed, digitally validated and implemented. Starting with analysis and consulting, then the planning and development of production plants through to their realization, support along the entire product and production development process is provided for customers in the automotive sector, and particularly in industry in general. The key services in this division are the elements of the smart factory: product design for manufacturability, coordinated technical building equipment and plant layout, individual production solutions, networking through smart logistics, digitalization and networking in production, virtual reality and augmented reality in production, and a wide range of software products and qualification. In this way, EDAG PS aims to achieve improved process reliability for its customers, along with a sustainable factory infrastructure, increased productivity, supply chain excellence, complexity control, and improved decision-making and process validation, and offers software solutions for production. The portfolio is complemented by Feynsinn, a process consulting and CAx development department. IT-assisted sequences and methods are developed here, as is software for product design, development, production and marketing. Feynsinn also offers consulting, conceptual and realization services in the field of visualization technologies. A range of training opportunities completes the EDAG PS industrial solutions portfolio.

Alongside these two core business fields, the Smart City Solutions division is also being developed to advance digitalization and networking in the public arena. The focus of this division is on intelligent networking solutions: smart mobility, smart infrastructure, smart people and smart government. With these connectivity solutions, EDAG PS helps cities and municipalities to network the transport of passengers and goods, gather and consolidate city-related information, make digitalization accessible to people, and digitize processes and link data interfaces.

1.2 Targets and Strategies

In the course of its more than 50-year history, the EDAG Group has been continually developing. Building on our strong roots in vehicle and production plant development, the company has, with our entry into the field of electrics/electronics and our expertise in the development of complete vehicles, established a leading international position as an innovative partner to the global mobility industry. Change is a constant companion and what drives the development of our company. By combining and expanding our cross-segment competencies and capacities in the field of software and digitalization, we are taking the next logical evolutionary step on the road to the mobility of the future.



With some 8,700 employees at almost 60 international sites, the EDAG Group now stands firmly alongside its customers as an innovative partner.

Corporate Purpose

The focus of our activities is always on people and their need for mobility. From this, our corporate purpose "reinvent mobility - reinvent yourself" is also derived.

This is a clear expression of our motivation to reinvent ourselves every day and so be in a position to reinvent mobility for our customers, our cooperation partners and society as a whole, and, through technological solutions, to pave the way for change. For our employees, "reinvent yourself" creates a balance between stability and change.

Company Vision and Mission

Our corporate purpose is the basis from which the vision for the EDAG Group is derived: "Working together to shape the mobility of the future. Efficiently. Safely. Sustainably."

This gives us a clear guiding principle for the future, the compass of our company, our mission.

EDAG therefore pursues the following goals:

- A talent factory for all employees
- Competence center for new technologies and solutions
- An agile market and future-shaping company
- A source of inspiration and vision based on clear values
- An economically, ecologically and socially sustainable engineering service provider

2 Financial Report

2.1 Macroeconomic and Industry-Specific Conditions

According to the International Monetary Fund's (IMF) latest outlook on October 10, 2023, the world economy exhibited 3.5 percent growth in 2022 (2021: 6.2 percent). For the current year, the IMF anticipates a growth rate of 3.0 percent.

Compared to the same period in the previous year, the European automotive market (EU-27 + EFTA & UK) recorded a further downturn of some 17 percent in the number of new registrations in the nine-month period just ended. The development of the five largest individual markets was without exception positive: Two-figure growth rates were achieved in Italy (21 percent), the United Kingdom (20 percent), in Spain (19 percent), France (16 percent) and Germany (15 percent).

In Germany, a 4.6 percent increase in new registrations of electric passenger cars was recorded in the first three quarters of 2023, compared to the same period in the previous year. Overall, sales of electric passenger cars, which amounted to 510,634, accounted for a market share of 23.9 percent (same period in the previous year: 26.1 percent). At 35.1 percent, the proportion of gasoline-fueled passenger cars remained at the previous year's level (35.3 percent). At 17.5 percent, the proportion of diesel-fueled passenger cars was below the level in the previous year (19.4 percent) in the first nine months of 2023.

In the USA, the volume on the light vehicle market (passenger cars and light trucks) in the period January to September 2023 increased by 14 percent compared to the same period in the previous year. Continued growth was also registered on the markets in Japan (18 percent), Brazil (10 percent), India (8 percent) and China (7 percent).

2.2 Financial Performance, Cash Flows and Financial Position of the EDAG Group in accordance with IFRS

Financial Performance

Development of the EDAG Group

Building on the development in the first half of 2023, as of September 30, 2023, orders on hand increased significantly to € 473.4 million, compared to € 401.2 million as of December 31, 2022 (9/30/2022: € 479.2 million). Neither potential call-offs relating to general agreements nor call-offs relating to production orders are included in the orders on hand. In the nine-month period just ended, the EDAG Group generated incoming orders amounting to € 697.3 million, which, compared to the same period in the previous year (€ 709.9 million), represents a slight decrease of € 12.5 million (-1.8 percent).

At € 628.2 million, the revenue in the nine-month period just ended was a significant € 38.5 million or 6.5 percent above the previous year's level (Q1-3 2022: € 589.7 million). This development is primarily due to increased contract acquisitions in the first nine months of 2023. While the Production Solutions segment remained at the previous year's level, revenue in both the Vehicle Engineering and the Electrics/Electronics segments increased in the reporting period, compared to the same period in the previous year, in some cases significantly.

Compared to the same period in the previous year, other income increased by € 3.0 million to € 23.1 million in the nine-months period just ended. This increase is largely due to compensation payments in the amount of € 4.3 million.

At € 70.2 million, materials and services expenses decreased compared to the level of the previous year (Q1-3 2022: € 83.2 million). Taking into account the increase in revenues, the materials and services expenses ratio consequently decreased by just under 3 percentage points to 11.2 percent compared to the same period in the previous year (Q1-3 2022: 14.1 percent). At the same time, the materials expenses ratio fell to 2.9 percent (Q1-3 2022: 4.0 percent). At 8.3 percent, the ratio of service expenses in relation to the revenues was also below the level of the same period in the previous year (Q1-3 2022: 10.1 percent).

The EDAG Group's personnel expenses in the reporting period increased by 10.3 percent to € 427.1 million compared to the same period in the previous year. Likewise, the company's average workforce increased to 8,569 employees, including apprentices, in the nine-month period just ended (Q1-3 2022: 8,017 employees): an increase of 6.9 percent.

Depreciation, amortization and impairments totaled € 30.7 million (Q1-Q3 2022: € 29.1 million). The net result from the impairment or impairment loss reversal of financial assets amounted to € 0.7 million (Q1-3 2022: € 0.3 million). The other operating expenses increased by € 8.9 million to € 81.4 million, primarily due to the growth in travel activities and the general rise in price levels.

At € 42.5 million, the EBIT in the reporting period were significantly above the previous year (Q1-3 2022: € 37.9 million). An EBIT margin of 6.8 percent was achieved as a result (Q1-3 2022: 6.4 percent).

Primarily adjusted for the depreciation, amortization and impairments from the purchase price allocations that were recorded in the reporting period in 2023 (€ 0.2 million) and income from compensation payments (€ -1.6 million), the adjusted EBIT figure was € 41.1 million (Q1-3 2022: € 37.5 million), which is equivalent to an adjusted EBIT margin of 6.5 percent (Q1-3 2022: 6.4 percent).

