

**FINANCIAL YEAR 2024**  
HALF-YEARLY FINANCIAL REPORT 2024







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

(in million € or %)	1/1/2024 – 6/30/2024	1/1/2023 – 6/30/2023	4/1/2024 – 6/30/2024	4/1/2023 – 6/30/2023
Vehicle Engineering	244.9	244.8	121.7	125.0
Electrics/Electronics	127.2	130.8	60.8	62.0
Production Solutions	67.9	53.7	34.2	26.6
Consolidation	- 10.8	- 7.7	- 5.2	- 3.5
<b>Total revenues<sup>1</sup></b>	<b>429.2</b>	<b>421.6</b>	<b>211.6</b>	<b>210.2</b>
Change:				
Vehicle Engineering	0.1%	7.5%	- 2.6%	11.6%
Electrics/Electronics	- 2.7%	21.3%	- 1.9%	16.8%
Production Solutions	26.3%	-0.6%	28.8%	- 3.5%
<b>Change of revenues<sup>1</sup></b>	<b>1.8%</b>	<b>10.3%</b>	<b>0.7%</b>	<b>11.4%</b>
Vehicle Engineering	15.4	14.1	6.5	7.6
Electrics/Electronics	3.8	7.9	0.7	2.6
Production Solutions	2.6	1.6	1.2	0.4
<b>Adjusted EBIT</b>	<b>21.8</b>	<b>23.5</b>	<b>8.4</b>	<b>10.6</b>
<b>EBIT</b>	<b>21.8</b>	<b>24.9</b>	<b>8.4</b>	<b>10.5</b>
Vehicle Engineering	6.3%	5.7%	5.3%	6.1%
Electrics/Electronics	3.0%	6.0%	1.2%	4.2%
Production Solutions	3.9%	3.0%	3.6%	1.3%
<b>Adjusted EBIT margin</b>	<b>5.1%</b>	<b>5.6%</b>	<b>4.0%</b>	<b>5.0%</b>
<b>EBIT margin</b>	<b>5.1%</b>	<b>5.9%</b>	<b>4.0%</b>	<b>5.0%</b>
<b>Profit or loss</b>	<b>10.5</b>	<b>14.0</b>	<b>3.5</b>	<b>5.6</b>
Earnings per share (€)	0.42	0.56	0.14	0.23

<sup>1</sup> The performance figure "revenues" is used in the sense of gross performance (sales revenues and changes in inventories) in the following.

(in million € or %)	6/30/2024	12/31/2023
Fixed assets	362.8	360.1
Net working capital	117.9	103.2
Net financial debt (incl. lease liabilities)	- 258.9	- 235.4
Provisions	- 62.0	- 65.4
<b>Equity</b>	<b>159.7</b>	<b>162.5</b>
<b>Balance sheet total</b>	<b>718.6</b>	<b>730.6</b>
Net financial debt/credit [-/+ ] w/o lease liabilities	- 73.6	- 52.1
Equity ratio	22.2%	22.2%
Net gearing [-/+ ] incl. lease liabilities	162.1%	144.9%

(in million € or %)	1/1/2024 – 6/30/2024	1/1/2023 – 6/30/2023	4/1/2024 – 6/30/2024	4/1/2023 – 6/30/2023
Operating cash flow	23.4	- 14.1	- 9.9	- 28.1
Investing cash flow	- 12.2	- 12.3	- 5.3	- 5.7
Free cash flow	11.2	- 26.4	- 15.1	- 33.7
Adjusted cash conversion rate <sup>1</sup>	71.1%	71.6%	71.7%	72.4%
CapEx	12.3	12.5	5.4	5.8
CapEx/revenues	2.9%	3.0%	2.5%	2.7%

<sup>1</sup> 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.

	6/30/2024	12/31/2023
Headcount at end of period, incl. apprentices	9,051	8,880
Apprentices in %	3.7%	4.0%

At € 429.2 million, the revenue in the first half of the year was € 7.6 million or 1.8 percent above the previous year's level (first half of 2023: € 421.6 million). While the Electrics/Electronics segment fell below the previous year's level, revenue in the Vehicle Engineering segment remained at the previous year's level. In the Production Solutions segment on the other hand, revenues in the reporting period increased significantly compared to the same period in the previous year.

The EBIT figure in the reporting period was € 21.8 million (first half of 2023: € 24.9 million), which is equivalent to an adjusted EBIT margin of 5.1 percent (first half of 2023: 5.9 percent).

The headcount, including trainees, on June 30, 2024 was 9,051 employees (12/31/2023: 8,880 employees). 6,049 of these employees were employed in Germany, and 3,002 in the rest of the world (RoW) (12/31/2023: [Germany: 6,154; RoW: 2,726]).

Gross investments in fixed assets amounted to € 12.3 million in the reporting period, which was slightly below the level of the same period in the previous year (first half of 2023: € 12.5 million). The equity ratio on the reporting date was 22.2 percent, the same level as at the end of the previous year (12/31/2023: 22.2 percent).

At € 258.9 million, the net financial debt (including lease liabilities) as per June 30, 2024 had increased compared to the level recorded on December 31, 2023 (€ 235.4 million), mainly due to a build-up of working capital in the first half of the year. Without taking lease liabilities into account, the net financial debt on June 30, 2024 amounted to € 73.6 million (12/31/2023: net financial debt € 52.1 million).



## SUMMARY OF THE FIRST HALF OF THE 2024 FINANCIAL YEAR



### DTM 2024:

EDAG Group and SSR Performance continue their technical partnership, once again taking Lamborghini to the starting line

The EDAG Group supports the SSR Team as its technical partner during the DTM – for the third time in a row. The racing team will be represented this year by Mirko Bortolotti and Nicki Thiim, who will be making his debut.

Following last year's success, the team will be starting the season with two Lamborghini Huracán GT3 EVO2s. SSR Performance finished the 2023 DTM season as Vice Champion, official Lamborghini driver Bortolotti won the DTM Vice Championship title with SSR Performance this year, and Nicki Thiim is a two-time GTE Pro champion in the World Endurance Championship.

"High-performance vehicles have always been the driving force behind innovations in series development - either by reducing weight, using new materials or through hybridization. Future technologies are often tested first in motorsport, especially in the areas of weight, performance and aerodynamics," explains Harald Keller, CEO of the EDAG Group.

"We are delighted to have SSR Performance as a long-standing partner with whom we can continuously further development and celebrate our successes."

The EDAG Group will be expanding its competencies in the field of vehicle dynamics simulation this year. This May, the Group opened the EDAG Zero Prototype Lab in Wolfsburg, a simulation center for the comprehensive testing of vehicles, their functions and their driving dynamics in realistic driving situations. The EDAG Group will be focusing on the latest technological developments and using the Zero Prototype Lab not only for motorsport purposes, but also for complete vehicle development.

"We are delighted to be working with the EDAG Group again this year," says Stefan Schlund, Managing Director of SSR Performance GmbH. "Our collaboration has shown that we can rely on EDAG as a technical partner and that by working together, we achieve the best results."

APRIL

MAY

JUNE



# SUMMARY OF THE FIRST HALF OF THE 2024 FINANCIAL YEAR



## Unique in Europe

Using the latest simulation technology, the Zero Prototype Lab is a unique European vehicle dynamics simulation center. Vehicle movements can be perfectly reproduced in virtual space. The center has three test platforms for hardware, software and human machine interface (HMI) research and development.

