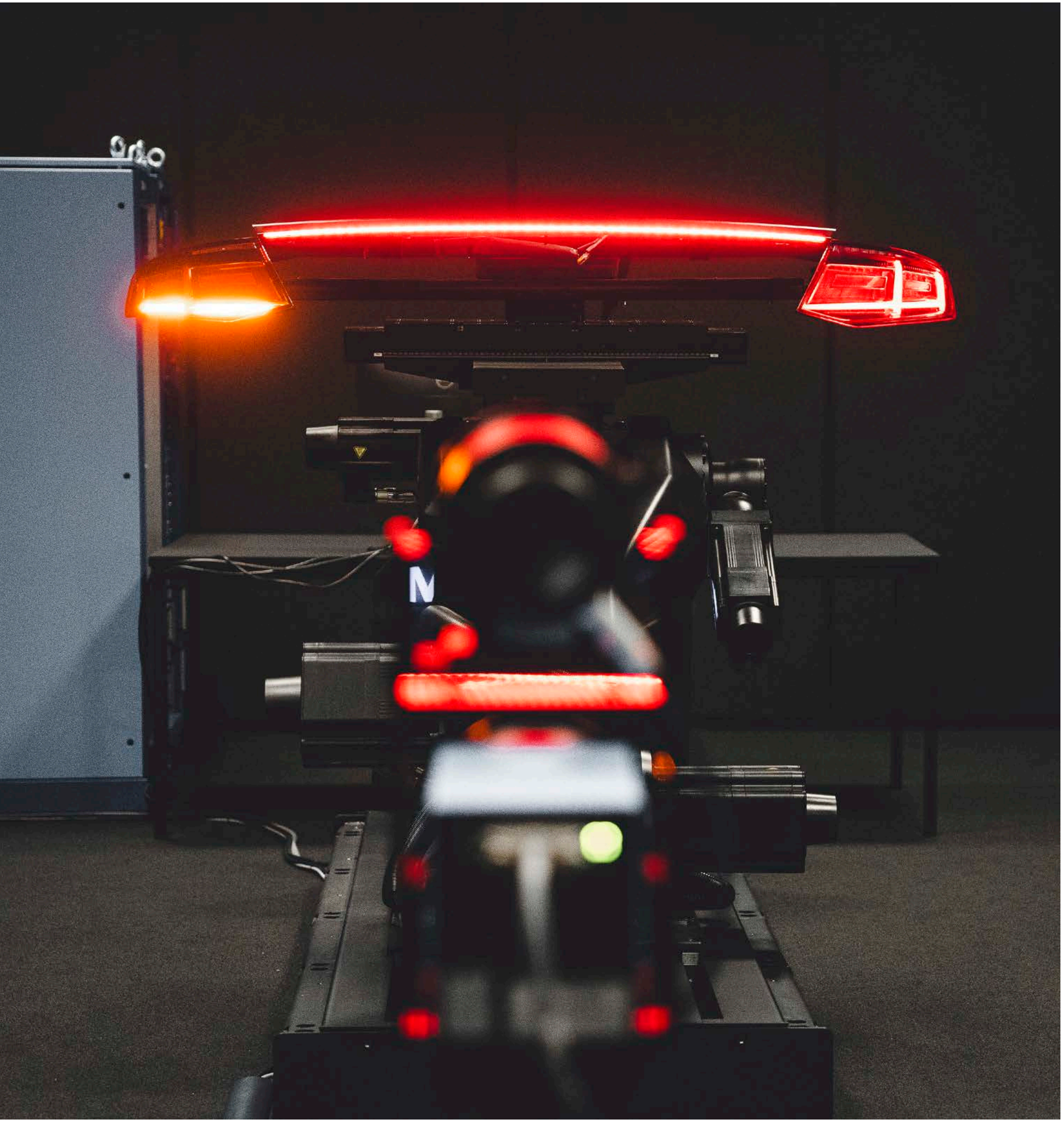
FINANCIAL YEAR 2024

REPORT ON THE THIRD QUARTER OF 2024

THE NEW
EDAG LIGHT LABORATORY



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KEY FIGURES AND EXPLANATIONS BY THE EDAG GROUP AS PER SEPTEMBER 30, 2024

(in million € or %)	1/1/2024 – 9/30/2024	1/1/2023 – 9/30/2023	7/1/2024 – 9/30/2024	7/1/2023 – 9/30/2023
Vehicle Engineering	365.9	361.3	121.0	116.6
Electrics/Electronics	184.2	195.6	57.0	64.8
Production Solutions	100.8	82.4	32.9	28.7
Consolidation	- 17.0	- 11.1	- 6.2	- 3.4
Total revenues[1]	**633.9**	**628.2**	**204.7**	**206.6**
Change:				
Vehicle Engineering	*1.3%*	*3.2%*	*3.8%*	*-4.9%*
Electrics/Electronics	*-5.8%*	*16.7%*	*-12.0%*	*8.3%*
Production Solutions	*22.3%*	*0.0%*	*14.7%*	*1.2%*
Change of revenues[1]	***0.9%***	***6.5%***	***-0.9%***	***-0.4%***
Vehicle Engineering	24.5	25.5	9.1	11.5
Electrics/Electronics	3.8	13.3	0.0	5.4
Production Solutions	4.8	2.3	2.1	0.7
Adjusted EBIT	**33.1**	**41.1**	**11.3**	**17.6**
EBIT	**33.0**	**42.5**	**11.2**	**17.6**
Vehicle Engineering	*6.7%*	*7.1%*	*7.5%*	*9.9%*
Electrics/Electronics	*2.1%*	*6.8%*	*0.0%*	*8.3%*
Production Solutions	*4.7%*	*2.8%*	*6.5%*	*2.5%*
Adjusted EBIT margin	***5.2%***	***6.5%***	***5.5%***	***8.5%***
EBIT margin	***5.2%***	***6.8%***	***5.5%***	***8.5%***
Profit or loss	***15.7***	***23.6***	***5.2***	***9.6***
Earnings per share (€)	0.63	0.94	0.21	0.38

[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 %)	9/30/2024	12/31/2023
Fixed assets	361.2	360.1
Net working capital	101.1	103.2
Net financial debt (incl. lease liabilities)	- 239.8	- 235.4
Provisions	- 59.9	- 65.4
Equity	**162.7**	**162.5**
Balance sheet total	**723.6**	**730.6**
Net financial debt/credit [-/+] w/o lease liabilities	- 56.2	- 52.1
Equity ratio	*22.5%*	*22.2%*
Net gearing [-/+] incl. lease liabilities	*147.4%*	*144.9%*

(in million € or %)	1/1/2024 – 9/30/2024	1/1/2023 – 9/30/2023	7/1/2024 – 9/30/2024	7/1/2023 – 9/30/2023
Operating cash flow	56.3	- 9.9	33.0	4.2
Investing cash flow	- 18.5	- 17.8	- 6.3	- 5.4
Free cash flow	37.8	- 27.7	26.7	- 1.3
Adjusted cash conversion rate [1]	71.2%	74.8%	71.4%	79.9%
CapEx	18.6	18.1	6.3	5.6
CapEx/revenues	*2.9%*	*2.9%*	*3.1%*	*2.7%*

[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.

	9/30/2024	12/31/2023
Headcount at end of period, incl. apprentices	9,119	8,880
Apprentices in %	4.5%	4.0%

At € 633.9 million, the revenue in the nine-month period just ended was € 5.7 million or 0.9 percent above the previous year's level (Q1-3 2023: € 628.2 million). While the Electrics/Electronics segment remained below previous year's level, revenue in the Vehicle Engineering and Production Solutions segments increased in the reporting period, in some cases significantly, compared to the same period in the previous year.

The EBIT figure in the reporting period was € 33.0 million (Q1-3 2023: € 42.5 million), which is equivalent to an adjusted EBIT margin of 5.2 percent (Q1-3 2023: 6.8 percent).

The headcount, including trainees, on September 30, 2024 was 9,119 employees (12/31/2023: 8,880 employees). 6,050 of these employees were employed in Germany, and 3,069 in the rest of the world (RoW) (12/31/2023: [Germany: 6,154; RoW: 2,726]).

Gross investments in fixed assets amounted to € 18.6 million in the reporting period, which was slightly above the level of the same period in the previous year (Q1-3 2023: € 18.1 million). The equity ratio on the reporting date increased to 22.5 percent (12/31/2023: 22.2 percent).

The net financial debt (including lease liabilities) on September 30, 2024 amounted to € 239.8 million, which was above the level of December 31, 2023 (€ 235.4 million). Without taking lease liabilities into account, the net financial debt on September 30, 2024 amounted to € 56.2 million (12/31/2023: € 52.1 million).