The financial result for the first nine months of 2023 € -7.2 million, (Q1-3 2022: € -6.4 million), which was an increase of € 0.8 million compared to the same period in the previous year.

To sum up, with a profit of € 23.6 million (Q1-3 2022: € 21.0 million), business development of the EDAG Group was all in all satisfactory in the reporting period.

Development of the Vehicle Engineering Segment
Incoming orders in the nine-month period just ended amounted to € 383.4 million, which was below the level of the same period in the previous year (Q1-3 2022: € 447.2 million). At € 361.3 million, revenues on the other hand were above the previous year's level (Q1-3 2022: € 350.1 million). All in all, an EBIT of € 25.7 million was reported for the Vehicle Engineering segment in the nine-month period just ended (Q1-Q3 2022: € 24.5 million). The EBIT margin amounted to 7.1 percent and was thus above the level of the same period in the previous year (Q1-3 2022: 7.0 percent). Compared to the same period in the previous year, there was a marked improvement in the adjusted EBIT margin, which increased to 7.1 percent (Q1-3 2022: 6.8 percent).

Development of the Electrics/Electronics Segment
Incoming orders increased by a significant € 32.4 million to € 219.7 million compared to the same period in the previous year (Q1-3 2022: € 187.3 million). At € 195.6 million, revenue was also well above the level of the same period in the previous year (€ 167.7 million). The EBIT stood at € 13.3 million (Q1-3 2022: € 12.4 million). This meant that the EBIT margin amounted to 6.8 percent (Q1-Q3 2022: 7.4 percent). The adjusted EBIT margin was also 6.8 percent, which was slightly down on the previous year's level (Q1-3 2022: 7.4 percent).

Development of the Production Solutions Segment
In this segment, incoming orders amounted to € 107.7 million, which was also above the level of the previous year (Q1-3 2022: € 84.5 million). Revenues in the nine-month period just ended amounted to € 82.4 million, which was at the level of the same period in the previous year (Q1-3 2022: € 82.4 million). Overall, the EBIT for the Production Solutions segment stood at € 3.5 million in the nine-month period just ended (Q1-Q3 2022: € 1.0 million). This meant that the EBIT margin amounted to 4.2 percent (Q1-Q3 2022: 1.3 percent). At 2.8 percent, the adjusted EBIT margin in the nine-month period just ended was above the level of the same period in the previous year (Q1-3 2022: 1.4 percent).

Cash Flows and Financial Position
The EDAG Group's statement of financial position total decreased by € 39.3 million to € 682.4 million, and was therefore below the level of December 31, 2022 (€ 721.7 million). The non-current assets decreased, by € 4.0 million, to € 365.6 million (12/31/2022: € 369.6 million). In the current assets, there was a significant

increase of € 47.8 million in the contract assets. By way of contrast, the accounts receivable also fell by € 38.7 million. Cash and cash-equivalents decreased from € 122.7 million to 77.1 million.

On the equity, liabilities and provisions side, equity increased from € 148.9 million to € 159.8 million, mainly as a result of the current profit (€ 23.6 million) and the dividend payout (€ -13.8 million). The equity ratio on the reporting date increased to 23.4 percent (12/31/2022: 20.6 percent).

Non-current liabilities and provisions increased to € 330.6 million (12/31/2022: € 233.4 million), mainly due to the conclusion of a new promissory note loan with long-term maturities of € 100 million. Current liabilities and provisions decreased by € 147.3 million to € 192.1 million, (12/31/2022: € 339.4 million). This is mainly due to the repayment of a due tranche of the original promissory note loan in the amount of € 80.5 million and to declining contractual liabilities. Lower income tax liabilities are also responsible for this development.

In the just-ended first nine-month period, the operating cash flow was € 9.9 million (Q1-3 2022: € 5.9 million). The reduction is primarily due to a build-up of working capital and the payment of income taxes in the nine-month period just ended.

At € 18.1 million, gross investments in the reporting period were slightly higher than in the previous year (Q1-3 2022: € 17.6 million). The ratio of gross investments in relation to revenues was at the level of the previous year at 2.9 percent (Q1-3 2022: 3.0 percent).

On the reporting date, unused lines of credit in the amount of € 105.8 million exist in the EDAG Group (12/31/2022: € 106.0 million). Unused lines of credit were therefore kept constant. The Executive Management regards the overall economic situation of the EDAG Group as good. The company has a sound financial basis, and was able to fulfil its payment obligations at all times throughout the reporting period.

2.3 HR Management and Development

The success of the EDAG Group as one of the leading engineering service providers in the automotive sector is inextricably linked to the skills and motivation of its employees. Behind the company's comprehensive service portfolio are people with widely differing occupations and qualifications. In addition, the EDAG Group is also characterized by the special commitment and mentality of its employees. Throughout more than 50 years of history, EDAG has always ensured that both young and experienced employees are offered interesting and challenging activities and projects, and are provided with the prospect of and the necessary space for personal responsibility and decision-making. And this is the primary focus of both our human resources management and development. For a more detailed representation of HR management and development, please see the Group Management Report in the Annual Report for 2022.

On September 30, 2023, the EDAG Group employed a workforce of 8,712 people (12/31/2022: 8,412 people). Personnel expenses in the reporting period amounted to € 427.1 million (Q1-Q3 2022: € 387.4 million).

3 Forecast, Risk and Reward Report

3.1 Risk and Reward Report

The following significant change to the risks and rewards described in the Group Management Report in the Annual Report for 2022 occurred during the reporting period.

Operative rewards in the third quarter are once more in risk category B (2022 and Q1 2023: risk category A; Q2 2023: risk category B), with an unchanged medium probability of occurrence.

Considering the measures taken, our position on the market, and our strategic and financial strength, we remain confident of our ability to contain the existing risks and deal successfully with the resulting challenges. For a more detailed representation of the Risk and Reward Report, please see the Group Management Report in the Annual Report for 2022.

3.2 Forecast

According to the latest IMF estimate announced on October 10, 2023, a decline of 0.5 percent in economic performance is expected for Germany in 2023; a return to a positive growth rate of 0.9 percent is anticipated in 2024. Within the eurozone, the IMF expects a growth rate of 0.7 percent in 2023 and of 1.2 percent in 2024. Growth of the US economy is expected to reach 2.1 percent in 2023, while a growth rate of 1.5 percent is anticipated in 2024. According to latest estimates, China, with forecasts for a 5.0 percent increase in economic output in 2023 and 4.2 percent in 2024, will continue to be a growth engine for the global economy, and is therefore one of the states with the fastest growing economic performance in both 2023 and 2024. India, with an expected growth rate of 6.3 percent in 2023 and 6.3 percent in 2024, is another major contributor to the projected growth of the global economy of 3.0 percent for 2023 and 2.9 percent for 2024.

The outlook in the automotive industry for 2023 continues to be marked by a continuing recovery of the markets. While the number of registrations in the passenger car/light vehicle market in Europe and the USA contracted in 2022, the VDA, in its forecast of October 23, 2023, anticipates a renewed increase in registrations in Europe (9 percent) and the USA (7 percent) in 2023.

At 3 percent, the growth rate forecast by the VDA for the Chinese market in 2023 is far below the level of growth in the previous year (10 percent). One of the reasons for the declining momentum is the fact that tax cuts on passenger cars in China expired at the end of 2022., and sales volumes are at an all-time high.