The simulation center is open to all market participants worldwide, and enables them to virtually drive and subjectively experience new vehicles. Important functions and their event chains, for instance autonomous driving functions, can be tested in conjunction with the driving system function, steering, braking and acceleration. This enables vehicle manufacturers to scale down the construction of cost-intensive prototypes, for example, and reduce development cycles.

In addition, it is possible to optimize vehicle dynamics in the virtual world on various test sites and race tracks under controlled environmental conditions, regardless of the season. All in all, the use of materials and resources can be reduced, and the carbon footprint of the development process minimized.

## Innovation for motorsports

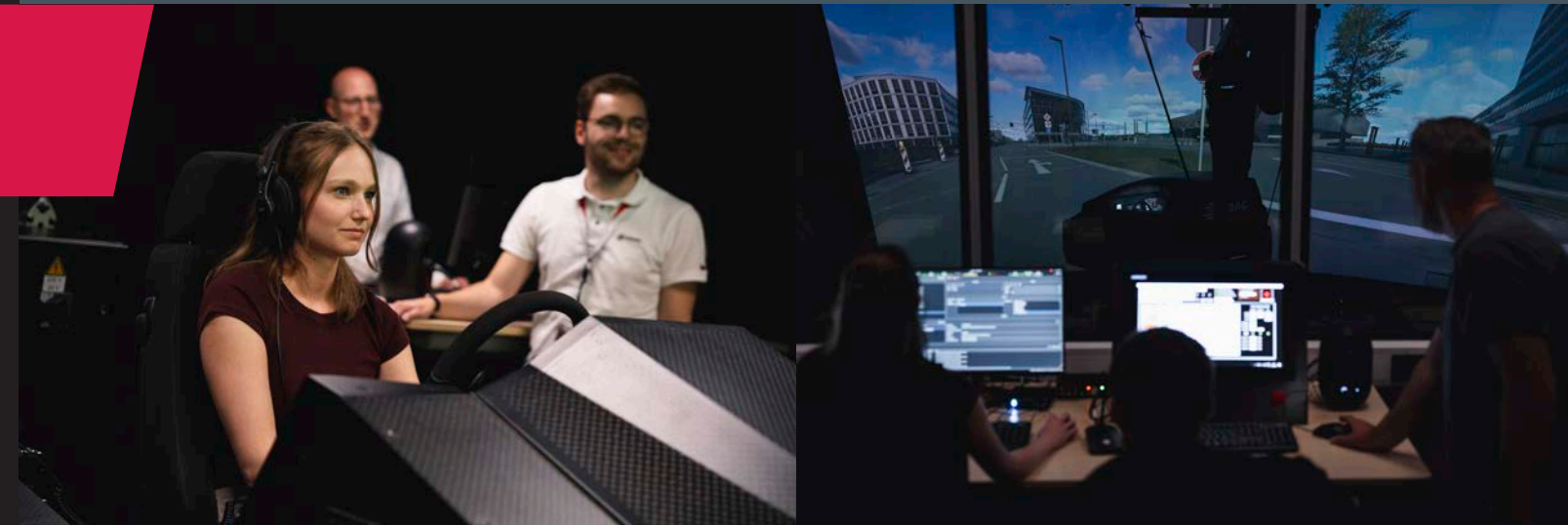
No matter what is being investigated - steering feel, limit behavior or the chassis: in times of active driving safety and autonomous vehicles, testing basic vehicle characteristics is becoming more and more challenging. Not only does this apply to prototypes for high volume production, the vehicle simulator is also a real asset in the field of motorsports. For racing teams, countless setup options and specific adaptations for drivers and race tracks are essential. Using the driving simulator, a wide range of setups at various race tracks can be developed in a very short time, to improve performance.

## TEST FIRST, BUILD LATER: EDAG GROUP PUTS ZERO PROTOTYPE LAB INTO OPERATION:

Unique simulation center in Wolfsburg opens its doors to national and international customers

Six months after the initial announcement, the EDAG Group, one of the world's leading independent engineering service providers, finally puts its Zero Prototype Lab in Wolfsburg into operation. In the state-of-the-art vehicle dynamics simulation center, customers from all over the

world can put their vehicles and important functions through extensive virtual tests without first having to develop prototypes. This makes the development process significantly more efficient and sustainable, while also reducing the time to market.



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## SUMMARY OF THE FIRST HALF OF THE 2024 FINANCIAL YEAR

All the race tracks can be reproduced in the Zero Prototype Lab, allowing drivers to familiarize themselves with the tracks before the start of the season. This enables individual sequences and parameters to be optimized until the desired lap time and corresponding driving feel have been achieved. Simulation allows the same test scenario to be run repeatedly under the required conditions – road surface, for example, tire material or weather conditions. The wind force can be set to precisely the required intensity, in the same way as a snowy landscape can be simulated. Test drives for these two applications are therefore no longer dependent on specific seasons.

"The opening of the Zero Prototype Lab is the start of a completely new chapter in vehicle development. Thanks to precise simulation, technology developers and vehicle manufacturers all over the world can now reorganize their development processes and work with significantly greater speed, efficiency and sustainability," explains Harald Keller, CEO of the EDAG Group.

"As a result, we are accelerating the constant change in vehicle development and the mobility industry and allowing for future-oriented value creation."



To achieve this, the EDAG Group utilizes state-of-the-art technology: Use is made of VI-grade's DiM500 Full Spectrum Simulator (DIM500 FSS), the largest and most powerful cable-driven simulator for development, racing and research, focusing on vehicle dynamics, vehicle movement and driver interaction. This can be used to reproduce dynamic driving maneuvers with 1:1 motion cueing. What this means is that the driver receives realistic movement signals, immerses himself in the virtual environment and can experience a realistic driving sensation. In addition to the DiM500 FSS Simulator, the Zero Prototype Lab also features a VI-grade COMPACT Full Spectrum Simulator and an AutoHawk hardware-in-the-loop platform. This enables the driving simulators to be connected to existing and future hardware-in-the-loop test benches.

Senior Vice President Vehicle Integration at the EDAG Group. "The fact that, after an intensive planning phase, we can now carry out the first customer simulations is also down to the special commitment of our team of experts, who have driven this project forward to completion."

"We are proud that our Driver-in-Motion Full Spectrum Simulator is the centerpiece of the new EDAG Zero Prototype Lab," adds Guido Bairati, CEO of VI-grade. "With the DiM500 FSS, our most powerful simulator to date, EDAG is taking its engineering services to an unprecedented level. The DiM FSS Simulator is a quantum leap in experimental simulation, and seamlessly integrates driving dynamics, motion, vibration and sound to create an immersive and realistic driving experience. I look forward to the exciting customer projects that will be developed in this future-oriented facility, and shape the mobility of tomorrow."