SUMMARY OF THE THIRD QUARTER OF THE 2024 FINANCIAL YEAR

OPENING OF THE EMC COMPETENCE CENTER IN FULDA

The electromagnetic properties of a wide variety of products can now be tested in Fulda.

Following a construction period of just under a year and a half, the EDAG has now opened its new, state-of-the-art competence center for electromagnetic compatibility (EMC) in Fulda. At the opening on July 3 and 4, 2024, partners, customers, journalists and local politicians were able to find out more about the new facility.

After being welcomed by the management and the EDAG Group's EMC experts, the visitors were taken on a joint tour of the new building's futuristic interior. This gave them the opportunity to get an exclusive, on-site impression of the test environment for electromagnetic compatibility, which covers an area of 2,500 m². Customers from fields such as medical technology, agriculture, construction and the mobility industry can benefit from the EMC center in Fulda, and have their products tested.

Advanced laboratory for extensive testing

As a result of digitalization, the number of electronic components in products will continue to increase in the years to come. All of these generate an electromagnetic field which could potentially affect the way in which other components function. It is therefore important to measure the interference emissions and immunity of electronic components, and so check their electromagnetic compatibility in accordance with legal regulations.

EDAG's EMC center is a state of the art facility and, with its various test chambers, offers the ideal test environment for products of all shapes and sizes: circuit boards, for instance, appliances, passenger cars or trucks. In addition to anechoic chambers, the equipment also includes a shielded room and several amplifier chambers. The facility also complies with the latest standards. It has TISAX certification and has been accredited by the German Accreditation Body (DAkkS) in accordance with DIN EN ISO/IEC 17025.

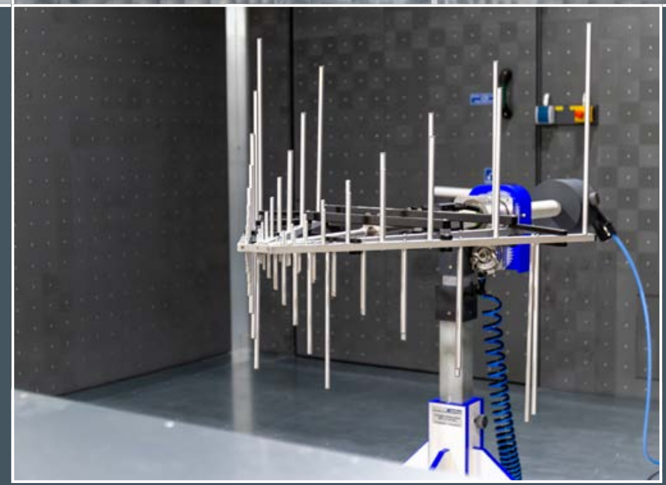
"This investment is our way of promoting safe product development and offering our customers a comprehensive service that will help them to substantially reduce their additional costs," explains Andreas Boländer, Head of the EDAG Group's EMC Center. "While vehicles, machines and devices are still at the development stage, we are already working with our customers to ensure that EMC faults can be identified and prevented as early as possible. On top of this, we offer very comprehensive advice, and provide specific recommendations for action."

Opening up new industries

As the visitors at the opening event discovered, it is not only vehicle manufacturers and their suppliers who benefit from the EMC Center. Companies from other sectors can also arrange for components, assemblies and products to be measured in the anechoic chambers, in accordance with applicable standards.

Even in the early stages of development, the EMC team can help with the creation of test plans and with the correct selection of relevant test standards. The corresponding test results are then analyzed and summarized in a final report. The team of experts is then at hand to help customers select suitable optimization measures.

"The increasing complexity of many vehicles is giving rise to increasing numbers of electric components. This is something we are preparing for. At the same time, we are also aware of the increasing relevance of EMC for networked systems," says Harald Keller, CEO of the EDAG Group. "For us, the EMC center is an important step in the expansion of our service portfolio – and for opening up new sectors."

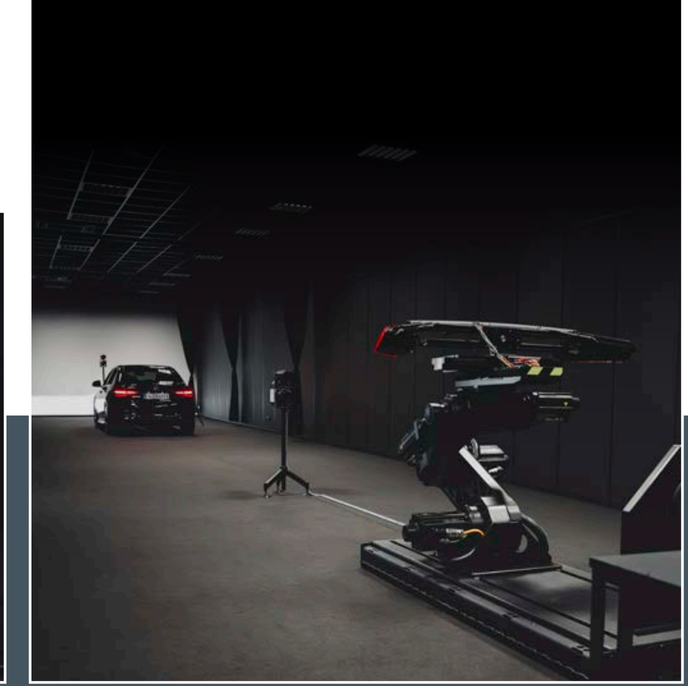


"The fact that we have managed to build a state-of-the-art EMC center in such a short time is down to our dedicated team, who have done an outstanding job not just in the last few months, but also during the planning and preparation phase," stressed Jork Rother, Senior Vice President at the EDAG Group, during the opening ceremony.

Also located at the EDAG site in Fulda is the company's Accredited Test Center (ATC), an additional test facility in the immediate vicinity. The test center specializes in environmental simulation, electrics/electronics testing and physical-chemical test methods. With the EMC Center, the EDAG Group is closing a technological gap in the validation of electronic components.
This gives customers the chance to obtain everything from a single source and, with the help of customized test plans, to save on prototypes and components in development.

JULY *AUGUST* *SEPTEMBER*

SUMMARY OF THE THIRD QUARTER
OF THE 2024 FINANCIAL YEAR



Light under the microscope: EDAG Group opens new Light Laboratory in Wolfsburg

The EDAG Group, a globally leading independent engineering service provider, opened its new light laboratory at its site in Wolfsburg in September, with a partner event. The company is thus addressing the high demands of the automotive industry and other sectors. The opening marks a significant milestone in the collaborative development of lighting solutions for next-generation products.

In the laboratory, the EDAG Group uses advanced measurement and test procedures to take a close look at lighting in a variety of scenarios. Modern lighting solutions need to impress with their energy efficiency and meet high technological standards. This is where EDAG comes in, helping customers to evaluate and optimize their products.

Cross-sector relevance

The light laboratory is available to a wide range of customers from all kinds of industries and is used to do more than just evaluate lighting solutions. The laboratory allows EDAG to evaluate many products in different scenarios. The experts can, for example, also measure displays, illuminated control elements and other lighting functions, and then examine the properties of the objects. Working together with customers, it is thus possible to ensure the functionality, quality, user-friendliness, energy efficiency and durability of devices and components. Other industries that will be able to benefit from the laboratory in the future include aerospace, medical technology, consumer electronics and the household appliance industry.

"We are strategically expanding our range of services by applying to other industries the many years of experience we have gained in the automotive industry. Our extensive expertise and high quality standards help us test the products of even more customers," explains Jannes Buthmann, Expert and Technical Lead Light & Sight at EDAG. "We not only share the results of our analysis with our customers, but also suggest optimizations. Together, we always find the right solutions."

A major advantage for the mobility industry

The unique selling point of the new light laboratory is the design of the photogoniometer. In contrast to conventional goniometers, it can capture much larger components with the same precision. The high-precision measuring robot allows the recording and measurement of large components and entire vehicle front or rear ends. The results serve as a basis for a realistic analysis of the lighting properties – an important step to optimize lighting functions and ensure traffic safety. To create an accurate light distribution analysis, the robot captures individual objects in different positions and angles. Overall, using the robot greatly reduces the workload. Since it can measure complete systems, the evaluation of lighting solutions is faster and easier, without compromising on accuracy.