Taking the above explanations into account, Morgan Stanley, in its forecast of October 2, 2023, anticipates that global sales of vehicles (passenger cars, not including lightweight commercial vehicles) will increase to 72.1 million in 2023, an increase of roughly 3.2 percent compared to 2022. This means while the 2023 forecast is higher than the 69.9 million units sold in the previous year, it is still below that of 2019, the year prior to the crisis, when over 78.1 million units were sold.

Besides the sales figures, however, technological and digital trends continue to have an enormous influence not just on our own business model, but also on those of the OEMs. In particular, a large number of new automotive startup companies can see an opportunity to redesign the mobility of the future. The current, emission standards, and also the future ones as well, are making the continuous further development of classic powertrain types essential, and promoting the integration of alternative powertrains. The BEV/PHEV[1] technologies are also becoming increasingly important. In addition, however, e-fuels and the hydrogen-based fuel cell are providing high-tech engineering service providers with diverse opportunities. Additional challenges for all market participants are being created by the future-oriented fields of software, sensors, and autonomous and connected driving. The development of new digital business fields and mobility services necessitates additional development and capacity requirements, which could lead to new growth opportunities for the engineering service market. The continuing consolidation of the engineering service providers and changed responsibility models in the drafting of work contracts will also bring about lasting changes within the sector.

The market for engineering services remains highly dynamic. Trend topics such as highly automated driving, software-defined vehicles and data-based business models call for completely new vehicle architectures, and are increasingly leading to a separation of hardware and software in development. The large number of powertrain variants will make flexible and networked smart factories indispensable. All these developments are driving the demand for development services, and will, in the medium to long term, lead to considerable opportunities. The VDA anticipates an investment volume of € 250 billion worldwide in research and development in the German automotive industry in the period 2023 to 2027; to this must be added expenditure in the amount of approx. € 130 billion on the conversion of existing and the construction of new plants.

We do not at present see any risk to the continued existence of the company in the continuously rising geopolitical conflicts, the risen energy and staffing costs and the availability of suitable personnel, but do see a risk that its development might be impaired. Ongoing geopolitical disputes harbor uncertainties the development of which cannot be foreseen. These could include possible delays in the awarding of contracts or even project stops and budget cuts on the part of our customers; at the present time, however, there is no way of knowing. It is difficult to make a reliable outlook with regard to possible consequences for supply chains and the availability of pre-products and raw materials in the automotive industry. On the reporting date, unused lines of credit with credit institutions in the amount of € 105.8 million exist in the Group. As a result, we see ourselves as being very well positioned to meet the challenges of the 2023 financial year.

[1] Battery Electric Vehicle (BEV) / Plug-In-Hybrid Electric Vehicle (PHEV)

As a globally operating company, the EDAG Group is keeping a very keen eye on all forms of economic and geopolitical developments, and has made preparations to ensure that any additional countermeasures that prove necessary can be implemented as quickly as possible. Nevertheless, EDAG is concretizing its forecast for the remainder of the year.

With the current dynamically changing situation and the exceptional uncertainties arising as a result, companies across all sectors find themselves facing considerable challenges when it comes to forecasting economic development and deriving a reliable and dependable quantitative outlook.

For the 2023 financial year, EDAG anticipates continuing growth and a positive development in key performance indicators, and on the basis of this forecasts an increase in revenues in the region of 5 percent to 6 percent (previously: in the region of 4 to 7 percent).

What is more, we expect a stable adjusted EBIT, with current projections indicating an adjusted EBIT margin of 6 percent (previously: in the 4 to 7 percent range).

On account of the sustained growth, we expect investments in the 2023 financial year to be above the level of the previous year, and anticipate an investment rate that will probably be 4 percent (previously: in the region of 4 to 5 percent).

To a large extent, however, these estimates remain dependent on the impact of the continuing geopolitical conflicts, and on inflationary developments.

A summary of the outlook for 2023 is included in the following table:

in € million	2022	Concretized Forecast 2023
Group		
Revenues	796.1	Growth in a range of around 5 to 6 percent
AdjustedEBITmargin	6.3%	Around 6 percent
Investment rate	3.8%	Around 4 percent

4 Disclaimer

The Interim Management Report contains future-based statements related to anticipated developments. These statements are based on current projections, which by their nature include risks and uncertainties. Actual results may differ from the statements provided here.

ABRIDGED CONSOLIDATED FINANCIAL STATEMENTS

1 Consolidated Statement of Comprehensive Income

in € thousand	1/1/2023 – 9/30/2023	1/1/2022 – 9/30/2022	7/1/2023 – 9/30/2023	7/1/2022 – 9/30/2022
Profit or loss				
Sales revenues and changes in inventories[1]	628,174	589,668	206,620	207,518
Sales revenues	627,874	588,831	206,961	207,584
Changes in inventories	300	837	- 341	- 66
Other income	23,112	20,104	5,436	6,621
Material expenses	- 70,234	- 83,212	- 25,694	- 38,718
Gross profit	**581,052**	**526,560**	**186,362**	**175,421**
Personnel expenses	- 427,083	- 387,371	- 131,707	- 125,573
Depreciation, amortization and impairment	- 30,692	- 29,113	- 10,217	- 10,109
Net result from impairment losses or impairment loss reversals of financial assets	652	278	30	14
Other expenses	- 81,404	- 72,489	- 26,881	- 26,926
Earnings before interest and taxes (EBIT)	**42,525**	**37,865**	**17,587**	**12,827**
Result from investments accounted for using the equity method	942	600	333	86
Financial income	1,902	305	565	129
Financing expenses	- 10,018	- 7,354	- 4,088	- 2,464
Financial result	**- 7,174**	**- 6,449**	**- 3,190**	**- 2,249**
Earnings before taxes	**35,351**	**31,416**	**14,397**	**10,578**
Income taxes	- 11,772	- 10,461	- 4,788	- 3,522
Profit or loss	**23,579**	**20,955**	**9,609**	**7,056**

[1] For the sake of simplicity, described as revenue in the following.

in € thousand	1/1/2023 – 9/30/2023	1/1/2022 – 9/30/2022	7/1/2023 – 9/30/2023	7/1/2022 – 9/30/2022
Profit or loss	**23,579**	**20,955**	**9,609**	**7,056**
Other comprehensive income				
Under certain conditions reclassifiable profits/losses				
Currency conversion difference				
Profits/losses included in equity from currency conversion difference	14	2,179	552	844
Total under certain conditions reclassifiable profits/losses	**14**	**2,179**	**552**	**844**
Not reclassifiable profits/losses				
Revaluation of net obligation from defined benefit plans				
Revaluation of net obligation from defined benefit plans before taxes	1,338	19,275	1,872	5,077
Deferred taxes on defined benefit plans	- 391	- 5,779	- 558	- 1,521
Share of other comprehensive income of at-equity accounted investments, net of tax	73	218	17	56
Total not reclassifiable profits/losses	**1,020**	**13,714**	**1,331**	**3,612**
Total other comprehensive income before taxes	1,425	21,672	2,441	5,977
Total deferred taxes on the other comprehensive income	- 391	- 5,779	- 558	- 1,521
Total other comprehensive income	**1,034**	**15,893**	**1,883**	**4,456**
Total comprehensive income	**24,613**	**36,848**	**11,492**	**11,512**
Earnings per share of shareholders of EDAG Group AG [diluted and basic in €]				
Earnings per share	0.94	0.84	0.38	0.28