"With the Zero Prototype Lab, we are further expanding our engineering services and supporting the transformation of the mobility industry," explains Jork Rother,



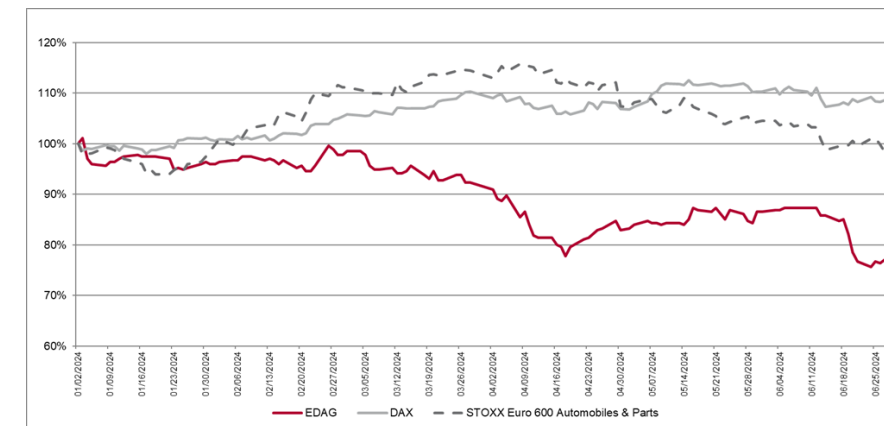
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# THE EDAG SHARE

On January 2, 2024, the DAX started the first quarter of 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 18,869.36 points on May 15. On June 28, the DAX closed the reporting period at 18,290.66 points. During the first half of 2024, the STOXX Automobiles & Parts Index fluctuated between its lowest closing level of 594.28 points on January 19 and its highest closing level of 732.80 points on April 8, 2024.



Source: Comdirect

## 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. Following this, the share price initially fell to its lowest closing price in the reporting period of € 10.40 on June 24. 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. On June 28, the share closed the reporting period with a closing price of € 10.55. During the first half of 2024, the average XETRA trade volume was 2,962 shares a day.

## 2 Key Share Data

	1/1/2024 – 6/30/2024
<b>Prices<sup>1</sup> and trading volume</b>	
Share price on June 30 (€)	10.55
Share price, high (€)	13.90
Share price, low (€)	10.40
Average daily trading volume (number of shares) <sup>2</sup>	2,962
Market capitalization on June 30 (€ million)	263.75

<sup>1</sup> Closing prices in XETRA trading

<sup>2</sup> 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](http://www.edag.com/en).



# HALF-YEARLY 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<sub>2</sub>-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, EDAG PS is also able to optimally plan and realize complete factories from consulting to general contractor over all fields, including cross processes. The Industry 4.0 methods and tools serve as the basis for the networked engineering between the product development and plant construction processes.

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

The **Automotive Solutions** division comprises the long-standing business segment of EDAG PS. EDAG PS offers customers in the automotive industry an extensive portfolio which ranges from planning to virtual commissioning. It has the comprehensive production development competence needed to master all the interfaces between product development, production engineering and plant engineering and construction. In this business field, the focus is on product manufacturing and feasibility, and also on the new technologies within the automotive industry. The new automotive technology innovations encompass everything to do with the battery, eDrive, alternative drive systems and sustainability environments. 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, EDAG 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 optimum effectiveness of the networked individual, while also

improving decision-making reliability and reducing project duration. The portfolio is complemented by Feysinn, 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. Feysinn also offers consulting, conceptual and realization services in the field of visualization technologies. A range of training opportunities completes the EDAG PS industrial solutions portfolio.

Alongside these two core business fields, the **Smart City Solutions** division is also being developed to advance digitalization and networking in the public arena. The focus of this division is on intelligent solutions in the fields of smart mobility, smart infrastructure, smart government, smart people and smart health. EDAG PS helps cities and municipalities to implement new mobility solutions and to collect, visualize and intelligently process local information. In addition, EDAG 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 more than 50-year history, the EDAG Group has been continually developing. Building on our strong roots in vehicle and production plant development, the company has, with our entry into the field of electrics/electronics and our expertise in the development of complete vehicles, established a leading international position as an innovative partner to the global mobility industry. Change is a constant companion and what drives the development of our company. By combining and expanding our cross-segment competencies and capacities in the field of software and digitalization, we are taking the next logical evolutionary step on the road to the mobility 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
- Agile market and future-shaping company
- 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 July 16, 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) in July 2024, compared to the same period in the previous year, the European automotive market (EU-27 + EFTA & UK) recorded an increase of 4 percent in the number of new registrations in the six-month period just ended. The development of the five largest individual markets was without exception positive: In the United Kingdom (6 percent), in Spain (6 percent) in Germany and Italy (each with 5 percent), and in France (3 percent).

According to information published by the Federal Motor Transport Authority on July 3, 2024, a decline of 8.5 percent in new registrations of electric cars was recorded in Germany in the first half of 2024, compared to the same period of the previous year. Overall, sales of electric passenger cars, which amounted to 273,766, accounted for a market share of 18.6 percent (same period in the previous year: 21.4 percent). This development is mainly due to the decrease of 16.4 percent in registrations of battery electric vehicles (BEVs<sup>1</sup>) in the first half of 2024. At 37.4 percent, the proportion of gasoline-fueled passenger cars was slightly above the previous year's level (36.7 percent). Likewise, at 18.7 percent, the proportion of diesel-fueled passenger cars also increased slightly compared to the same period in the previous year (18.1 percent) in the first six months of 2024. Not including plug-in hybrids (PHEVs<sup>1</sup>), the proportion of vehicles with at least two different energy converters (hybrid cars) was 24.7 percent, which was above the previous year's level (23.2 percent).

In the USA, the volume on the light vehicle market (passenger cars and light trucks) in the period January to June 2024 increased by 2 percent compared to the same period in the previous year. Continued growth was also registered on the markets in China (3 percent), India (7 percent) and Brazil (15 percent), even if the momentum in China and India has slowed in recent months. Only Japan, with a decline of 12 percent, recorded a downturn in registration figures.

In the latest available publication of the ZVEI Economic Barometer dated August 8, 2024, the German Electrical and Digital Manufacturers' Association (ZVEI e. V.) recorded a decline of almost 14 percent in incoming orders in the German electrical and digital industry in the six-month period of 2024 just ended, compared to the previous year.

<sup>1</sup> Battery electric vehicle (BEV)/ plug-in hybrid electric vehicle (PHEV)

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

### Financial Performance

#### Development of the EDAG Group

As of June 30, 2024, orders on hand amounted to € 471.4 million, a significant increase compared to € 415.5 million as of December 31, 2023 (6/30/2023: € 484.0 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 six-month period just ended, the EDAG Group generated incoming orders amounting to € 481.0 million, which, compared to the same period in the previous year (€ 502.3 million), represents a decrease of € 21.3 million (-4.2 percent).

At € 429.2 million, revenue in the first half of the year was € 7.6 million or 1.8 percent above the previous year's level (first half of 2023: € 421.6 million). While the Electrics/Electronics segment fell below the previous year's level, revenue in the Vehicle Engineering segment remained at the previous year's level. In the Production Solutions segment on the other hand, revenues in the reporting period increased significantly, compared to the same period in the previous year.

Compared to the same period in the previous year, other income decreased by € 9.4 million to € 8.3 million in the six-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 (€ -3.0 million).

At € 44.1 million, materials and services expenses were slightly below the level of the previous year (first half of 2023: € 44.5 million). Taking into account the increase in revenues, the materials and services expenses ratio consequently decreased by just under 0.3 percentage points to 10.3 percent, compared to the same period in the previous year (first half of 2023: 10.6 percent). At 3.0 percent, the materials expenses ratio rose to slightly above the same level as the previous year (first half of 2023: 2.6 percent). On the other hand, at 7.2 percent, the ratio of service expenses in relation to the revenues was below the level of the same period in the previous year (first half of 2023: 8.0 percent).

In the half-year just ended, the company's workforce, including apprentices, increased to 9,027 employees on average (first half of 2023: 8,549 employees): an increase of 5.6 percent. Compared to the same period in the previous year,

the EDAG Group's personnel expenses increased slightly to € 298.7 million in the reporting period.