Synergy with the Zero Prototype Lab

Also located at the Wolfsburg site is EDAG's Zero Prototype Lab, which has been in operation since June 2024. It was once again open to the public on the opening day of the light laboratory. This facility is the only one of its kind in Europe, and allows customers to model, test and improve vehicle prototypes, including all their functions, in a vehicle simulator before the models are built. In the future, the light laboratory and the Zero Prototype Lab will operate in direct cooperation – additional added value for customers from the mobility industry. Previously recorded lighting functions can be displayed virtually in the simulator thanks to the integration. This is a perfect starting point for customers to make any necessary adjustments. Tests can also be carried out under a range of weather conditions, such as rain, fog and snow. Customers can thus check lighting functions under different conditions and test whether the lighting works effectively and reliably in all situations. The simulations also significantly reduce the number of actual test drives. Not only does this save time and money, but also speeds up development and protects the environment.

Tibor Giesen, Team Leader Light & Sight at EDAG, adds: "The new light laboratory is a further expansion to our innovation site. Our photogoniometer is virtually unique in Europe. The opening of the laboratory underlines our role as a pioneer of modern measurement and testing methods. Together with our customers, we are successfully driving forward the development of safe and energy-efficient vehicle lighting and setting new standards in the process."

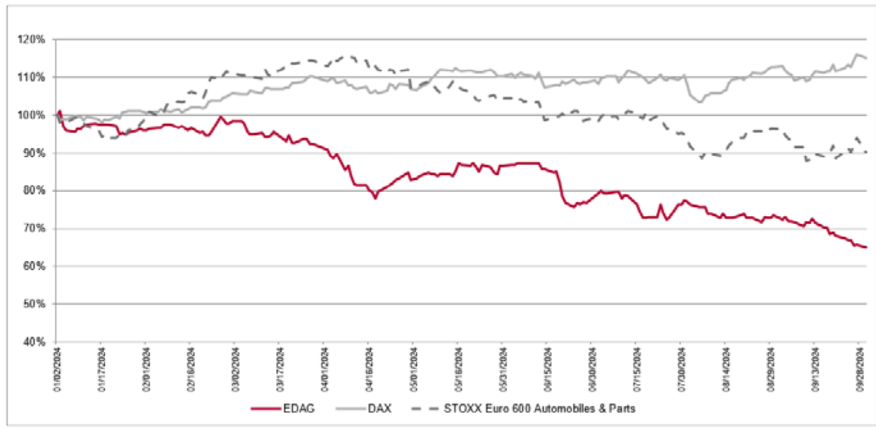
JULY AUGUST SEPTEMBER

THE EDAG SHARE

On January 2, 2024, the DAX started the financial year with 16,828.75 points. On January 17, the index marked its lowest closing level for the period, 16,431.69 points. A general market recovery subsequently began, with the DAX rising to a closing level of 19,473.63 points on September 27. On September 30, the DAX closed the reporting period at 19,324.93 points. During the first nine months of 2024, the STOXX Automobiles & Parts Index fluctuated between its lowest closing level of 557.01 points on September 10 and its highest closing level of 732.80 points on April 8.

1 Price Development

On January 2, 2024, the opening price of the EDAG share in XETRA trading was € 13.80. On the following day, January 3, the share price rose to € 13.90, its highest closing price in the reporting period. At the Annual General Meeting on June 19, 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 20. As a result of the current challenging market conditions, the price declined in the course of the year. On September 30, the share closed the reporting period with its lowest closing price of € 8.94. During the first nine months of 2024, the average XETRA trade volume was 2,929 shares a day.



Source: Comdirect

2 Key Share Data

	1/1/2024 – 9/30/2024
Prices[1] and trading volume	
Share price on September 30 (€)	8.94
Share price, high (€)	13.90
Share price, low (€)	8.94
Average daily trading volume (number of shares)[2]	2,929
Market capitalization on September 30 (€ million)	223.50

[1] Closing prices in XETRA trading
[2] In XETRA trading

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/en.

INTERIM GROUP MANAGEMENT REPORT

1 Basic Information on the Group

1.1 Business Model

Three Segments

The EDAG Group, with its parent company EDAG Engineering Group AG, Arbon (Switzerland), is one of the largest independent engineering partners, and develops unique mobility and industrial solutions for a customer base which includes the world's leading automotive and non-automotive companies. 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. We work on the principle of production-optimised solutions. This means that we always ensure that development results are in line with current production requirements.

The company's main focus is on the mobility industry. The EDAG Group's expertise also extends to production solutions and smart factories. 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 offers a growing range of sustainable solutions. These 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, commercial vehicles and motorcycles. They cover the entire spectrum of energy system and powertrain development through to integration with the corresponding energy storage systems (e.g. battery and hydrogen), and also develop intelligent, CO_2-saving chassis solutions. Computer-aided engineering (CAE) is used in the functional design of components and systems through to the complete vehicle. To ensure readiness for series production, functionality and durability are validated in our test laboratories. In the new vehicle dynamics simulation center, it is now possible to test prototypes on an entirely virtual basis, so saving resources. In addition, the new EMC center has further expanded our already extensive testing capacities. The electromagnetic compatibility (EMC) of components, complete vehicles and products is tested and adapted in this center.

Our **Models & Vehicle Solutions** division offers an extensive range of services, from styling to the physical validation of vehicles. We manufacture test vehicles, sub-assemblies, vehicle bodies and special, individual vehicle conversions. We are also one of the leading developers in the series production of high-quality hydrogen storage systems. Progress and the planning of large-scale MEGC (multiple element gas container) storage systems go hand in hand with the increasing demands for safe hydrogen storage solutions. We are continuing the development of our patented filling method to guarantee increased efficiency and safety.

Complete vehicle development and interdisciplinary module packages, some of them calling for the involvement of our international subsidiaries, are managed by the **Project Management** division, 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.

Just as the conclusion of a business transaction does not mean the end of the customer relationship, start of production (SOP) does not mark the end of the product development process. The **After Sales** division is vital during both the market launch of a product and its life cycle on the market. If after sales requirements are integrated into the product development process at an early stage, overall costs can be reduced and customer satisfaction increased. Our After Sales Quality Management team optimizes development and production processes, ensures that suppliers are qualified, and guarantees the quality of our products. The Technical Editing team draws up legally required documents and literature for all target groups, while our After Sales Digilab maximizes the efficiency of our systems and provides customer-specific solutions.

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 focus of Software & Digitalization. Innovative services are developed here, 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.

Process & Product Data Management (PPDM) provides a key addition to the EDAG service portfolio. Applying its in-depth customer-specific process and systems knowledge, PPDM deals with the project-spanning, cross-divisional management of all process operations, in this way delivering systematic and transparent results which enable the individual milestones in the product development process to be achieved. The PPDM services range from classic OEM tasks such as bills of materials & release management, project back office management, version and configuration management, test vehicles and vehicle management, to homologation, localization and certification management. The fields of consulting & strategy, environmental management and life cycle management round off this wide-ranging field of activity and provide our clients with ideas for a consistent and more efficient design of their operational methods and processes.

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 Austria. In addition to handling the individual stages in the product creation process and all factory and production systems-related services, 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.

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

The **Automotive Solutions** division 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. In the batteries sector, we plan everything from battery cells to recycling, engineering and implementing the production of electric vehicles and their components in a way that is both sustainable and digitally validated. 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).

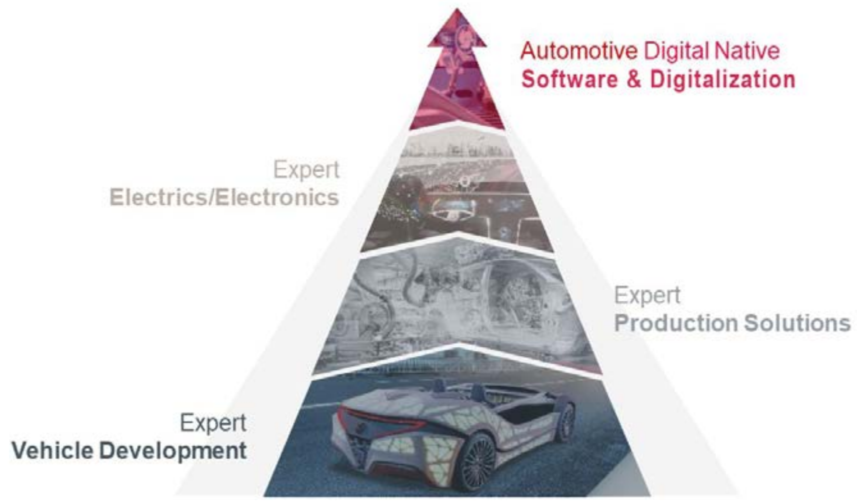
In the **Industrial Solutions** division, holistic and independent production solutions are developed, digitally validated and implemented. Starting with analysis and consulting, then the planning and development of production plants through to their realization, support along the entire product and 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 various 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, digital solutions for collaboration, training and innovation and the digital twin in the smart factory. In this way, PS aims to achieve optimum process reliability for its customers, along with a sustainable factory infrastructure, increased productivity, supply chain excellence, complexity control and the the optimum effectiveness of the networked individual, while also improving decision-making reliability and reducing project duration. The portfolio is complemented by Feynsinn, a process consulting and CAx development department. IT-supported 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 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 solutions in the fields of smart mobility, smart infrastructure, smart government, smart people and smart health. PS helps cities and municipalities to implement new mobility solutions and to collect, visualize and intelligently process local information. In addition, PS assists with the digitalization and automation of administrative processes and strengthens citizens' digital skills.