2 Consolidated Statement of Financial Position

in € thousand	9/30/2023	12/31/2022
Assets		
Goodwill	74,218	74,387
Other intangible assets	8,738	11,421
Property, plant and equipment	85,239	78,645
Rights of use from leasing	162,453	167,710
Financial assets	158	123
Investments accounted for using the equity method	19,342	18,487
Non-current other financial assets	572	557
Non-current other non-financial assets	1,918	2,610
Deferred tax assets	12,949	15,642
Non-current assets	**365,587**	**369,582**
Inventories	5,677	4,348
Current contract assets	117,214	69,382
Current accounts receivables	96,716	135,453
Current other financial assets	3,183	1,795
Current securities, loans and financial instruments	28	151
Current other non-financial assets	14,601	17,255
Income tax assets	2,259	1,005
Cash and cash-equivalents	77,139	122,688
Current assets	**316,817**	**352,077**
Assets	**682,404**	**721,659**

in € thousand	9/30/2023	12/31/2022
Equity, liabilities and provisions		
Subscribed capital	920	920
Capital reserves	40,000	40,000
Retained earnings	125,207	115,378
Reserves from profits and losses recognized directly in equity	- 1,922	- 2,941
Currency conversion differences	- 4,425	- 4,439
Equity	**159,780**	**148,918**
Provisions for pensions and similar obligations	25,667	25,741
Other non-current provisions	3,550	3,536
Non-current financial liabilities	139,520	39,528
Non-current lease liabilities	161,568	164,379
Non-current other non-financial liabilities	190	199
Deferred tax liabilities	56	4
Non-current liabilities and provisions	**330,551**	**233,387**
Current provisions	30,308	35,425
Current financial liabilities	19,568	98,838
Current lease liabilities	17,963	18,702
Current contract liabilities	27,754	76,531
Current accounts payable	20,325	31,228
Current other financial liabilities	3,952	4,169
Current other non-financial liabilities	71,299	58,692
Income tax liabilities	904	15,769
Current liabilities and provisions	**192,073**	**339,354**
Equity, liabilities and provisions	**682,404**	**721,659**

3 Consolidated Cash Flow Statement

	in € thousand	1/1/2023 – 9/30/2023	1/1/2022 – 9/30/2022
	Profit or loss	**23,579**	**20,955**
+/-	Income tax expenses/income	11,772	10,461
-	Income taxes paid	- 25,440	- 1,647
+	Financial result	7,174	6,449
+	Interest received	1,902	297
+/-	Depreciation and amortization/write-ups on tangible and intangible assets	30,692	29,113
+/-	Other non-cash item expenses/income and changes recognized directly in equity	194	18,874
+/-	Increase/decrease in non-current provisions	- 127	- 18,074
-/+	Profit/loss on the disposal of fixed assets	508	49
-/+	Increase/decrease in inventories	- 707	- 1,813
-/+	Increase/decrease in contract assets, receivables and other assets that are not attributable to investing or financing activities	- 7,284	- 3,122
+/-	Increase/decrease in current provisions	- 5,158	4,702
+/-	Increase/decrease in accounts payables and other liabilities and provisions that are not attributable to investing or financing activities	- 47,043	- 60,376
=	**Cash inflow/outflow from operating activities/operating cash flow**	**- 9,938**	**5,868**
+	Deposits from disposals of tangible fixed assets	388	209
-	Payments for investments in tangible fixed assets	- 16,647	- 13,959
-	Payments for investments in intangible fixed assets	- 1,458	- 3,610
+	Deposits from disposals of financial assets	11	3
-	Payments for investments in financial assets	- 45	- 12
=	**Cash inflow/outflow from investing activities/investing cash flow**	**- 17,751**	**- 17,369**

	in € thousand	1/1/2023 – 9/30/2023	1/1/2022 – 9/30/2022
-	Payments to shareholders/partners (dividend for prior years, capital repayments, other distributions)	- 13,750	- 5,000
-	Interest paid	- 8,220	- 6,665
+	Borrowing of financial liabilities	101,454	-
-	Repayment of financial liabilities	- 81,642	- 1,039
-	Repayment of lease liabilities	- 15,503	- 13,396
=	**Cash inflow/outflow from financing activities/financing cash flow**	**- 17,661**	**- 26,100**
	Net cash changes in financial funds	**- 45,350**	**- 37,601**
-/+	Effect of changes in currency exchange rate and other effects from changes of financial funds	- 199	1,130
+	Financial funds at the start of the period	122,688	151,091
=	**Financial funds at the end of the period [cash & cash equivalents]**	**77,139**	**114,620**
=	**Free cash flow (FCF) – equity approach**	**- 27,689**	**- 11,501**

4 Consolidated Statement of Changes in Equity

in € thousand	Subscribed capital	Capital reserves	Retained earnings	Currency conversion	Revaluation from pension plans	Shares in investments accounted for using the equity method	Total equity
As per 1/1/2023	**920**	**40,000**	**115,379**	**- 4,439**	**- 2,943**	**1**	**148,918**
Profit or loss	-	-	23,578	-	-	-	23,578
Othercomprehensive income	-	-	-	14	947	73	1,034
Total comprehensive income	**-**	**-**	**23,578**	**14**	**947**	**73**	**24,612**
Dividends	-	-	- 13,750	-	-	-	- 13,750
As per 9/30/2023	**920**	**40,000**	**125,207**	**- 4,425**	**- 1,996**	**74**	**159,780**

in € thousand	Subscribed capital	Capital reserves	Retained earnings	Currency conversion	Revaluation from pension plans	Shares in investments accounted for using the equity method	Total equity
As per 1/1/2022	**920**	**40,000**	**91,521**	**- 4,548**	**- 12,359**	**- 112**	**115,422**
Profit or loss	-	-	20,955	-	-	-	20,955
Othercomprehensive income	-	-	-	2,179	13,496	218	15,893
Total comprehensive income	**-**	**-**	**20,955**	**2,179**	**13,496**	**218**	**36,848**
Dividends	-	-	- 5,000	-	-	-	- 5,000
As per 9/30/2022	**920**	**40,000**	**107,476**	**- 2,369**	**1,137**	**106**	**147,270**

5 Selected Explanatory Notes

5.1 General Information

The EDAG Group are experts in the development of vehicles, derivatives, modules and production facilities, specializing in complete vehicle development. As one of the largest independent engineering partners for the automotive industry, we regard mobility not simply as a product characteristic, but rather as a fully integrated purpose.

The parent company of the EDAG Group is EDAG Engineering Group AG ("EDAG Group AG"). EDAG Group AG was founded on November 2, 2015, and entered in the commercial register of the Swiss canton Thurgau on November 3, 2015. The registered office of the company is: Schlossgasse 2, 9320 Arbon, Switzerland.

Since December 2, 2015, the company has been listed for trading on the regulated market of the Frankfurt Stock Exchange with concurrent admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard):

International Securities Identification Number (ISIN):	CH0303692047
Securities identification number (WKN):	A143NB
Trading symbol:	ED4

The shares are denominated in Swiss francs. The functional currency is the euro, and shares are traded in euros. The company's shares are briefed in a global certificate and deposited with Clearstream. Each company share entitles its holder to a vote at the company's annual shareholders' meeting.

The financial statements of the subsidiaries included in the Consolidated Interim Report were prepared using uniform accounting and valuation principles as of EDAG Group AG's financial reporting date (September 30).