Depreciation, amortization and impairments totaled € 20.8 million (first half of 2023: € 20.5 million). The net result from the impairment or impairment loss reversal of financial assets amounted to € 0.4 million (first half of 2023: € 0.6 million). The other operating expenses decreased by € 2.1 million to € 52.4 million, primarily due to a reduction in removal expenses relating to various sites and a decline in maintenance costs.

At € 21.8 million, the EBIT in the reporting period was below the previous year's level (first half of 2023: € 24.9 million). An EBIT margin of 5.1 percent was achieved as a result (first half of 2023: 5.9 percent).

Adjusted for the depreciation, amortization and impairments from the purchase price allocations that were recorded in the half year just ended, the adjusted EBIT figure was € 21.8 million (first half of 2023: € 23.5 million), which is equivalent to an adjusted EBIT margin of 5.1 percent (first half of 2023: 5.6 percent).

The financial result for the first half of 2024 was € -6.0 million, (first half of 2023: € -4.0 million). The main reason for the reduction of some € 2.0 million is the increase in market interest rates compared to the same period in the previous year.

To sum up, with a profit of € 10.5 million (first half of 2023: € 14.0 million), business development of the EDAG Group was all in all satisfactory in the reporting period.

#### Development of the Vehicle Engineering Segment

Incoming orders in the first half of 2024 amounted to € 267.0 million, which was below the level of the same period in the previous year (first half of 2023: € 276.3 million). At € 244.9 million, revenues remained at the previous year's level (first half of 2023: € 244.8 million). All in all, an EBIT of € 15.4 million was reported for the Vehicle Engineering segment in the half year just ended (first half of 2023: € 14.3 million). The EBIT margin amounted to 6.3 percent, which was above the level of the same period in the previous year (first half of 2023: 5.8 percent). Likewise, compared to the same period in the previous year, there was an improvement in the adjusted EBIT margin, which increased to 6.3 percent (first half of 2023: 5.7 percent).



### Development of the Electrics/Electronics Segment

Incoming orders in the first six months decreased by € 27.1 million to € 131.3 million compared to the same period in the previous year (first half of 2023: € 158.4 million). Revenue totaled € 127.2 million, which was below the previous year's level of € 130.8 million. The EBIT stood at € 3.8 million (first half of 2023: € 7.9 million). This meant that the EBIT margin amounted to 3.0 percent (first half of 2023: 6.0 percent).

### Development of the Production Solutions Segment

In the Production Solutions segment, on the other hand, incoming orders in the first half of the year amounted to € 95.0 million, which was well above the level of the previous year (first half of 2023: € 76.7 million). Revenue in the half-year just ended amounted to € 67.9 million, which was also well above the previous year's level (first half of 2023: € 53.7 million). At 3.9 percent, the adjusted EBIT margin in the first half of the year was above the level of the same period in the previous year (first half of 2023: 3.0 percent). Overall, the EBIT for the Production Solutions segment stood at € 2.6 million in the half year just ended (first half of 2023: € 2.8 million). This meant that the EBIT margin amounted to 3.9 percent (first half of 2023: 5.2 percent).

### Cash Flows and Financial Position

The EDAG Group's statement of financial position total decreased by € 11.9 million to € 718.6 million, and was therefore below the level of December 31, 2023 (€ 730.6 million). The non-current assets increased by € 1.4 million to € 380.2 million (12/31/2023: € 378.8 million). In the current assets, there was a significant increase of € 43.5 million in the contract assets. By way of contrast, the accounts receivable decreased by the same extent, also by € 43.5 million. These changes reflect the typical development for EDAG in the first half of a financial year, in line with the company's business activities. Cash and cash-equivalents decreased by € 107.3 million to € 87.2 million.

On the equity, liabilities and provisions side, equity decreased from € 162.5 million to € 159.7 million, mainly as a result of the current profit for the first half of 2024 (€ 10.5 million) and the dividend payout for the 2023 financial year (€ -13.8 million). The equity ratio on the reporting date was 22.2 percent, the same level as at the end of the previous year (12/31/2023: 22.2 percent).

Non-current liabilities and provisions increased to € 340.1 million, primarily due to increased lease liabilities (12/31/2023: € 338.6 million). Current liabilities

and provisions decreased by € 10.6 million to € 218.8 million, (12/31/2023: € 229.4 million). This was primarily as a result of a decline in accounts payable.

In the first half of 2024, the operating cash flow was € 23.4 million (first half of 2023: € -14.1 million). The increase is primarily due to a lower build-up of working capital in the first half of 2024 compared to the same period of the previous year, and higher income tax payments in the same period in the previous year.

At € 12.3 million, gross investments in the reporting period were slightly lower than in the previous year (first half of 2023: € 12.5 million). At 2.9 percent, the ratio of gross investments in relation to revenues was just below the previous year's level (first half of 2023: 3.0 percent).

On the reporting date, unused lines of credit in the amount of € 105.3 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 more than 50 years of history, EDAG has always ensured that both young and experienced employees are offered interesting and challenging activities and projects, and are provided with the prospect of and the necessary space for personal responsibility and decision-making. And this is the primary focus of both our human resources management and development. For a more detailed representation of HR management and development, please see the Group Management Report in the Annual Report for 2023.

On June 30, 2024, the EDAG Group employed a workforce of 9,051 people (12/31/2023: 8,880 people). Personnel expenses amounted to € 298.7 million in the reporting period (first half of 2023: € 295.4 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 second quarter of 2024 are in risk category A (2023: C) with an unchanged medium probability of occurrence.

Due to country-specific developments, tax risks move down to risk class C (2023: A) in the first half of the year; the medium probability of occurrence remains unchanged.

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 July 16, 2024, a slight increase of 0.2 percent in economic performance is anticipated for Germany in 2024; the positive growth rate is expected to increase to 1.3 percent in 2025. Within the eurozone, the IMF expects a growth rate of 0.9 percent in 2024 and of 1.5 percent in 2025. Growth of the US economy is expected to reach 2.6 percent in 2024, while a growth rate of 1.9 percent is anticipated in 2025. According to latest estimates, China, with forecasts for a 5.0 percent increase in economic output in 2024 and 4.5 percent in 2025, will continue to be a growth engine for the global economy, and is therefore one of the states with the fastest growing economic performance in both 2024 and 2025. These anticipated growth rates will be surpassed by India, where growth 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 challenging. Geopolitical and macroeconomic uncertainties are adversely impacting future development, as are continuing high consumer prices.

In its forecast of July 24, 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. However, there are wide variations in these reduced growth rates from one market sector to another in Europe. According to forecasts by the VDA, the 1 percent growth rate 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 high market volume achieved in 2023.

In contrast to the above statements, Morgan Stanley, in its forecast of August 1, 2024, anticipates that global sales of vehicles (passenger cars, not including lightweight commercial vehicles) will decrease to 75.1 million in 2024. This is equivalent to a decrease of roughly 0.4 percent compared to 2023. This means that the 2024 forecast is slightly below the 74.3 million units sold in 2023, and also still below the level of 2019, the year prior to the crisis, when over 78.1 million units were sold.

Besides the sales figures, however, technological and digital trends continue to have an enormous influence not just on our own business model, but also on those of the OEMs. In particular, a large number of new automotive startup companies can see an opportunity to redesign the mobility of the future. The current emission standards and 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 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.