1.2 Targets and Strategies

In the course of its 55-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 and industry of the future.



With some 9,000 employees at in more than 30 international companies with their corresponding 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 engineering – reinvent yourself"** is also derived.

This emphasizes our intrinsic motivation to reinvent ourselves every day and so be in a position to reinvent mobility for our customers, our partners and society as a whole, and, through technological solutions, to pave the way for change. The aim is to build on what has already been tried and tested, while at the same time promoting agility, new ideas and further developments. 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:
"Shaping the future of mobility and industry together. 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:

- 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 available outlook dated October 22, 2024, the world economy exhibited 3.3 percent growth in 2023 (2022: 3.5 percent). For the current year, the IMF anticipates a growth rate of 3.2 percent.

According to information published by the German Association of the Automotive Industry (VDA e. V.) in October 2024, compared to the same period in the previous year, the European automotive market (EU-27 + EFTA & UK) recorded an increase of 1 percent in the number of new registrations in the nine-month period just ended. There were considerable variations in the development of the five largest individual markets. An increase in the number of new registrations was recorded in Spain (5 percent), the United Kingdom (4 percent) and Italy (2 percent). A decline in the number of registrations was registered in Germany (-1 percent) and France (-2 percent).

According to information published by the Federal Motor Transport Authority on October 4, 2024, a decline of 19.8 percent in new registrations of electric cars was recorded in Germany in the first three quarters of 2024, compared to the same period of the previous year. Overall, sales of electric passenger cars, which amounted to 409,343, accounted for a market share of 19.3 percent (same period in the previous year: 23.9 percent). This development is mainly due to the decrease of 28.6 percent in registrations of battery electric vehicles (BEVs). At 36.4 percent, the proportion of gasoline-fueled passenger cars was slightly above the previous year's level (35.1 percent). Likewise, at 17.9 percent, the proportion of diesel-fueled passenger cars also increased slightly compared to the same period in the previous year (17.5 percent) in the first nine months of 2024. Not including plug-in hybrids (PHEVs), the proportion of vehicles with at least two different energy converters (hybrid cars) was 25.8 percent, which was above the previous year's level (23.0 percent).

In the USA, the volume on the light vehicle market (passenger cars and light trucks) in the period January to September 2024 increased by 1 percent compared to the same period in the previous year. Continued growth was also registered on the markets in China (2 percent), India (4 percent) and Brazil (14 percent), even if the momentum in China and India has slowed in recent months. Only Japan, with a decline of 8 percent, recorded a downturn in registration figures.

In the latest available publication of the ZVEI Economic Barometer dated October 9, 2024, the German Electrical and Digital Manufacturers' Association (ZVEI e. V.) recorded a decline of almost 11 percent in incoming orders in the German electrical and digital industry in the first eight months of 2024, compared to the previous year.

2.2 Financial Performance, Cash Flows and Financial Position of the EDAG Group

Financial Performance

Development of the EDAG Group

As of September 30, 2024, orders on hand increased to € 438.7 million, compared to € 415.5 million as of December 31, 2023; compared to the same period in the previous year, however, this was a decease of € 34.7 million (9/30/2023: € 473.4 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 € 657.1 million, which, compared to the same period in the previous year (€ 697.3 million), represents a decrease of € 40.2 million (-5.8 percent).

At € 633.9 million, the revenue in the nine-month period just ended was € 5.7 million or 0.9 percent above the previous year's level (Q1-3 2023: € 628.2 million). While the Electrics/Electronics segment remained below previous year's level, revenue in the Vehicle Engineering and Production Solutions segments increased in the reporting period, in some cases significantly, compared to the same period in the previous year.

Compared to the same period in the previous year, other income decreased by € 10.5 million to € 12.6 million in the nine-month period just ended. This decrease is largely due to compensation payments in the amount of € 4.3 million in the same period of the previous year, and reduced funding/subsidies (€ -4.4 million).

At € 64.5 million, materials and services expenses decreased compared to the level of the previous year (Q1-3 2023: € 70.2 million). Taking into account the increase in revenues, the materials and services expenses ratio consequently decreased by just under one percentage point to 10.2 percent compared to the same period in the previous year (Q1-3 2023: 11.2 percent). At 3.1 percent, the materials expenses ratio is slightly above the previous year's level (Q1-3 2023: 2.9 percent). On the other hand, at 7.1 percent, the ratio of service expenses in relation to the revenues was below the level of the same period in the previous year (Q1-3 2023: 8.3 percent).

In the nine-month period just ended, the company's workforce, including apprentices, increased to 9,038 employees on average (Q1-3 2023: 8,569 employees): an increase of 5.5 percent. Compared to the same period in the previous year, the EDAG Group's personnel expenses increased by 2.0 percent to € 435.8 million in the reporting period.

Depreciation, amortization and impairments totaled € 31.6 million (Q1-3 2023: € 30.7 million). The net result from the impairment or impairment loss reversal of financial assets amounted to € -1.5 million (Q1-3 2023: € 0.7 million). The other operating expenses decreased by € 1.4 million to € 80.0 million, primarily due to a reduction in removal expenses relating to various sites and a decline in maintenance costs.

At € 33.0 million, the EBIT in the nine-month period just ended was below the previous year's level (Q1-3 2023: € 42.5 million). An EBIT margin of 5.2 percent was achieved as a result (Q1-3 2023: 6.8 percent).

Adjusted for the depreciation, amortization and impairments from the purchase price allocations that were recorded in the nine-month period just ended, the adjusted EBIT figure was € 33.1 million (Q1-3 2023: € 41.1 million), which is equivalent to an adjusted EBIT margin of 5.2 percent (Q1-3 2023: 6.5 percent).

The financial result for the first nine months of 2024 was € -9.5 million, (Q1-3 2023: € -7.2 million). The main reason for the reduction of some € 2.3 million is the increase in market interest rates compared to the same period in the previous year.

To sum up, with a profit of € 15.7 million (Q1-3 2023: € 23.6 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 € 369.6 million, which was below the level of the same period in the previous year (Q1-3 2023: € 383.4 million). Revenues on the other hand, at € 365.9 million, were above the previous year's level (Q1-3 2023: € 361.3 million). All in all, an EBIT of € 24.4 million was reported for the Vehicle Engineering segment in the nine-month period just ended (Q1-3 2023: € 25.7 million). Both the EBIT margin and the adjusted EBIT margin amounted to 6.7 percent, which was slightly below the level of the same period in the previous year (Q1-3 2023: 7.1 percent).

Development of the Electrics/Electronics Segment

Incoming orders in the nine-month period just ended decreased by a significant € 42.0 million to € 177.7 million compared to the same period in the previous year (Q1-3 2023: € 219.7 million). Revenue totaled € 184.2 million, which was below the previous year's level of € 195.6 million. The EBIT stood at € 3.8 million (Q1-3 2023: € 13.3 million). This meant that the EBIT margin amounted to 2.1 percent (Q1-3 2023: 6.8 percent).

Development of the Production Solutions Segment

In the Production Solutions segment, on the other hand, incoming orders in the nine-month period just ended amounted to € 123.0 million, which was well above the level of the previous year (Q1-3 2023: € 107.7 million). Revenue in the nine-month period just ended amounted to € 100.8 million, which was also well above the previous year's level (Q1-3 2023: € 82.4 million). At 4.7 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 2023: 2.8 percent). Overall, the EBIT for the Production Solutions segment stood at € 4.8 million in the nine-month period just ended (Q1-3 2023: € 3.5 million). This meant that the EBIT margin amounted to 4.7 percent (Q1-3 2023: 4.2 percent).