The unaudited Consolidated Interim Report has been prepared using the euro as the reporting currency. Unless otherwise stated, all amounts are given in thousands of euros. Where percentage values and figures are given, differences may occur due to rounding.

In accordance with IAS 1, the statement of financial position is divided into non-current and current assets, liabilities and provisions. Assets and liabilities are classified as current if they are expected to be sold or settled respectively within a year or within the company's or group's normal operating cycle. In compliance with IAS 12, deferred taxes are posted as non-current assets and liabilities. Likewise, pension provisions are also posted as non-current items.

The statement of comprehensive income is structured according to the nature of expense method.

5.2 Basic Principles and Methods

Basic Accounting Principles

The Consolidated Interim Report of the EDAG Group AG for the period ending September 30, 2023 has been prepared in accordance with IAS 34 "Interim financial reporting". As the scope of the Consolidated Interim Report has been reduced, making it shorter than the Consolidated Financial Statement, it should be read in conjunction with the Consolidated Financial Statement for December 31, 2022.
The Consolidated Financial Statement of EDAG Group AG and its subsidiaries for December 31, 2022 has been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), as they are to be applied pursuant to Directive No. 1606/2002 of the European Parliament and Council regarding the application of international accounting standards in the EU. In addition to the International Financial Reporting Standards, the term IFRS also includes the still valid International Accounting Standards (IAS), the Interpretations of the IFRS Interpretations Committee (IFRS IC) and those of the former Standing Interpretations Committee (SIC). The requirements of all accounting standards and interpretations resolved as of September 30, 2023 and adopted in national law by the European Commission have been fulfilled.

In addition to the statement of financial position and the statement of comprehensive income, the IFRS consolidated financial statement also includes additional components, namely the statement of changes in equity, the cash flow statement and the notes. The separate report on the risks of future development is included in the Interim Group Management Report.

All estimates and assessments required for accounting and valuation in accordance with the IFRS standards are in conformity with the respective standards, are regularly reassessed, and are based on past experience and other factors including expectations as to future events that appear reasonable under the given circumstances. Wherever large-scale estimates were necessary, the assumptions made are set out in the note relating to the relevant item in the following.

The risks to the EDAG Group arising from the global crises are subject to continual analysis and evaluation, also with regard to their impact on the net assets, financial position and financial performance of the Group. Climate-related risks and opportunities for the EDAG Group are regularly assessed in our sustainability and CSR report, and have also been taken into due account within the scope of the financial reporting, including forecasts of expected business development. At the present time, we do not anticipate any material changes to our expectations with regard to the net assets, financial position and financial performance as a result of the climate crisis.

The present condensed Consolidated Financial Statements and the Interim Group Management Report have not been subjected to an audit review in accordance with ISRE 2410, nor have they been audited in accordance with § 317 of the German Commercial Code.

New, Changed or Revised Accounting Standards

EDAG Group AG has applied the following accounting standards adopted by the EU and legally required to be applied since January 1, 2023, although they did not have any significant effect on the assets, financial position and financial performance of the EDAG Group in the Consolidated Interim Report:

- IFRS 17 – Insurance Contracts (IASB publication: June 25, 2020; EU endorsement: November 19, 2021)
- IFRS 17 – Insurance Contracts – Initial Application of IFRS 17 and IFRS 9 Comparative Information (IASB publication: December 9, 2021; EU endorsement: September 8, 2022)
- IAS 12 – Taxes – Deferred Taxes related to Assets and Liabilities arising from a Single Transaction (IASB publication: May 7, 2021; EU endorsement: August 11, 2022)

- IAS 1 – Presentation of Financial Statements – Practice Statement 2: Disclosure of Accounting Policies (IASB publication: February 12, 2021; EU endorsement: March 2, 2022)
- IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates (IASB publication: February 12, 2021; EU endorsement: March 2, 2022)

At the present time, we assume that the use of the other accounting standards and interpretations that have been published but are not yet in use will not have any material effect on the presentation of the financial position, financial performance and cash flow of the EDAG Group.

Accounting and Valuation Principles

For this Consolidated Interim Report, a discount rate of 4.53 percent has been used for pension provisions in Germany 12/31/2022: 4.14 percent). A discount rate of 1.98 percent has been used for pension provisions in Switzerland (12/31/2022: 2.25 percent).

In accordance with the objective of financial statements set out in F.12 et seq., IAS 1.9 and IAS 8.10 et seq., IAS 34.30(c) was applied when determining income tax expense for the interim reporting period. Accordingly, the weighted average expected annual tax rate in the amount of 33.33 percent (12/31/2022: 32.22 percent effective reported tax ratio) was used.

Otherwise, the same accounting and valuation methods and consolidation principles as were used in the 2022 consolidated financial statements for EDAG Group AG were applied when preparing the Consolidated Interim Report and determining comparative figures. A detailed description of these methods has been published in the Notes to the Consolidated Financial Statement in the Annual Report for 2022. This Consolidated Interim Report should therefore be read in conjunction with the Consolidated Financial Statement of EDAG Group AG for December 31, 2022.

Irregular expenses incurred during the financial year are reported in cases where reporting would also be effected at the end of the financial year.

The EDAG Group's operating activities are not subject to any significant seasonal influences.

Estimates and Discretionary Decisions

Preparation of the Consolidated Interim Report in accordance with IFRS requires management to make estimates and discretionary decisions that may affect the recognition and measurement of assets and liabilities in the balance sheet, the disclosure of contingent receivables and liabilities on the balance sheet date, and the reported income and expenses for the reporting period.

Due to the continuing geopolitical conflicts, these estimates and discretionary decisions are subject to increased uncertainty. The amounts actually realized may deviate from these estimates and discretionary decisions; changes may have a material impact on the Consolidated Interim Report.

5.3 Changes in the Scope of Consolidation

On September 30, 2023, the group of combined or consolidated companies is composed as follows:

	Switzerland	Germany	Other countries	Total
Fullyconsolidatedcompanies	2	5	20	27
Companies accounted for using the equity method	-	1	-	1
Companies included at acquisitioncost[notincluded inthescopeofconsolidation]	-	3	1	4

EDAG Engineering Austria GmbH was founded with the registration dated August 29, 2023. As of the reporting date, the company is not yet fully operational and is therefore included at acquisition cost.

The other companies included at acquisition cost are for the most part non-operational companies and general partners, and are not included in the scope of consolidation. The company accounted for using the equity method that is included is an associated company.

5.4 Currency Conversion

Currency conversion in the Consolidated Interim Report was based on the following exchange rates:

Country	Currency 1 EUR = nat. currency	9/30/2023 Spot rate on balance sheet date	3Q 2023 Average exchange rate for period	12/31/2022 Spot rate on balance sheet date	3Q 2022 Average exchange rate for period
Great Britain	GBP	0.8646	0.8710	0.8869	0.8469
Brazil	BRL	5.3065	5.4259	5.6386	5.4677
USA	USD	1.0594	1.0835	1.0666	1.0650
Malaysia	MYR	4.9741	4.8910	4.6984	4.6184
Hungary	HUF	389.5000	381.6426	400.8700	384.2950
India	INR	88.0165	89.2461	88.1710	82.3310
China	CNY	7.7352	7.6219	7.3582	7.0210
Mexico	MXN	18.5030	19.2926	20.8560	21.5785
CzechRepublic	CZK	24.3390	23.8293	24.1160	24.6174
Switzerland	CHF	0.9669	0.9776	0.9847	1.0125
Poland	PLN	4.6283	4.5838	4.6808	4.6700
Sweden	SEK	11.5325	11.4749	11.1218	10.5237
Japan	JPY	158.1000	149.5872	140.6600	135.9321
Turkey	TRY	29.0514	29.0514	19.9649	18.0841

Hyperinflation

Since the second quarter of 2022, Turkey has been classified as a hyperinflationary economy in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies". Accounting for the activities there is therefore not carried out on the basis of historical acquisition or production costs, but is presented adjusted for the effects of inflation. The IMF (International Monetary Fund) price index for consumer goods is used here (inflation in Turkey in 2023: 45.0 percent). Gains and losses from hyperinflation are included in equity, in the reserves from currency translation differences.