The market for engineering services remains highly dynamic. With a growing focus on CO<sub>2</sub> 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

We do not at present see any risk to the continued existence of the company in the constantly escalating geopolitical conflicts, the high-level energy and staffing costs and the availability of suitable personnel, 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 € 105.3 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.

For the 2024 financial year, EDAG expects an increase in revenues in the region of around 4 percent to around 6 percent, though the assumption is that we will be somewhere towards the lower end of this range.

What is more, we expect a stable adjusted EBIT. According to current estimates, the adjusted EBIT margin is forecast to be in the region of around 5 percent to around 6 percent, though here, too, the assumption is that we will be somewhere towards the lower end of this range.

On account of the sustained growth, we expect investments in the 2024 financial year to be above the level of the previous year, and anticipate an investment rate that will probably be in the region of 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
<b>Group</b>		
Revenues	844.3	Growth in a range of around 4 to around 6 percent
Adjusted EBIT margin	6.2%	Range of around 5 to around 6 percent
Investment rate	3.6%	Around 4 percent

## 4 Disclaimer

The Half-Yearly 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 – 6/30/2024	1/1/2023 – 6/30/2023	4/1/2024 – 6/30/2024	4/1/2023 – 6/30/2023
<b>Profit or loss</b>				
Sales revenues and changes in inventories <sup>1</sup>	429,174	421,554	211,647	210,194
Sales revenues	428,733	420,913	211,890	210,600
Changes in inventories	441	641	- 243	- 406
Other income	8,312	17,676	4,402	7,959
Material expenses	- 44,136	- 44,540	- 24,064	- 20,484
<b>Gross profit</b>	<b>393,350</b>	<b>394,690</b>	<b>191,985</b>	<b>197,669</b>
Personnel expenses	- 298,725	- 295,376	- 146,665	- 150,422
Depreciation, amortization and impairment	- 20,804	- 20,475	- 10,485	- 10,346
Net result from impairment losses or impairment loss reversals of financial assets	385	622	201	549
Other expenses	- 52,412	- 54,523	- 26,588	- 26,945
<b>Earnings before interest and taxes (EBIT)</b>	<b>21,794</b>	<b>24,938</b>	<b>8,448</b>	<b>10,505</b>
Result from investments accounted for using the equity method	863	609	365	339
Financial income	2,142	1,337	947	675
Financing expenses	- 9,053	- 5,930	- 4,568	- 3,066
<b>Financial result</b>	<b>- 6,048</b>	<b>- 3,984</b>	<b>- 3,256</b>	<b>- 2,052</b>
<b>Earnings before taxes</b>	<b>15,746</b>	<b>20,954</b>	<b>5,192</b>	<b>8,453</b>
Income taxes	- 5,243	- 6,984	- 1,728	- 2,822
<b>Profit or loss</b>	<b>10,503</b>	<b>13,970</b>	<b>3,464</b>	<b>5,631</b>

<sup>1</sup> Described below in simplified terms as revenues.

in € thousand	1/1/2024 – 6/30/2024	1/1/2023 – 6/30/2023	4/1/2024 – 6/30/2024	4/1/2023 – 6/30/2023
<b>Profit or loss</b>	<b>10,503</b>	<b>13,970</b>	<b>3,464</b>	<b>5,631</b>
<b>Other comprehensive income</b>				
<b>Profits/losses reclassifiable under certain conditions</b>				
Currency conversion difference				
Profits/losses included in equity from currency conversion difference	- 164	- 538	- 111	- 509
<b>Total profits/losses reclassifiable under certain conditions</b>	<b>- 164</b>	<b>- 538</b>	<b>- 111</b>	<b>- 509</b>
<b>Not reclassifiable profits/losses</b>				
Revaluation of net obligation from defined benefit plans				
Revaluation of net obligation from defined benefit plans before taxes	891	- 534	529	- 117
Deferred taxes on defined benefit plans	- 272	167	- 156	41
Income and expenses included in equity from shares accounted for using the equity method, net of tax	6	56	6	3
<b>Total not reclassifiable profits/losses</b>	<b>625</b>	<b>- 311</b>	<b>379</b>	<b>- 73</b>
Total other comprehensive income before taxes	733	- 1,016	424	- 623
Total deferred taxes on the other comprehensive income	- 272	167	- 156	41
<b>Total other comprehensive income</b>	<b>461</b>	<b>- 849</b>	<b>268</b>	<b>- 582</b>
<b>Total comprehensive income</b>	<b>10,964</b>	<b>13,121</b>	<b>3,732</b>	<b>5,049</b>
<b>Earnings per share of shareholders of EDAG Group AG [diluted and basic in €]</b>				
Earnings per share	0.42	0.56	0.14	0.23



## 2 Consolidated Statement of Financial Position

in € thousand	6/30/2024	12/31/2023
<b>Assets</b>		
Goodwill	74,272	74,358
Other intangible assets	7,511	8,434
Property, plant and equipment	94,584	92,155
Rights of use from leasing	166,491	165,507
Financial assets	145	123
Investments accounted for using the equity method	19,760	19,571
Non-current other financial assets	455	564
Non-current other non-financial assets	1,558	2,242
Deferred tax assets	15,390	15,796
<b>Non-current assets</b>	<b>380,166</b>	<b>378,750</b>
Inventories	5,424	4,735
Current contract assets	123,140	79,601
Current accounts receivable	92,838	136,378
Current other financial assets	3,779	1,951
Current securities, loans and financial instruments	62	28
Current other non-financial assets	20,792	18,239
Income tax assets	5,289	3,627
Cash and cash-equivalents	87,151	107,266
<b>Current assets</b>	<b>338,475</b>	<b>351,825</b>
<b>Assets</b>	<b>718,641</b>	<b>730,575</b>

in € thousand	6/30/2024	12/31/2023
<b>Equity, liabilities and provisions</b>		
Subscribed capital	920	920
Capital reserves	40,000	40,000
Retained earnings	127,284	130,531
Reserves from profits and losses recognized directly in equity	- 4,116	- 4,740
Currency conversion differences	- 4,345	- 4,182
<b>Equity</b>	<b>159,743</b>	<b>162,529</b>
Provisions for pensions and similar obligations	30,071	29,887
Other non-current provisions	3,485	3,523
Non-current financial liabilities	139,511	139,517
Non-current lease liabilities	166,762	165,459
Non-current other non-financial liabilities	146	174
Deferred tax liabilities	98	40
<b>Non-current liabilities and provisions</b>	<b>340,073</b>	<b>338,600</b>
Current provisions	28,481	31,973
Current financial liabilities	21,257	19,892
Current lease liabilities	18,566	17,835
Current contract liabilities	54,264	47,513
Current accounts payable	20,126	33,969
Current other financial liabilities	3,330	3,779
Current other non-financial liabilities	72,045	73,271
Current income tax liabilities	756	1,214
<b>Current liabilities and provisions</b>	<b>218,825</b>	<b>229,446</b>
<b>Equity, liabilities and provisions</b>	<b>718,641</b>	<b>730,575</b>