Cash Flows and Financial Position

The EDAG Group's statement of financial position total decreased by a slight € 7.0 million to € 723.6 million, and was therefore below the level of December 31, 2023 (€ 730.6 million). At € 378.8 million, non-current assets were at the same level as in the previous year (12/31/2023: € 378.8 million). In the current assets, there was a significant increase of € 37.9 million in the contract assets. By way of contrast, the accounts receivable decreased by € 45.0 million. These changes reflect the typical development for EDAG in the first nine months of a financial year, in line with the company's business activities. Cash and cash-equivalents decreased by € 107.3 million to € 100.6 million.

On the equity, liabilities and provisions side, there was a slight increase in equity from € 162.5 million to € 162.7 million, mainly as a result of the current profit for the first nine months of the 2024 financial year (€ 15.7 million), the dividend payout for the 2023 financial year (€ -13.8 million) and currency translation differences (€ -1.4 million). The equity ratio on the reporting date was 22.5 percent, which was slightly above the level at the end of the previous year(12/31/2023: 22.2 percent).

Non-current liabilities and provisions decreased to € 301.9 million (12/31/2023: € 338.6 million), primarily as a result of the reclassification of a tranche of the promissory note loan in the amount of € 38.5 million. Current liabilities and provisions increased by € 29.6 million to € 259.0 million, (12/31/2023: € 229.4 million). This was primarily the result of a decline in accounts payable and the reclassification of financial liabilities.

In the nine-month period of 2024 just-ended, the operating cash flow was € 56.3 million (Q1-3 2023: € -9.9 million). The increase is primarily due to working capital effects (reduction in working capital in the first nine months of 2024 compared to a significant increase in working capital in the same period in the previous year) and higher income tax payments in the same period in the previous year.

At € 18.6 million, gross investments in the reporting period were slightly higher than in the previous year (Q1-3 2023: € 18.1 million). At 2.9 percent, the ratio of gross investments in relation to revenues remained at same the level as the previous year (Q1-3 2023: 2.9 percent).

On the reporting date, unused lines of credit in the amount of € 106.1 million exist in the EDAG Group (12/31/2023: € 104.6 million). Unused lines of credit were therefore slightly increased. 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 meet 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 mobility 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 its 55-year 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 2023.

On September 30, 2024, the EDAG Group employed a workforce of 9,119 people (12/31/2023: 8,880 people). Personnel expenses in the reporting period amounted to € 435.8 million (Q1-3 2023: € 427.1 million).

3 Forecast, Risk and Reward Report

3.1 Risk and Reward Report

The following changes to the risks and rewards described in the Group Management Report in the Annual Report for 2023 have occurred:

Since the market environment remains volatile, the operating risks in the third quarter of 2024 are in risk category A (2023: C) with an unchanged medium probability of occurrence, as was also the case in the first and second quarters of the year. In addition, the probability of occurrence of industry risks has increased from high (2023, Q1 and Q2 2024) to very high, though risk category A remains unchanged.

Country-specific developments mean that, as in the previous quarter, tax risks in the third quarter of 2024 remain lower, namely in risk category C (2023 and Q1 2024: A); the medium probability of occurrence remains unchanged.

The personnel risks in the third quarter of 2024 move from risk category A (2023, Q1 and Q2 2024) to risk category C, with a constant medium probability of occurrence. (Slower growth results in a lower weighting of the personnel risks.)

On the date of publication of the Consolidated Interim Report, the Group Executive Management still does not believe that any of the risks reported and assessed in the Group Management Report in the Annual Report for 2023 will jeopardize the existence of the company. In our opinion, our strategic orientation and financial direction, our position on the market and the measures we have taken all provide a sound basis for the successful handling of the existing risks and the challenges they present. For a more detailed representation of the Risk and Reward Report, please see the Group Management Report in the Annual Report for 2023.

3.2 Forecast

According to the latest IMF estimate announced on October 22, 2024, economic performance in Germany is expected to stagnate in 2024 (0.0 percent); a growth rate of 0.8 percent is forecast for 2025. Within the eurozone, the IMF expects a growth rate of 0.8 percent in 2024 and of 1.2 percent in 2025. Growth of the US economy is expected to reach 2.8 percent in 2024, while a growth rate of 2.2 percent is anticipated in 2025. According to latest estimates, China, with forecasts for a 4.8 percent increase in economic output in 2024 and 4.5 percent in 2025, will continue to be a growth engine for the global economy. These anticipated growth rates in China will be surpassed by India, where an increase in economic performance of 7.0 percent is forecast for 2024 and of 6.5 percent for 2025.

Following the significant growth in new registrations in the major international automobile markets in 2023, the business environment of the automotive industry in 2024 will be very challenging. Geopolitical and macroeconomic uncertainties are having a tangible impact on future cross-industry development.

In its forecast of October 22, 2024, the VDA therefore anticipates a deceleration in growth in the number of registrations in the passenger car/light vehicle markets in Europe (4 percent) and the USA (2 percent) in 2024. According to the VDA forecast, the growth rate of just 1 percent anticipated for the Chinese market in 2024 is below the level of growth in 2023 (5 percent). The declining momentum is partly due to the historically high market volume achieved in 2023.

In contrast to the above statements, Morgan Stanley, in its forecast of November 4, 2024, anticipates that global sales of vehicles (passenger cars, not including lightweight commercial vehicles) will decrease to 74.7 million in 2024. This is equivalent to a decrease of roughly 0.8 percent compared to 2023. This means that the 2024 forecast is slightly below the 75.4 million units sold in 2023.

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 continue to see an opportunity to reshape the mobility of the future. The current emission standards and far-reaching sustainability regulations are making the further development of classic powertrain types essential, and constantly 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, autonomous and connected driving, and the development of artificial intelligence. 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.

[1] Battery electric vehicle (BEV)/ plug-in hybrid electric vehicle (PHEV)

The market for engineering services remains extremely dynamic. With a growing focus on CO_2 reduction, the development of alternative drive concepts is being massively accelerated. Trend topics such as highly automated driving 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 more than € 280 billion worldwide in research and development in the German automotive industry in the period 2024 to 2028. To this must be added approximately € 130 billion for the conversion of existing and the construction of new plants Given the current developments in the automotive industry, it remains to be seen whether or not these investment volumes will actually be reached.

We do not at present see any risk to the continued existence of the company in the constantly escalating geopolitical conflicts and the high-level energy and staffing costs, but do see a risk that its development might be impaired, and this harbors uncertainties the development of which cannot be foreseen. It is therefore 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.

With 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. On the reporting date, unused lines of credit with credit institutions in the amount of € 106.1 million exist in the Group. As a result, we see ourselves as being very well positioned to meet the challenges of the 2024 financial year.

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 without delay.

In this context, it can be noted that, at € 33.1 million, the adjusted EBIT is € 8.0 million lower than in the previous year, as already described. This corresponds to an adjusted EBIT margin of 5.2 percent (previous year: 6.5 percent). Also, in the third quarter of 2024 revenue (-0.9 percent) and margin (-3 percent points) declined, in comparison to the same period in the previous year. This development is mainly due to the overall tense market situation, leading to underutilization due to services not being called for under framework agreements and the postponement of projects, among others by one major customer.

The revised outlook for 2024 and continued caution in the placing of orders, especially in Germany, shows that this trend could continue into the first half of 2025. Against this background, on November 6, 2024 inside information in accordance with Article 17 MAR of the Regulation (EU) No 596/2014 was published and the forecast adjusted.

The EDAG Group Executive Management now expects revenues in 2024 to be in a range of between the previous year's level and up to -3 percent (before: increase of around 4 percent to around 6 percent).

The adjusted EBIT margin is expected in a range of around 4 percent to around 5 percent (before: at the lower end of a range of around 5 percent to around 6 percent).

What is more, the investment rate is expected in a range of around 3 percent (before: in a range of around 4 percent).

However, the estimates outlined here are still largely dependent on the uncertainties described above.