After the figures have been adjusted for the effects of inflation, balance sheet items and income and expenses are translated into the reporting currency, the euro, at the closing rate on the balance sheet date, in accordance with IAS 21.42. This did not result in any material effect. The previous year's figures are not adjusted in accordance with the requirements of IAS 21 "The Effects of Changes in Foreign Exchange Rates" for financial statements in non-hyperinflationary reporting currencies.

5.5 Reconciliation of the Adjusted Operating Profit (Adjusted EBIT)

In addition to the data required according to the IFRS, the segment reporting also includes a reconciliation to the adjusted earnings before interest and taxes (adjusted EBIT). Adjustments include income from initial consolidations and deconsolidations, expenses and earnings relating to restructuring, all effects of purchase price allocations on EBIT and special effects from compensation payments.

in € thousand	1/1/2023 – 9/30/2023	1/1/2022 – 9/30/2022	7/1/2023 – 9/30/2023	7/1/2022 – 9/30/2022
Earnings before interest and taxes (EBIT)	**42,525**	**37,865**	**17,587**	**12,827**
Adjustments:				
Expenses(+)frompurchase price allocation	183	1,922	11	644
Other adjustmens	- 1,568	- 2,264	-	-
Total adjustments	**- 1,385**	**- 342**	**11**	**644**
Adjusted earnings before interest and taxes (adjusted EBIT)	**41,140**	**37,523**	**17,598**	**13,471**

5.6 Segment Reporting

The segment reporting is prepared in accordance with IFRS 8 "Operating segments". Individual consolidated results are reported by company divisions in conformity with the internal reporting and organizational structure of the EDAG Group. The key performance indicator for the Group Executive Management at segment level is the EBIT/adjusted EBIT. The segment presentation is designed to show the profitability as well as the assets and financial situation of the individual business activities.

Intercompany sales are accounted for at customary market prices and are equivalent to sales towards third parties (arm's length principle).

As at September 30, 2023, the non-current assets amounted to € 365.6 million (12/31/2022: € 369.6 million). Of these, € 2.5 million are domestic, € 319.7 million are German, and € 43.4 million are non-domestic (12/31/2022: [domestic: € 2.4 million; Germany: € 322.4 million; non-domestic: € 44.8 million]).

The assets, liabilities and provisions are not reported by segments, as this information is not part of the internal reporting.

The Vehicle Engineering segment ("VE") consists of services along the vehicle development process as well as responsibility for derivative and complete vehicles. For descriptions of the individual departments in this segment, please see the chapter "Business Model" in the Interim Group Management Report.

The range of services offered by the Electrics/Electronics segment ("E/E") includes the development of electrical and electronic systems, components, functions and services for everything from show cars and prototypes to the complete vehicle. These services are performed in competencies which are described in greater detail in the chapter "Business Model" in the Interim Group Management Report.

As an all-round engineering partner, the Production Solutions segment ("PS") is responsible for the development and implementation of production processes. In addition to handling the individual stages in the product creation process and all factory and production systems-related services, Production Solutions are also able to optimally plan complete factories over all fields, including cross processes, and to provide the realization from a single source. For more detailed descriptions of the individual departments in this segment, please see the chapter "Business Model" in the Interim Group Management Report.

Income and expenses as well as results between the segments are eliminated in the consolidation.

in € thousand	1/1/2023 – 9/30/2023					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Salesrevenueswiththirdparties	355,338	193,112	79,424	627,874	-	627,874
Sales revenues with other segments	6,033	2,448	2,658	11,139	- 11,139	-
Changes in inventories	- 30	33	297	300	-	300
Total revenues[1]	**361,341**	**195,593**	**82,379**	**639,313**	**- 11,139**	**628,174**
EBIT	**25,733**	**13,300**	**3,492**	**42,525**	**-**	**42,525**
EBIT margin [%]	7.1%	6.8%	4.2%	6.7%	n/a	6.8%
Purchasepriceallocation(PPA)	73	-	110	183	-	183
Other adjustments	- 264	-	- 1,304	- 1,568	-	- 1,568
Adjusted EBIT	**25,542**	**13,300**	**2,298**	**41,140**	**-**	**41,140**
Adjusted EBIT margin [%]	7.1%	6.8%	2.8%	6.4%	n/a	6.5%
Depreciation,amortizationand impairment	27,954	1,598	1,140	30,692	-	30,692
Ø Employees per segment	4,599	2,832	1,138	8,569		8,569

in € thousand	1/1/2022 – 9/30/2022					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Salesrevenueswiththirdparties	345,053	164,065	79,713	588,831	-	588,831
Sales revenues with other segments	4,667	3,356	2,495	10,518	- 10,518	-
Changes in inventories	410	238	189	837	-	837
Total revenues[1]	**350,130**	**167,659**	**82,397**	**600,186**	**- 10,518**	**589,668**
EBIT	**24,461**	**12,368**	**1,036**	**37,865**	**-**	**37,865**
EBIT margin [%]	7.0%	7.4%	1.3%	6.3%	n/a	6.4%
Purchasepriceallocation(PPA)	1,754	-	168	1,922	-	1,922
Other adjustments	- 2,245	-	- 19	- 2,264	-	- 2,264
Adjusted EBIT	**23,970**	**12,368**	**1,185**	**37,523**	**-**	**37,523**
Adjusted EBIT margin [%]	6.8%	7.4%	1.4%	6.3%	n/a	6.4%
Depreciation,amortizationand impairment	22,241	4,142	2,730	29,113	-	29,113
Ø Employees per segment	4,489	2,424	1,104	8,017		8,017

[1] The performance figure "revenues" is used in the sense of gross performance (sales revenues and changes in inventories).