### 3 Consolidated Cash Flow Statement

in € thousand	1/1/2024 – 6/30/2024	1/1/2023 – 6/30/2023
<b>Profit or loss</b>	<b>10,503</b>	<b>13,970</b>
+/- Income tax expenses/income	5,243	6,984
- Income taxes paid	- 8,817	- 19,978
+ Financial result	6,048	3,984
+ Interest received	1,773	1,334
+/- Depreciation and amortization/write-ups on tangible and intangible assets	20,804	20,475
+/- Other non-cash item expenses/income and changes recognized directly in equity	1,101	- 15,416
+/- Increase/decrease in non-current provisions	164	1,364
-/+ Profit/loss on the disposal of fixed assets	- 56	- 129
-/+ Increase/decrease in inventories	- 738	- 1,317
-/+ Increase/decrease in contract assets, receivables and other assets that are not attributable to investing or financing activities	- 3,113	- 15,342
+/- Increase/decrease in current provisions	- 1,100	- 4,906
+/- Increase/decrease in accounts payable and other liabilities and provisions that are not attributable to investing or financing activities	- 8,444	- 5,147
<b>= Cash inflow/outflow from operating activities/operating cash flow</b>	<b>23,368</b>	<b>- 14,124</b>
+ Deposits from disposals of tangible fixed assets	150	218
- Payments for investments in tangible fixed assets	- 11,054	- 11,547
- Payments for investments in intangible fixed assets	- 1,275	- 954
+ Deposits from disposals of financial assets	2	7
- Payments for investments in financial assets	- 26	- 26
<b>= Cash inflow/outflow from investing activities/investing cash flow</b>	<b>- 12,203</b>	<b>- 12,302</b>

in € thousand	1/1/2024 – 6/30/2024	1/1/2023 – 6/30/2023
- Payments to shareholders/partners (dividend for prior year)	- 13,750	-
- Interest paid	- 7,045	- 4,114
- Repayment of financial liabilities	- 855	- 787
- Repayment of lease liabilities	- 9,437	- 9,792
<b>= Cash inflow/outflow from financing activities/financing cash flow</b>	<b>- 31,087</b>	<b>- 14,693</b>
<b>Net cash changes in financial funds</b>	<b>- 19,922</b>	<b>- 41,119</b>
-/+ Effect of changes in currency exchange rate and other effects from changes of financial funds	- 193	- 104
+ Financial funds at the start of the period	107,266	122,688
<b>= Financial funds at the end of the period [cash and cash-equivalents]</b>	<b>87,151</b>	<b>81,465</b>
<b>= Free cash flow (FCF) – equity approach</b>	<b>11,165</b>	<b>- 26,426</b>



## 4 Consolidated Statement of Changes in Equity

in € thousand	Subscribed capital	Capital reserves	Retained earnings	Currency conversion	Revaluation from pension plans	Shares in investments accounted for using the equity method	Total equity
<b>As per 1/1/2024</b>	<b>920</b>	<b>40,000</b>	<b>130,531</b>	<b>- 4,181</b>	<b>- 4,790</b>	<b>49</b>	<b>162,529</b>
Profit or loss	-	-	10,503	-	-	-	10,503
Other comprehensive income	-	-	-	- 164	619	6	461
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>10,503</b>	<b>- 164</b>	<b>619</b>	<b>6</b>	<b>10,964</b>
Dividends	-	-	- 13,750	-	-	-	- 13,750
<b>As per 6/30/2024</b>	<b>920</b>	<b>40,000</b>	<b>127,284</b>	<b>- 4,345</b>	<b>- 4,171</b>	<b>55</b>	<b>159,743</b>

in € thousand	Subscribed capital	Capital reserves	Retained earnings	Currency conversion	Revaluation from pension plans	Shares in investments accounted for using the equity method	Total equity
<b>As per 1/1/2023</b>	<b>920</b>	<b>40,000</b>	<b>115,379</b>	<b>- 4,439</b>	<b>- 2,943</b>	<b>1</b>	<b>148,918</b>
Profit or loss	-	-	13,970	-	-	-	13,970
Other comprehensive income	-	-	-	- 538	- 368	56	- 850
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>13,970</b>	<b>- 538</b>	<b>- 368</b>	<b>56</b>	<b>13,120</b>
Dividends	-	-	- 13,750	-	-	-	- 13,750
<b>As per 6/30/2023</b>	<b>920</b>	<b>40,000</b>	<b>115,599</b>	<b>- 4,977</b>	<b>- 3,311</b>	<b>57</b>	<b>148,288</b>

## 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 more than 50 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 Half-Yearly Financial Report were prepared using uniform accounting and valuation principles as of EDAG Group AG's financial reporting date (June 30).

The unaudited Consolidated Half-Yearly Financial 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 Half-Yearly Financial Report of the EDAG Group AG for the period ending June 30, 2024 has been prepared in accordance with IAS 34 "Interim financial reporting". As the scope of the Consolidated Half-Yearly Financial 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 June 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 Half-Yearly 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 Half-Yearly 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 Half-Yearly Financial 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 Half-Yearly Financial Report, a discount rate of 3.79 percent has been used for pension provisions in Germany (12/31/2023: 3.49 percent). A discount rate of 1.39 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 Half-Yearly Financial Report and determining comparative figures for the previous year. 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 Half-Yearly Financial Report should therefore be read in conjunction with the consolidated financial statement 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 Half-Yearly Financial 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 half of the 2024 financial year, which as of June 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 Conversion

Currency conversion in the Consolidated Half-Yearly Financial Report was based on the following exchange rates:

Country	Currency	6/30/2024	1st half year 2024	12/31/2023	1st half year 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	0.8464	0.8545	0.8691	0.8767
Brazil	BRL	5.8915	5.4945	5.3618	5.4840
USA	USD	1.0705	1.0812	1.1050	1.0811
Malaysia	MYR	5.0501	5.1106	5.0775	4.8186
Hungary	HUF	395.1000	389.9208	382.8000	380.7122
India	INR	89.2495	89.9804	91.9045	88.8810
China	CNY	7.7748	7.8011	7.8509	7.4904
Mexico	MXN	19.5654	18.5175	18.7231	19.6549
Czech Republic	CZK	25.0250	25.0192	24.7240	23.6804
Switzerland	CHF	0.9634	0.9615	0.9260	0.9855
Poland	PLN	4.3090	4.3167	4.3395	4.6256
Sweden	SEK	11.3595	11.3889	11.0960	11.3311
Japan	JPY	171.9400	164.4978	156.3300	145.7650
Turkey	TRY	35.1868	35.1868	32.6531	28.3193

### 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 – 6/30/2024	1/1/2023 – 6/30/2023	4/1/2024 – 6/30/2024	4/1/2023 – 6/30/2023
<b>Earnings before interest and taxes (EBIT)</b>	<b>21,794</b>	<b>24,938</b>	<b>8,448</b>	<b>10,505</b>
Adjustments:				
Expenses (+) from purchase price allocation	25	172	13	82
Other adjustments	-	- 1,568	-	- 11
<b>Total adjustments</b>	<b>25</b>	<b>- 1,396</b>	<b>13</b>	<b>71</b>
<b>Adjusted earnings before interest and taxes (adjusted EBIT)</b>	<b>21,819</b>	<b>23,542</b>	<b>8,461</b>	<b>10,576</b>

## 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 June 30, 2024, the non-current assets amounted to € 380.2 million (31/12/2023: € 378.8 million). Of these, € 2.5 million are domestic, € 332.5 million are German, and € 45.2 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 Half-Yearly 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 Half-Yearly 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 Half-Yearly Group Management Report.