A summary of the outlook for 2024 is included in the following table:

in € million	2023	Forecast 2024
Group		
Revenues	844.3	Range at the level of previous year up to -3 percent
Adjusted EBIT margin	6.2%	Range of around 4 to around 5 percent
Investment rate	3.6%	Around 3 percent

4 Disclaimer

The Interim Group 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	1/1/2024 – 9/30/2024	1/1/2023 – 9/30/2023	7/1/2024 – 9/30/2024	7/1/2023 – 9/30/2023
Profit or loss				
Sales revenues and changes in inventories[1]	633,898	628,174	204,724	206,620
Sales revenues	633,107	627,874	204,374	206,961
Changes in inventories	791	300	350	- 341
Other income	12,568	23,112	4,256	5,436
Material expenses	- 64,544	- 70,234	- 20,408	- 25,694
Gross profit	**581,922**	**581,052**	**188,572**	**186,362**
Personnel expenses	- 435,764	- 427,083	- 137,039	- 131,707
Depreciation, amortization and impairment	- 31,588	- 30,692	- 10,784	- 10,217
Net result from impairment losses/impairment loss reversal of financial assets	- 1,527	652	- 1,912	30
Other expenses	- 80,011	- 81,404	- 27,599	- 26,881
Earnings before interest and taxes (EBIT)	**33,032**	**42,525**	**11,238**	**17,587**
Result from investments accounted for using the equity method	1,168	942	305	333
Financial income	2,926	1,902	784	565
Financing expenses	- 13,574	- 10,018	- 4,521	- 4,088
Financial result	**- 9,480**	**- 7,174**	**- 3,432**	**- 3,190**
Earnings before taxes	**23,552**	**35,351**	**7,806**	**14,397**
Income taxes	- 7,843	- 11,772	- 2,600	- 4,788
Profit or loss	**15,709**	**23,579**	**5,206**	**9,609**

[1] Described below in simplified terms as revenues.

in € thousand	1/1/2024 – 9/30/2024	1/1/2023 – 9/30/2023	7/1/2024 – 9/30/2024	7/1/2023 – 9/30/2023
Profit or loss	**15,709**	**23,579**	**5,206**	**9,609**
Other comprehensive income				
Profits/losses reclassifiable under certain conditions				
Currency translation differences				
Profits/losses included in equity from currency translation differences	- 1,367	14	- 1,203	552
Total profits/losses reclassifiable under certain conditions	**- 1,367**	**14**	**- 1,203**	**552**
Not reclassifiable profits/losses				
Revaluation of net obligation from defined benefit plans				
Revaluation of net obligation from defined benefit plans before taxes	- 581	1,338	- 1,472	1,872
Deferred taxes on defined benefit plans	173	- 391	445	- 558
Income and expenses included in equity from shares accounted for using equity method, net of tax	6	73	-	17
Total not reclassifiable profits/losses	**- 402**	**1,020**	**- 1,027**	**1,331**
Total other comprehensive income before taxes	- 1,942	1,425	- 2,675	2,441
Total deferred taxes on the other comprehensive income	173	- 391	445	- 558
Total other comprehensive income	**- 1,769**	**1,034**	**- 2,230**	**1,883**
Total comprehensive income	**13,940**	**24,613**	**2,976**	**11,492**
Earnings per share of shareholders of EDAG Group AG [diluted and basic in €]				
Earnings per share	0.63	0.94	0.21	0.38

2 Consolidated Statement of Financial Position

in € thousand	9/30/2024	12/31/2023
Assets		
Goodwill	74,330	74,358
Other intangible assets	7,390	8,434
Property, plant and equipment	94,910	92,155
Rights of use from leasing	164,395	165,507
Financial assets	157	123
Investments accounted for using the equity method	20,066	19,571
Non-current other financial assets	479	564
Non-current other non-financial assets	1,444	2,242
Deferred tax assets	15,653	15,796
Non-current assets	**378,824**	**378,750**
Inventories	5,402	4,735
Current contract assets	117,455	79,601
Current accounts receivable	91,402	136,378
Current other financial assets	2,606	1,951
Current securities, loans and financial instruments	173	28
Current other non-financial assets	19,408	18,239
Income tax assets	7,714	3,627
Cash and cash equivalents	100,612	107,266
Current assets	**344,772**	**351,825**
Assets	**723,596**	**730,575**

in € thousand	9/30/2024	12/31/2023
Equity, liabilities and provisions		
Subscribed capital	920	920
Capital reserves	40,000	40,000
Retained earnings	132,490	130,531
Reserves from profits and losses recognized directly in equity	- 5,142	- 4,740
Currency translation differences	- 5,549	- 4,182
Equity	**162,719**	**162,529**
Provisions for pensions and similar obligations	31,982	29,887
Other non-current provisions	3,374	3,523
Non-current financial liabilities	101,008	139,517
Non-current lease liabilities	165,311	165,459
Non-current other non-financial liabilities	121	174
Deferred tax liabilities	93	40
Non-current liabilities and provisions	**301,889**	**338,600**
Current provisions	24,529	31,973
Current financial liabilities	55,976	19,892
Current lease liabilities	18,263	17,835
Current contract liabilities	58,531	47,513
Current accounts payable	23,106	33,969
Current other financial liabilities	3,346	3,779
Current other non-financial liabilities	73,592	73,271
Current income tax liabilities	1,645	1,214
Current liabilities and provisions	**258,988**	**229,446**
Equity, liabilities and provisions	**723,596**	**730,575**

3 Consolidated Cash Flow Statement

	in € thousand	1/1/2024 – 9/30/2024	1/1/2023 – 9/30/2023
	Profit or loss	**15,709**	**23,579**
+/-	Income tax expenses/income	7,843	11,772
-	Income taxes paid	- 12,762	- 25,440
+	Financial result	9,480	7,174
+	Interest received	2,917	1,743
+	Dividends received	680	159
+/-	Depreciation and amortization/write-ups on tangible and intangible assets	31,588	30,692
+/-	Other non-cash item expenses/income and changes recognized directly in equity	201	194
+/-	Increase/decrease in non-current provisions	2,093	- 127
-/+	Profit/loss on the disposal of fixed assets	- 60	508
-/+	Increase/decrease in inventories	- 949	- 707
-/+	Increase/decrease in contract assets, receivables and other assets that are not attributable to investing or financing activities	3,797	- 7,284
+/-	Increase/decrease in current provisions	- 5,116	- 5,158
+/-	Increase/decrease in accounts payable and other liabilities and provisions that are not attributable to investing or financing activities	910	- 47,043
=	**Cash inflow/outflow from operating activities/operating cash flow**	**56,331**	**- 9,938**
+	Deposits from disposals of tangible fixed assets	171	388
-	Payments for investments in tangible fixed assets	- 16,203	- 16,647
-	Payments for investments in intangible fixed assets	- 2,424	- 1,458
+	Deposits from disposals of financial assets	3	11
-	Payments for investments in financial assets	- 39	- 45
=	**Cash inflow/outflow from investing activities/investing cash flow**	**- 18,492**	**- 17,751**

	in € thousand	1/1/2024 – 9/30/2024	1/1/2023 – 9/30/2023
-	Payments to shareholders/partners (dividends prior previous year)	- 13,750	- 13,750
-	Interest paid	- 14,758	- 8,220
+	Borrowing of financial liabilities	65	101,454
-	Repayment of financial liabilities	- 1,186	- 81,642
-	Repayment of lease liabilities	- 14,384	- 15,503
=	**Cash inflow/outflow from financing activities / financing cash flow**	**- 44,013**	**- 17,661**
	Net cash changes in financial funds	**- 6,174**	**- 45,350**
-/+	Effect of changes in currency exchange rate and other effects from changes of financial funds	- 480	- 199
+	Financial funds at the start of the period	107,266	122,688
=	**Financial funds at the end of the period [cash and cash-equivalents]**	**100,612**	**77,139**
=	**Free cash flow (FCF) – equity approach**	**37,839**	**- 27,689**

4 Consolidated Statement of Changes in Equity

in € thousand	Subscribed capital	Capital reserves	Retained earnings	Currency translation	Revaluation from pension plans	Shares in investments accounted for using the equity method	Total equity
As per 1/1/2024	**920**	**40,000**	**130,531**	**- 4,181**	**- 4,790**	**49**	**162,529**
Profit or loss	-	-	15,709	-	-	-	15,709
Other comprehensive income	-	-	-	- 1,368	- 408	7	- 1,769
Total comprehensive income	**-**	**-**	**15,709**	**- 1,368**	**- 408**	**7**	**13,940**
Dividends	-	-	- 13,750	-	-	-	- 13,750
As per 9/30/2024	**920**	**40,000**	**132,490**	**- 5,549**	**- 5,198**	**56**	**162,719**

in € thousand	Subscribed capital	Capital reserves	Retained earnings	Currency translation	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
Other comprehensive 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**

5 Selected Explanatory Notes

5.1 General Disclosures

The EDAG Group is one of the world's leading independent engineering service providers and implements projects in the Vehicle Engineering, Electrics/Electronics and Production Solutions segments. Drawing on 55 years of engineering experience, EDAG's proprietary 360-degree development approach has become a hallmark of quality in the holistic development of vehicles and smart factories. The company's interdisciplinary expertise in the areas of software and digitization provides it with crucial skills to actively shape dynamic transformation processes as an innovative partner.