The following table reflects the concentration risk of the EDAG Group, divided according to the customer sales divisions and segments:

in € thousand	1/1/2023 – 9/30/2023							
	Vehicle Engineering		Electrics/ Electronics		Production Solutions		Total	
Customer sales division A	58,379	16%	67,119	35%	8,291	10%	133,789	21%
Customer sales division B	54,387	15%	56,449	29%	5,678	7%	116,514	19%
Customer sales division C	49,664	14%	17,046	9%	5,462	7%	72,172	11%
Customer sales division D	42,210	12%	4,818	2%	4,517	6%	51,545	8%
Customer sales division E	49,364	14%	14,221	7%	7,401	9%	70,986	11%
Customer sales division F	40,493	11%	1,965	1%	2,444	3%	44,902	7%
Customer sales division G	60,841	17%	31,494	16%	45,631	57%	137,966	22%
Sales revenue with third parties	**355,338**	**100%**	**193,112**	**100%**	**79,424**	**100%**	**627,874**	**100%**

in € thousand	1/1/2022 – 9/30/2022							
	Vehicle Engineering		Electrics/ Electronics		Production Solutions		Total	
Customer sales division A	50,938	15%	56,111	34%	9,620	12%	116,669	20%
Customer sales division B	38,885	11%	47,643	29%	2,729	3%	89,257	15%
Customer sales division C	41,156	12%	16,020	10%	7,243	9%	64,419	11%
Customer sales division D	24,029	7%	2,576	2%	4,044	5%	30,649	5%
Customer sales division E	56,771	16%	12,883	8%	8,705	11%	78,359	13%
Customer sales division F	80,705	23%	5,362	3%	17,663	22%	103,730	18%
Customer sales division G	52,569	15%	23,470	14%	29,709	37%	105,748	18%
Sales revenue with third parties	**345,053**	**100%**	**164,065**	**100%**	**79,713**	**100%**	**588,831**	**100%**

In the Electrics/Electronics segment, the EDAG Group generates over 50 percent of its sales revenues with one corporate group.

The following table reflects the revenue recognition of the EDAG Group, divided according to segments:

in € thousand	1/1/2023 – 9/30/2023					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Period-related revenue recognition	345,526	195,281	80,448	621,255	-	621,255
Point in time revenue recognition	15,845	278	1,634	17,757	-	17,757
Sales revenue with other segments	- 6,033	- 2,447	- 2,658	- 11,138	-	- 11,138
Sales revenue with third parties	**355,338**	**193,112**	**79,424**	**627,874**	**-**	**627,874**
Sales revenue with other segments	6,033	2,447	2,658	11,138	- 11,138	-
Changes in inventories	- 30	33	297	300	-	300
Total revenues	**361,341**	**195,592**	**82,379**	**639,312**	**- 11,138**	**628,174**

in € thousand	1/1/2022 – 9/30/2022					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Period-related revenue recognition	334,665	166,723	81,225	582,613	-	582,613
Point in time revenue recognition	15,055	698	983	16,736	-	16,736
Sales revenue with other segments	- 4,667	- 3,356	- 2,495	- 10,518	-	- 10,518
Sales revenue with third parties	**345,053**	**164,065**	**79,713**	**588,831**	**-**	**588,831**
Sales revenue with other segments	4,667	3,356	2,495	10,518	- 10,518	-
Changes in inventories	410	238	189	837	-	837
Total revenues	**350,130**	**167,659**	**82,397**	**600,186**	**- 10,518**	**589,668**

5.7 Contingent Liabilities/Receivables and Other Financial Obligations

Contingent Liabilities

As at the end of the 2022 financial year, there were no material contingent liabilities on the reporting date.

Other Financial Obligations

In addition to the provisions and liabilities, there are also other financial obligations, and these are composed as follows:

in € thousand	9/30/2023	12/31/2022
Open purchase orders	12,622	16,476
Total renting and leasing contracts	6,373	6,232
Other miscellaneous financial obligations	38	200
Total	**19,033**	**22,908**

The obligations from rental and leasing contracts are composed primarily of leasing agreements for low-value assets in the form of IT equipment, of short-term rental agreements and software leasing. The liabilities from open purchase orders are primarily associated with the company's EMV competence center, which is being built at the Fulda site.

Contingent Receivables

As at the end of the 2022 financial year, there were no material contingent receivables on the reporting date.

5.8 Financial Instruments

Net Financial Debt/Credit

The Group Executive Management's aim is to keep the net financial debt as low as possible in relation to equity (net gearing).

in € thousand	9/30/2023	12/31/2022
Non-current financial liabilities	- 139,520	- 39,528
Non-current lease liabilities	- 161,568	- 164,379
Current financial liabilities	- 19,568	- 98,838
Current lease liabilities	- 17,963	- 18,702
Current securities, loans and financial instruments	28	151
Cash and cash equivalents	77,139	122,688
Net financial debt/-credit [-/+]	**- 261,452**	**- 198,608**
Net financial debt/-credit wo lease liabilities [-/+]	**- 81,921**	**- 15,527**
Equity	159,780	148,918
Net gearing [%] incl. lease liabilities	**163.6%**	**133.4%**

At € 261.5 million, the net financial debt on September 30, 2023 is € 62.8 million above the value on December 31, 2022 (€ 198.6 million). Without taking lease liabilities into account, the net financial debt on September 30, 2023 amounts to € 81.9 million (12/31/2022: € 15.5 million).

In July 2023, a due tranche of € 80.5 million of the original promissory note loan with a total volume of € 120 million was repaid. As of September 30, 2023, the promissory note loan is composed of several tranches with various interest rates and terms to maturity of up to five years. For the purpose of refinancing, EDAG Engineering GmbH, Wiesbaden has placed a new promissory note loan composed of several tranches in the total amount of € 100 million, with maturities of between three and seven years. The transaction, which was successfully concluded in mid-July 2023, serves to secure the further growth of the EDAG Group.

As of September 30, 2023, there is a current loan, including interest, in the amount of € 16.8 million from VKE-Versorgungskasse EDAG-Firmengruppe e.V., the other major creditor (12/31/2022: € 17.6 million).

A further component of the net financial debt are liabilities from leases. The liabilities from leases primarily include future leasing payments for office buildings, warehouses, production facilities and cars measured using the effective interest method.

The EDAG Group has unused lines of credit in the amount of € 105.8 million on the reporting date (12/31/2022: € 106.0 million).

One of the major factors influencing the net financial debt is the working capital, which developed as follows:

	in € thousand	9/30/2023	12/31/2022
	Inventories	5,677	4,348
+	Current contract assets	117,214	69,382
+	Current accounts receivable	96,716	135,453
-	Current contract liabilities	- 27,754	- 76,531
-	Current accounts payable	- 20,325	- 31,228
=	**Trade working capital (TWC)**	**171,528**	**101,424**
+	Non-current other financial assets	572	557
+	Non-current other non-financial assets	1,918	2,609
+	Deferred tax assets	12,949	15,642
+	Current other financial assets excl. interest-bearing receivables	3,183	1,795
+	Current other non-financial assets	14,601	17,255
+	Income tax assets	2,259	1,005
-	Non-current other non-financial liabilities	- 190	- 199
-	Deferred tax liabilities	- 56	- 4
-	Current other financial liabilities	- 3,952	- 4,169
-	Current other non-financial liabilities	- 71,299	- 58,692
-	Income tax liabilities	- 905	- 15,769
=	**Other working capital (OWC)**	**- 40,920**	**- 39,970**
	Net working capital (NWC)	**130,608**	**61,454**

The trade working capital increased by € 70,104 thousand to € 171,528 thousand, compared to December 31, 2022. The increase mainly results from a higher capital commitment in contract assets and contract liabilities. By way of contrast, accounts receivable decreased.

The other working capital decreased slightly by € 1,317 thousand to € -40,920 thousand, compared to € -39,970 thousand on December 31, 2022. This decrease was influenced mainly by an increase in current other non-financial liabilities from employee benefits. By way of contrast, income tax liabilities decreased, primarily as a result of income tax payments.

Book Values, Valuation Rates and Fair Values of the Financial Instruments as per Measurement Category

The principles and methods for assessing at fair value have not changed compared to last year. Detailed explanations of the valuation principles and methods can be found in the Notes to the Consolidated Financial Statement in the Annual Report of EDAG Group AG for 2022.