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

in € thousand	1/1/2024 – 6/30/2024					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Sales revenues with third parties	239,887	123,416	65,430	428,733	-	428,733
Sales revenues with other segments	4,777	3,893	2,163	10,833	- 10,833	-
Changes in inventories	237	- 76	280	441	-	441
<b>Total revenues<sup>1</sup></b>	<b>244,901</b>	<b>127,233</b>	<b>67,873</b>	<b>440,007</b>	<b>- 10,833</b>	<b>429,174</b>
<b>EBIT</b>	<b>15,360</b>	<b>3,808</b>	<b>2,626</b>	<b>21,794</b>	<b>-</b>	<b>21,794</b>
EBIT margin [%]	6.3%	3.0%	3.9%	5.0%	n/a	5.1%
Purchase price allocation (PPA)	25	-	-	25	-	25
<b>Adjusted EBIT</b>	<b>15,385</b>	<b>3,808</b>	<b>2,626</b>	<b>21,819</b>	<b>-</b>	<b>21,819</b>
Adjusted EBIT margin [%]	6.3%	3.0%	3.9%	5.0%	n/a	5.1%
Depreciation, amortization and impairment	- 19,222	- 808	- 774	- 20,804	-	- 20,804
Ø Employees per segment	4,946	2,861	1,220	9,027		9,027

in € thousand	1/1/2023 – 6/30/2023					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Sales revenues with third parties	239,920	129,219	51,774	420,913	-	420,913
Sales revenues with other segments	4,028	2,035	1,651	7,714	- 7,714	-
Changes in inventories	815	- 470	296	641	-	641
<b>Total revenues<sup>1</sup></b>	<b>244,763</b>	<b>130,784</b>	<b>53,721</b>	<b>429,268</b>	<b>- 7,714</b>	<b>421,554</b>
<b>EBIT</b>	<b>14,255</b>	<b>7,900</b>	<b>2,783</b>	<b>24,938</b>	<b>-</b>	<b>24,938</b>
EBIT margin [%]	5.8%	6.0%	5.2%	5.8%	n/a	5.9%
Purchase price allocation (PPA)	62	-	110	172	-	172
Other adjustments	- 264	-	- 1,304	- 1,568	-	- 1,568
<b>Adjusted EBIT</b>	<b>14,053</b>	<b>7,900</b>	<b>1,589</b>	<b>23,542</b>	<b>-</b>	<b>23,542</b>
Adjusted EBIT margin [%]	5.7%	6.0%	3.0%	5.5%	n/a	5.6%
Depreciation, amortization and impairment	- 18,593	- 801	- 1,081	- 20,475	-	- 20,475
Ø Employees per segment	4,594	2,819	1,136	8,549		8,549

<sup>1</sup> 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 – 6/30/2024							
	Vehicle Engineering		Electrics/ Electronics		Production Solutions		Total	
Customer sales division A	35,563	15%	38,908	32%	3,301	5%	77,772	18%
Customer sales division B	43,339	18%	38,023	31%	4,296	7%	85,658	20%
Customer sales division C	29,435	12%	11,691	9%	4,959	8%	46,085	11%
Customer sales division D	27,517	11%	1,448	1%	3,807	6%	32,772	8%
Customer sales division E	25,206	11%	848	1%	2,038	3%	28,092	7%
Customer sales division F	15,689	7%	3,009	2%	1,493	2%	20,191	5%
Customer sales division G	37,489	16%	11,161	9%	14,253	22%	62,903	15%
Customer sales division H	21,180	9%	11,323	9%	3,208	5%	35,711	8%
Customer sales division I	4,469	2%	7,005	6%	28,075	43%	39,549	9%
<b>Sales revenue with third parties</b>	<b>239,887</b>	<b>100%</b>	<b>123,416</b>	<b>100%</b>	<b>65,430</b>	<b>100%</b>	<b>428,733</b>	<b>100%</b>

in € thousand	1/1/2023 – 6/30/2023							
	Vehicle Engineering		Electrics/ Electronics		Production Solutions		Total	
Customer sales division A	33,976	14%	41,325	32%	5,340	10%	80,641	19%
Customer sales division B	34,091	14%	37,765	29%	3,598	7%	75,454	18%
Customer sales division C	34,554	14%	11,535	9%	3,738	7%	49,827	12%
Customer sales division D	23,777	10%	1,166	1%	2,920	6%	27,863	7%
Customer sales division E	23,557	10%	3,633	3%	3,206	6%	30,396	7%
Customer sales division F	30,847	13%	1,450	1%	370	1%	32,667	8%
Customer sales division G	36,657	15%	17,789	14%	12,035	23%	66,481	16%
Customer sales division H	17,847	7%	10,106	8%	3,626	7%	31,579	8%
Customer sales division I	4,614	2%	4,450	3%	16,941	33%	26,005	6%
<b>Sales revenue with third parties</b>	<b>239,920</b>	<b>100%</b>	<b>129,219</b>	<b>100%</b>	<b>51,774</b>	<b>100%</b>	<b>420,913</b>	<b>100%</b>

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 – 6/30/2024					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Period-related revenue recognition	234,880	126,756	65,838	427,474	-	427,474
Point in time revenue recognition	9,784	553	1,755	12,092	-	12,092
Sales revenue with other segments	- 4,777	- 3,893	- 2,163	- 10,833	-	- 10,833
<b>Sales revenue with third parties</b>	<b>239,887</b>	<b>123,416</b>	<b>65,430</b>	<b>428,733</b>	-	<b>428,733</b>
Sales revenue with other segments	4,777	3,893	2,163	10,833	- 10,833	-
Changes in inventories	237	- 77	281	441	-	441
<b>Total revenues</b>	<b>244,901</b>	<b>127,232</b>	<b>67,874</b>	<b>440,007</b>	<b>- 10,833</b>	<b>429,174</b>

in € thousand	1/1/2023 – 6/30/2023					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Period-related revenue recognition	233,615	131,121	52,545	417,281	-	417,281
Point in time revenue recognition	10,333	133	880	11,346	-	11,346
Sales revenue with other segments	- 4,028	- 2,035	- 1,651	- 7,714	-	- 7,714
<b>Sales revenue with third parties</b>	<b>239,920</b>	<b>129,219</b>	<b>51,774</b>	<b>420,913</b>	-	<b>420,913</b>
Sales revenue with other segments	4,028	2,035	1,651	7,714	- 7,714	-
Changes in inventories	815	- 470	296	641	-	641
<b>Total revenues</b>	<b>244,763</b>	<b>130,784</b>	<b>53,721</b>	<b>429,268</b>	<b>- 7,714</b>	<b>421,554</b>



## 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	6/30/2024	12/31/2023
Open purchase orders	2,316	2,586
Total renting and leasing contracts	6,818	8,027
Other miscellaneous financial obligations	67	150
<b>Total</b>	<b>9,201</b>	<b>10,763</b>

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	6/30/2024	12/31/2023
Non-current financial liabilities	- 139,511	- 139,517
Non-current lease liabilities	- 166,762	- 165,459
Current financial liabilities	- 21,257	- 19,892
Current lease liabilities	- 18,566	- 17,835
Current securities, loans and financial instruments	62	28
Cash and cash equivalents	87,151	107,266
<b>Net financial debt/credit [-/+]</b>	<b>- 258,883</b>	<b>- 235,409</b>
<b>Net financial debt/credit w/o lease liabilities [-/+]</b>	<b>- 73,555</b>	<b>- 52,115</b>
Equity	159,743	162,529
<b>Net gearing [%] incl. lease liabilities</b>	<b>162.1%</b>	<b>144.9%</b>

At € 258.9 million, the net financial debt on June 30, 2024 is € 23.5 million above the value on December 31, 2023 (€ 235.4 million). Without taking lease liabilities into account, the net financial debt on June 30, 2024 amounts to € 73.6 million (12/31/2023: € 52.1 million).