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, 2024 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, 2023. The Consolidated Financial Statement of EDAG Group AG and its subsidiaries for December 31, 2023 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, 2024 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 Abridged 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, 2024, 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:

- **IAS 1 – Classification of debts as current or non-current/non-current liabilities with covenants**
  (IASB publication: July 15, 2020, October 31, 2022; EU endorsement: December 19, 2023)
- **IFRS 16 – Lease liability in a sale and leaseback**
  (IASB publication: September 22, 2022; EU endorsement: November 20, 2023)
- **IAS 7 and IFRS 7 – Supplier finance arrangements**
  (IASB publication: May 25, 2023; EU endorsement: May 15, 2024)

Accounting and Valuation Principles

For this Consolidated Interim Report, a discount rate of 3.42 percent has been used for pension provisions in Germany 12/31/2023: 3.49 percent). A discount rate of 1.07 percent has been used for pension provisions in Switzerland (12/31/2023: 1.95 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 (12/31/2023: 32.93 percent effective reported tax ratio) was used.

Otherwise, the same accounting and valuation methods and consolidation principles as were used in the 2023 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 2023. This Consolidated Interim Report should therefore be read in conjunction with the Consolidated Financial Statements of EDAG Group AG for December 31, 2023.

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

Compared to December 31, 2023, there were no amendments to the group of combined or consolidated companies in the first nine months of the 2024 financial year, which as of September 30, 2024 is composed as follows:

	Switzerland	Germany	Other countries	Total
Fully consolidated companies	2	5	21	28
Companies accounted for using the equity method	-	1	-	1
Companies included at acquisition cost [not included in the scope of consolidation]	-	3	-	3

The 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 Translation

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

Country	Currency	9/30/2024	3Q 2024	12/31/2023	3Q 2023
	1 EUR = nat. currency	Spot rate on balance sheet date	Average exchange rate for period	Spot rate on balance sheet date	Average exchange rate for period
Great Britain	GBP	0.8354	0.8514	0.8691	0.8710
Brazil	BRL	6.0504	5.6939	5.3618	5.4259
USA	USD	1.1196	1.0870	1.1050	1.0835
Malaysia	MYR	4.6167	5.0369	5.0775	4.8910
Hungary	HUF	396.8800	391.3244	382.8000	381.6426
India	INR	93.8130	90.6695	91.9045	89.2461
China	CNY	7.8511	7.8540	7.8509	7.6219
Mexico	MXN	21.9842	19.2877	18.7231	19.2926
Czech Republic	CZK	25.1840	25.0769	24.7240	23.8293
Switzerland	CHF	0.9439	0.9581	0.9260	0.9776
Poland	PLN	4.2788	4.3056	4.3395	4.5838
Sweden	SEK	11.3000	11.4088	11.0960	11.4749
Japan	JPY	159.8200	164.2549	156.3300	149.5872
Turkey	TRY	38.2693	38.2693	32.6531	29.0514

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 2024: 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	1/1/2024 – 9/30/2024	1/1/2023 – 9/30/2023	7/1/2024 – 9/30/2024	7/1/2023 – 9/30/2023
Earnings before interest and taxes (EBIT)	**33,032**	**42,525**	**11,238**	**17,587**
Adjustments:				
Expenses (+) from purchase price allocation	37	183	12	11
Other adjustments	-	- 1,568	-	-
Total adjustments	**37**	**- 1,385**	**12**	**11**
Adjusted earnings before interest and taxes (adjusted EBIT)	**33,069**	**41,140**	**11,250**	**17,598**

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 made to third parties (arm's length principle).

As at September 30, 2024, the non-current assets amounted to € 378.8 million (12/31/2023: € 378.8 million). Of these, € 2.5 million are domestic, € 332.6 million are German, and € 43.7 million are non-domestic (12/31/2023: [domestic: € 2.6 million; Germany: € 332.4 million; non-domestic: € 43.8 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	1/1/2024 – 9/30/2024					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Sales revenues with third parties	357,399	178,692	97,016	633,107	-	633,107
Sales revenues with other segments	7,745	5,636	3,608	16,989	- 16,989	-
Changes in inventories	748	- 84	127	791	-	791
Total revenues[1]	**365,892**	**184,244**	**100,751**	**650,887**	**- 16,989**	**633,898**
EBIT	**24,448**	**3,830**	**4,754**	**33,032**	**-**	**33,032**
EBIT margin [%]	6.7%	2.1%	4.7%	5.1%	n/a	5.2%
Purchase price allocation (PPA)	37	-	-	37	-	37
Adjusted EBIT	**24,485**	**3,830**	**4,754**	**33,069**	**-**	**33,069**
Adjusted EBIT margin [%]	6.7%	2.1%	4.7%	5.1%	n/a	5.2%
Depreciation, amortization and impairment	29,151	1,239	1,198	31,588	-	31,588
Ø Employees per segment	4,962	2,840	1,236	9,038		9,038

in € thousand	1/1/2023 – 9/30/2023					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Sales revenues with third parties	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%
Purchase price allocation (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, amortization and 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

[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: Compared to the previous year, the reporting structure has been modified with a view to clearly separating customers and sectors. The figures from the previous year have been adjusted accordingly, to facilitate comparison.

in € thousand	1/1/2024 – 9/30/2024							
	Vehicle Engineering		Electrics/ Electronics		Production Solutions		Total	
Customer sales division A	52,347	15%	56,033	31%	5,231	5%	113,611	18%
Customer sales division B	61,821	17%	55,397	31%	6,122	6%	123,340	19%
Customer sales division C	42,300	12%	17,049	10%	7,716	8%	67,065	11%
Customer sales division D	41,123	12%	2,243	1%	5,435	6%	48,801	8%
Customer sales division E	43,943	12%	1,141	1%	2,876	3%	47,960	8%
Customer sales division F	21,424	6%	4,643	3%	2,832	3%	28,899	5%
Customer sales division G	56,759	16%	15,490	9%	19,907	21%	92,156	15%
Customer sales division H	31,792	9%	15,809	9%	5,258	5%	52,859	8%
Customer sales division I	5,890	2%	10,887	6%	41,639	43%	58,416	9%
Sales revenues with third parties	**357,399**	**100%**	**178,692**	**100%**	**97,016**	**100%**	**633,107**	**100%**

in € thousand	1/1/2023 – 9/30/2023							
	Vehicle Engineering		Electrics/ Electronics		Production Solutions		Total	
Customer sales division A	50,396	14%	60,996	32%	7,100	9%	118,492	19%
Customer sales division B	54,397	15%	56,465	29%	5,682	7%	116,544	19%
Customer sales division C	49,969	14%	17,045	9%	5,467	7%	72,481	12%
Customer sales division D	37,594	11%	1,716	1%	4,348	5%	43,658	7%
Customer sales division E	33,642	9%	5,389	3%	4,311	5%	43,342	7%
Customer sales division F	39,525	11%	1,965	1%	1,463	2%	42,953	7%
Customer sales division G	55,577	16%	26,597	14%	18,238	23%	100,412	16%
Customer sales division H	27,013	8%	14,748	8%	6,007	8%	47,768	8%
Customer sales division I	7,225	2%	8,191	4%	26,808	34%	42,224	7%
Sales revenues with third parties	**355,338**	**100%**	**193,112**	**100%**	**79,424**	**100%**	**627,874**	**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	1/1/2024 – 9/30/2024					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Period-related revenue recognition	351,207	183,756	97,363	632,326	-	632,326
Point in time revenue recognition	13,937	572	3,261	17,770	-	17,770
Sales revenues with other segments	- 7,745	- 5,636	- 3,608	- 16,989	-	- 16,989
Sales revenues with third parties	**357,399**	**178,692**	**97,016**	**633,107**	**-**	**633,107**
Sales revenues with other segments	7,745	5,636	3,608	16,989	- 16,989	-
Changes in inventories	748	- 84	127	791	-	791
Total revenues	**365,892**	**184,244**	**100,751**	**650,887**	**- 16,989**	**633,898**

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 revenues with other segments	- 6,033	- 2,447	- 2,658	- 11,138	-	- 11,138
Sales revenues with third parties	**355,338**	**193,112**	**79,424**	**627,874**	**-**	**627,874**
Sales revenues 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**

5.7 Contingent Liabilities/Receivables and Other Financial Obligations

Contingent Liabilities

As at the end of the 2023 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	9/30/2024	12/31/2023
Open purchase orders	2,768	2,586
Total renting and leasing contracts	6,259	8,027
Other miscellaneous financial obligations	33	150
Total	**9,060**	**10,763**

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.