For the most part, cash and cash-equivalents, accounts receivable and other receivables have only a short time to maturity. For this reason, their book values on the reporting date are close approximations of the fair values.

The fair values of other receivables with a remaining term of more than a year correspond to the net present values of the payments associated with the assets, taking into account the relevant interest parameters, which reflect the market and counterparty-related changes in conditions and expectations.

The investments and securities are valued at fair value. In the case of equity interests for which no market price is available, the acquisition costs are applied as a reasonable estimate of the fair value. In the financial assets, shares in non-consolidated subsidiaries and other investments are recognized at acquisition cost, taking impairments into account, as no observable fair values are available and other admissible methods of evaluation do not produce reliable results. There are currently no plans to sell these financial instruments.

Accounts payable and other financial liabilities regularly have short terms to maturity, and the values posted are close approximations of the fair values.

The book values or fair values of all financial instruments recorded in the abridged Consolidated Financial Statements are shown in the following table:

in € thousand	Measured at fair value through profit and loss [FVtPL]	Measured at amortized cost [AC]		Not allocated to a measurement category [n.a.]	Balance sheet item as per 9/30/2023
		Carrying amount	Fair value		
Fincancial assets					
Financial assets[1]	97	61	61	-	158
Non-current other financial assets	-	572	572	-	572
Current contract assets	-	-	-	117,214	117,214
Current accounts receivables	-	96,716	96,716	-	96,716
Current other financial assets	-	3,183	3,183	-	3,183
Current securities, loans and financial instruments	28	-	-	-	28
Cash and cash-equivalents	-	77,139	77,139	-	77,139
Financial assets	**125**	**177,671**	**177,671**	**117,214**	**295,010**
Financial liabilitites					
Non-current financial liabilities	-	139,520	139,547	-	139,520
Non-current lease liabilities	-	-	-	161,568	161,568
Current financial liabilities	17	19,551	19,551	-	19,568
Current lease liabilities	-	-	-	17,963	17,963
Current contract liabilities	-	-	-	27,754	27,754
Current accounts payable	-	20,325	20,325	-	20,325
Current other financial liabilities	-	3,952	3,952	-	3,952
Financial liabilitites	**17**	**183,348**	**183,375**	**207,285**	**390,650**

[1] Forfinancialassetsclassifiedasatfairvaluethroughprofitorloss[FVtPL],useismadeoftheexemptioninaccordancewithIFRS9.B5.2.3forsharesinnon-consolidated subsidiaries.

in € thousand	Measured at fair value through profit and loss [FVtPL]	Measured at amortized cost [AC]		Not allocated to a measurement category [n.a.]	Balance sheet item as per 12/31/2022
		Carrying amount	Fair value		
Financial assets					
Financial assets[1]	80	43	43	-	123
Non-current other financial assets	-	557	557	-	557
Current contract assets	-	-	-	69,382	69,382
Current accounts receivables	-	135,453	135,453	-	135,453
Current other financial assets	-	1,735	1,735	60	1,795
Current securities, loans and financial instruments	151	-	-	-	151
Cash and cash-equivalents	-	122,688	122,688	-	122,688
Financial assets	**231**	**260,476**	**260,476**	**69,442**	**330,149**
Financial liabilitites					
Non-current financial liabilities	-	39,528	37,478	-	39,528
Non-current lease liabilities	-	-	-	164,379	164,379
Current financial liabilities	-	98,838	98,838	-	98,838
Current lease liabilities	-	-	-	18,702	18,702
Current contract liabilities	-	-	-	76,531	76,531
Current accounts payable	-	31,228	31,228	-	31,228
Current other financial liabilities	-	4,169	4,169	-	4,169
Financial liabilitites	**-**	**173,763**	**171,713**	**259,612**	**433,375**

The fair values of securities correspond to the nominal value multiplied by the exchange quotation on the reporting date.

The attributable fair values of liabilities due to credit institutions, loans, other financial liabilities and other interest-bearing liabilities are calculated as present values of the debt-related payments, based on the EDAG current yield curve valid at the time. The valuation of the fair value took place according to the "Level 2" measurement category on the basis of a discounted cash flow model. In this context, the current market rates of interest and the contractually agreed parameters were taken as the basis.

The information for the determination of attributable fair value is given in tabular form, based on a three-level fair value hierarchy for each class of financial instrument. There are three measurement categories:

Level 1: At level 1 of the fair value hierarchy, the attributable fair values are measured using listed market prices, as the best possible fair values for financial assets or liabilities can be observed in active markets.

Level 2: If there is no active market for a financial instrument, a company uses valuation models to determine the attributable fair value. Valuation models include the use of current business transactions between competent, independent business partners willing to enter into a contract; comparison with the current attributable fair value of another, essentially identical financial instrument; use of the discounted cash flow method; or of option pricing models. The attributable fair value is estimated on the basis of the results achieved using one of the valuation methods, making the greatest possible use of market data and relying as little as possible on company-specific data.

Level 3: The valuation models used at this level are not based on observable market data.

in € thousand	Assessed at fair value 9/30/2023			
	Level 1	Level 2	Level 3	Total
Financial assets				
Current securities, loans and financial instruments	28	-	-	28

in € thousand	Assessed at fair value 12/31/2022			
	Level 1	Level 2	Level 3	Total
Financial assets				
Current securities, loans and financial instruments	30	121	-	151

5.9 Related Parties

In the course of its regular business activities, the EDAG Group correlates either directly or indirectly not only with the subsidiaries included in the abridged Consolidated Financial Statements, but also with EDAG subsidiaries which are affiliated but not consolidated, with affiliated companies of the ATON Group, and with other related companies and persons.

For a more detailed account of the type and extent of the business relations, please see the Notes to the Consolidated Financial Statement in the annual report of EDAG Group AG for 2022.

The following table gives an overview of ongoing business transactions with related parties:

in € thousand	1/1/2023 – 9/30/2023	1/1/2022 – 9/30/2022
EDAG Group with boards of directors[1] (EDAG Group AG)		
Work-related expenses	722	722
Travel and other expenses	41	28
Consulting expenses	56	19
EDAG Group with supervisory boards[1] (EDAG Engineering GmbH & EDAG Engineering Holding GmbH)		
Work-related expenses	52	39
Travel and other expenses	2	2
Compensation costs	518	509
EDAG Group with ATON companies (parent company and its affiliated companies)		
Goods and services rendered	133	137
Other operating expenses	67	1
EDAG Group with unconsolidated subsidiaries		
Other operating expenses	5	3
EDAG Group with associated companies		
Goods and services rendered	142	277
Goods and services received	1,154	2,819
Other operating income	28	338
Other operating expenses	47	47
Income from investments	942	600
EDAG Group with other related companies and persons		
Interest expense	380	201
Other operating expenses	-	3
Paid leases for rights of use	5,724	4,356

[1] Overall, these are all payments due at short notice.

5.10 Subsequent Events

No important events took place after the reporting period.

Arbon, November 8, 2023

EDAG Engineering Group AG

Georg Denoke, Chairman of the Board of Directors

Sylvia Schorr, Member of the Board of Directors
and Chair of the Examination Board

Cosimo De Carlo, Group Chief Executive Officer
and Member of the Group Executive Management

Holger Merz, Group Chief Financial Officer
and Member of the Group Executive Management

LEGAL NOTICE

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The English version of the Interim Report is a translation of the German version. The German version is legally binding.

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