As of June 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 June 30, 2024, there is a current loan, including interest, in the amount of € 16.1 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 € 105.3 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	6/30/2024	12/31/2023
Inventories	5,424	4,735
+ Current contract assets	123,140	79,601
+ Current accounts receivable	92,838	136,378
- Current contract liabilities	- 54,264	- 47,513
- Current accounts payable	- 20,126	- 33,969
<b>= Trade working capital (TWC)</b>	<b>147,012</b>	<b>139,232</b>
+ Non-current other financial assets	455	564
+ Non-current other non-financial assets	1,558	2,242
+ Deferred tax assets	15,390	15,796
+ Current other financial assets excl. Interest-bearing receivables	3,779	1,951
+ Current other non-financial assets	20,792	18,239
+ Income tax assets	5,289	3,627
- Non-current other non-financial liabilities	- 146	- 174
- Deferred tax liabilities	- 98	- 40
- Current other financial liabilities	- 3,330	- 3,779
- Current other non-financial liabilities	- 72,045	- 73,271
- Income tax liabilities	- 756	- 1,214
<b>= Other working capital (OWC)</b>	<b>- 29,112</b>	<b>- 36,059</b>
<b>Net working capital (NWC)</b>	<b>117,900</b>	<b>103,173</b>

The trade working capital increased by € 7,780 thousand to € 147,012 thousand, compared to December 31, 2023. The increase mainly results from a higher capital commitment in contract assets and contract liabilities. By way of contrast, accounts receivable decreased.

There was a slight increase of € 6,947 thousand in the other working capital to € -29,112 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 book values on the reporting date are close approximations of the fair values.

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

The investments and securities are valued at fair value. 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 item as per 6/30/2024
		Carrying amount	Fair value		
<b>Financial assets</b>					
Financial assets <sup>1</sup>	79	66	66	-	145
Non-current other financial assets	-	455	455	-	455
Current contract assets	-	-	-	123,140	123,140
Current accounts receivable	-	92,838	92,838	-	92,838
Current other financial assets	-	3,779	3,779	-	3,779
Current securities, loans and financial instruments	62	-	-	-	62
Cash and cash-equivalents	-	87,151	87,151	-	87,151
<b>Financial assets</b>	<b>141</b>	<b>184,289</b>	<b>184,289</b>	<b>123,140</b>	<b>307,570</b>
<b>Financial liabilities</b>					
Non-current financial liabilities	-	139,511	141,918	-	139,511
Non-current lease liabilities	-	-	-	166,762	166,762
Current financial liabilities	-	21,257	21,257	-	21,257
Current lease liabilities	-	-	-	18,566	18,566
Current contract liabilities	-	-	-	54,264	54,264
Current accounts payable	-	20,126	20,126	-	20,126
Current other financial liabilities	-	3,330	3,330	-	3,330
<b>Financial liabilities</b>	<b>-</b>	<b>184,224</b>	<b>186,631</b>	<b>239,592</b>	<b>423,816</b>

<sup>1</sup> 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 item as per 12/31/2023
		Carrying amount	Fair value		
<b>Financial assets</b>					
Financial assets <sup>1</sup>	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
<b>Financial assets</b>	<b>108</b>	<b>246,202</b>	<b>246,202</b>	<b>79,601</b>	<b>325,911</b>
<b>Financial liabilities</b>					
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
<b>Financial liabilities</b>	<b>2</b>	<b>197,155</b>	<b>199,733</b>	<b>230,807</b>	<b>427,964</b>



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 6/30/2024			
	Level 1	Level 2	Level 3	Total
<b>Financial assets (assets)</b>				
Current securities, loans and financial instruments	29	33	-	62
<b>Financial liabilities (liabilities)</b>				
Other financial liabilities	-	-	-	-

in € thousand	Assessed at fair value 12/31/2023			
	Level 1	Level 2	Level 3	Total
<b>Financial assets (assets)</b>				
Current securities, loans and financial instruments	28	-	-	28
<b>Financial liabilities (liabilities)</b>				
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 – 6/30/2024	1/1/2023 – 6/30/2023
<b>EDAG Group with boards of directors<sup>1</sup> (EDAG Group AG)</b>		
Work-related expenses	482	482
Travel and other expenses	21	15
Consulting expenses	11	18
<b>EDAG Group with supervisory boards<sup>1</sup> (EDAG Engineering GmbH &amp; EDAG Engineering Holding GmbH)</b>		
Work-related expenses	28	28
Travel and other expenses	5	2
Compensation costs	542	376
<b>EDAG Group with ATON companies (parent company and its affiliated companies)</b>		
Goods and services rendered	91	98
Goods and services received	8	-
Other operating expenses	1	67
<b>EDAG Group with unconsolidated subsidiaries</b>		
Other operating expenses	4	3
<b>EDAG Group with associated companies</b>		
Goods and services rendered	71	92
Goods and services received	126	1,098
Other operating income	17	23
Other operating expenses	31	31
Income from investments	863	609
<b>EDAG Group with other related companies and persons</b>		
Interest expense	244	256
Rental and lease payments from rights of use	4,033	3,826

<sup>1</sup> Overall, these are all payments due at short notice.

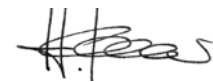
## 5.10 Subsequent Events

No important events took place after the reporting period.

# AFFIRMATION OF THE LEGAL REPRESENTATIVES

We hereby certify, to the best of our knowledge, that in accordance with the applicable accounting principles for the Half-Yearly Financial Report, the abridged Consolidated Financial Statements convey a proper picture of the assets, financial position and financial performance of the Group, and that the Half-Yearly Group Management Report represents the company's business trends, including the financial results and the position of the Group, such that the actual conditions and the essential opportunities and risks pertaining to the anticipated development of the Group are accurately delineated.

Arbon, August 29, 2024  
EDAG Engineering Group AG



Harald Keller, Member of the Group Executive Management, CEO



Holger Merz, Member of the Group Executive Management, CFO



Georg Denoke, Chairman of the Board of Directors



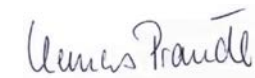
Sylvia Schorr, Member of the Board of Directors



Dr. Philippe Weber, Member of the Board of Directors



Manfred Hahl, Member of the Board of Directors



Clemens Prändl, Member of the Board of Directors

# LEGAL NOTICE

## Issued by:

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The English version of the Consolidated Half-Yearly Financial Report is a translation of the German version. The German version is legally binding.

## Legal Notice

The Consolidated Half-Yearly Financial Report includes statements about future developments. Like any form of entrepreneurial activity in a global environment, these statements are always associated with a degree of uncertainty. Our descriptions are based on the convictions and assumptions of the management, which in turn are based on currently available information. The following factors may, however, affect the success of our strategic and operative measures: geopolitical risks, changes in general economic conditions, in particular a prolonged economic recession, changes to exchange rates and interest rates, the launch of products by competitors, including increasing competitive pressure. Should any of these factors or other uncertainties materialize, or the assumptions on which the statements are based prove to be inaccurate, the actual results may differ from the forecast results. EDAG does not intend to continuously update predictive statements and information items, as they relate to the circumstances that existed on the date of their publication.



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