Contingent Receivables

As at the end of the 2023 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	9/30/2024	12/31/2023
Non-current financial liabilities	- 101,008	- 139,517
Non-current lease liabilities	- 165,311	- 165,459
Current financial liabilities	- 55,976	- 19,892
Current lease liabilities	- 18,263	- 17,835
Current securities, loans and financial instruments	173	28
Cash and cash equivalents	100,612	107,266
Net financial debt/credit [-/+]	**- 239,773**	**- 235,409**
Net financial debt/credit w/o lease liabilities [-/+]	**- 56,199**	**- 52,115**
Equity	162,719	162,529
Net gearing [%] incl. lease liabilities	**147.4%**	**144.9%**

At € 239.8 million, the net financial debt on September 30, 2024 is € 4.4 million above the value on December 31, 2023 (€ 235.4 million). Without taking lease liabilities into account, the net financial debt on September 30, 2024 amounts to € 56.2 million (12/31/2023: € 52.1 million).

As of September 30, 2024, there are still two promissory note loans composed of several tranches with various interest rates and terms to maturity of 1 to 6 years.

As of September 30, 2024, there is a current loan, including interest, in the amount of € 15.9 million from VKE-Versorgungskasse EDAG-Firmengruppe e. V., the other major creditor (12/31/2023: € 16.7 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 € 106.1 million on the reporting date (12/31/2023: € 104.6 million).

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

	in € thousand	9/30/2024	12/31/2023
	Inventories	5,402	4,735
+	Current contract assets	117,455	79,601
+	Current accounts receivable	91,402	136,378
-	Current contract liabilities	- 58,531	- 47,513
-	Current accounts payable	- 23,106	- 33,969
=	**Trade working capital (TWC)**	**132,622**	**139,232**
+	Non-current other financial assets	479	564
+	Non-current other non-financial assets	1,444	2,242
+	Deferred tax assets	15,653	15,796
+	Other current financial assets excl. interest-bearing receivables	2,606	1,951
+	Current other non-financial assets	19,408	18,239
+	Income tax assets	7,714	3,627
-	Non-current other non-financial liabilities	- 121	- 174
-	Deferred tax liabilities	- 93	- 40
-	Current other financial liabilities	- 3,346	- 3,779
-	Current other non-financial liabilities	- 73,592	- 73,271
-	Income tax liabilities	- 1,645	- 1,214
=	**Other working capital (OWC)**	**- 31,493**	**- 36,059**
	Net working capital (NWC)	**101,129**	**103,173**

Compared to December 31, 2023, the trade working capital decreased by € 6,610 thousand to € 132,622 thousand. The decrease is due mainly to the reduction in accounts receivable. By way of contrast, there were increases in the capital commitment in contract assets and contract liabilities, and in the accounts payable.

There was a slight increase of € 4,566 thousand in the other working capital to € -31,493 thousand, compared to € -36,059 thousand on December 31, 2023.

Carrying Amounts, 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 the previous 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 2023.

For the most part, cash and cash equivalents, accounts receivable and other receivables have only a short time to maturity. For this reason, their carrying amounts 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.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 carrying amounts 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 items as per 9/30/2024
		Carrying amount	Fair value		
Financial assets (assets)					
Financial assets[1]	79	78	78	-	157
Non-current other financial assets	-	479	479	-	479
Current contract assets	-	-	-	117,455	117,455
Current accounts receivable	-	91,402	91,402	-	91,402
Current other financial assets	-	2,606	2,606	-	2,606
Current securities, loans and financial instruments	173	-	-	-	173
Cash and cash equivalents	-	100,612	100,612	-	100,612
Financial assets (assets)	**252**	**195,177**	**195,177**	**117,455**	**312,884**
Financial liabilities (liabilities)					
Non-current financial liabilities	-	101,008	105,288	-	101,008
Non-current lease liabilities	-	-	-	165,311	165,311
Current financial liabilities	-	55,976	55,976	-	55,976
Current lease liabilities	-	-	-	18,263	18,263
Current contract liabilities	-	-	-	58,531	58,531
Current accounts payable	-	23,106	23,106	-	23,106
Current other financial liabilities	-	3,346	3,346	-	3,346
Financial liabilities (liabilities)	**-**	**183,436**	**187,716**	**242,105**	**425,541**

[1] For financial assets classified as at fair value through profit or loss [FVtPL], use is made of the exemption in accordance with IFRS 9.B5.2.3 for shares in non-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 items as per 12/31/2023
		Carrying amount	Fair value		
Financial assets (assets)					
Financial assets[1]	80	43	43	-	123
Non-current other financial assets	-	564	564	-	564
Current contract assets	-	-	-	79,601	79,601
Current accounts receivable	-	136,378	136,378	-	136,378
Current other financial assets	-	1,951	1,951	-	1,951
Current securities, loans and financial instruments	28	-	-	-	28
Cash and cash equivalents	-	107,266	107,266	-	107,266
Financial assets (assets)	**108**	**246,202**	**246,202**	**79,601**	**325,911**
Financial liabilities (liabilities)					
Non-current financial liabilities	-	139,517	142,095	-	139,517
Non-current lease liabilities	-	-	-	165,459	165,459
Current financial liabilities	2	19,890	19,890	-	19,892
Current lease liabilities	-	-	-	17,835	17,835
Current contract liabilities	-	-	-	47,513	47,513
Current accounts payable	-	33,969	33,969	-	33,969
Current other financial liabilities	-	3,779	3,779	-	3,779
Financial liabilities (liabilities)	**2**	**197,155**	**199,733**	**230,807**	**427,964**

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 fair value was measured in accordance with 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 9/30/2024			
	Level 1	Level 2	Level 3	Total
Financial assets (assets)				
Current securities, loans and financial instruments	29	144	-	173
Financial liabilities (liabilities)				
Other financial liabilities	-	-	-	-

in € thousand	Assessed at fair value 12/31/2023			
	Level 1	Level 2	Level 3	Total
Financial assets (assets)				
Current securities, loans and financial instruments	28	-	-	28
Financial liabilities (liabilities)				
Other financial liabilities	-	2	-	2

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 2023.

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

in € thousand	1/1/2024 – 9/30/2024	1/1/2023 – 9/30/2023
EDAG Group with boards of directors[1] (EDAG Group AG)		
Work-related expenses	722	722
Travel and other expenses	29	41
Consulting expenses	39	56
EDAG Group with supervisory boards[1] (EDAG Engineering GmbH & EDAG Engineering Holding GmbH)		
Work-related expenses	39	52
Travel and other expenses	7	2
Compensation costs	759	518
EDAG Group with ATON companies (parent company and its affiliated companies)		
Goods and services rendered	110	133
Goods and services received	62	60
Other operating expenses	1	7
EDAG Group with unconsolidated subsidiaries		
Other operating expenses	6	5
EDAG Group with associated companies		
Goods and services rendered	190	142
Goods and services received	130	1,154
Other operating income	26	28
Other operating expenses	47	47
Income from investments	1,168	942
EDAG Group with other related companies and persons		
Goods and services rendered	20	-
Interest expense	361	380
Rental and lease payments from rights of use	6,106	5,724

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

5.10 Subsequent Events

On October 1, 2024, the EDAG Group acquired IWOVS Pvt. Ltd. in an asset deal and CAXSOL Pvt. Ltd. in an asset for share exchange. The transaction volume amounts to up to € 2.2 million.

On account of the current market conditions and the resulting lower-than-expected order volume, the Board of Directors of EDAG Engineering Group AG, at the suggestion of the management, approved plans for immediate measures at its meeting on November 6, 2024. Among other things, the plan includes measures for implementation by EDAG Engineering GmbH and EDAG Engineering Spain S.L. (model making). The immediate measures have a volume of € 25 to € 35 million. These will not have an impact on the adjusted EBIT, but will have a negative impact on the groups earnings after taxes in 2024. Should there be no significant improvement in the performance of the VE and EE segments, further restructuring measures may be necessary. The aim is to bring about a sustainable improvement in the performance of the VE and EE segments, so that, in the medium term, profitable growth can again be achieved.

Arbon, November 6, 2024
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

Harald Keller, Member of the Group Executive Management (CEO)

Holger Merz, Member of the Group Executive Management (CFO)

LEGAL NOTICE

Issued by:
EDAG Engineering Group AG
Schlossgasse 2
9320 Arbon/Switzerland
www.edag.com

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

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EDAG ENGINEERING GROUP AG
SCHLOSSGASSE 2
9320 ARBON
SWITZERLAND
EDAG.COM