



MS INDUSTRIE AG

ISIN: DE0005855183

Voluntary Quarterly Release - Key Figures Quarter 1-2024

MS Industrie Group with EAT in Quarter 1-2024 acc. to HGB amounting up to Mio. EUR 0,6 - positive annual forecast

Overview of key figures Quarter 1-2024 and previous years period (for comparison purposes)

MS Industrie Group,
HGB in Mio. EUR (EpS in EUR)

Group Sales

EBITDA

EBIT

EBT

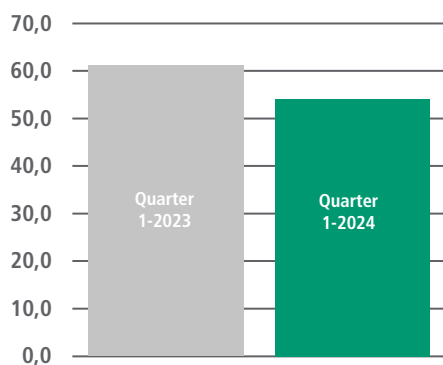
EAT

EpS

	Quarter 1-2023 (unaudited)	Quarter 1-2024 (unaudited)
Group Sales	61,2	54,1
EBITDA	4,6	4,6
EBIT	2,3	2,1
EBT	1,5	0,9
EAT	1,1	0,6
EpS	0,04	0,02

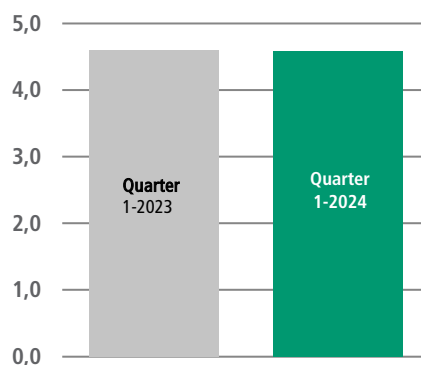
Group Sales

in Mio. EUR



EBITDA

in Mio. EUR



Munich, May 23, 2024

Dear Shareholders, dear Employees and Business Partners,

MS Industrie AG, Munich (ISIN: DE0005855183), based on the audited IFRS key figures of overall fiscal year 2023, published on April 25, 2024, presents on a voluntary base, selected unaudited quarterly German-GAAP-figures for Q1-2024, showing a positive development, as expected.

In total, the sales revenues of the individual companies are indeed around -11,5 % below the previous year's figures, despite the indirect negative economic impact of the Russia-/Ukrainian-war. In total, the sales revenues of the individual companies are almost exactly in line with expectations.

Both in the "**MS XTEC Group**", also briefly: "**MS XTEC**", and in the **Ultrasonic Technology Group**, also briefly: "**Ultrasonic**", the sales development in Q1 was quite different. Turnover of business segment "**MS XTEC**" on the one hand is approximately -5,9 % slightly below the sales of the previous year's period. Turnover of business segment "**Ultrasonic**" on the other hand is around -24,8 % significantly below the sales of the previous year's period, whereby deliveries were again increasingly postponed to the second quarter.

Sales revenues of the business segment "**MS XTEC**" contribute a percentage of around 75 % and sales revenues of business segment "**Ultrasonic**" make for a percentage of around 25 % to the total consolidated group sales in Q1-2024.

Order backlogs amounted to a total of around Mio. EUR 121 as of end of March 2024; whereas indeed in the "**Ultrasonic**"-segment about -6 % below and in the "**MS XTEC**"-segment about -7 % below the order backlog as of end of December 2023.

The performance of MS Industrie-Group in Q1-2024 was within the expected range in terms of the essential earnings indicators, particularly **earnings before interest, taxes, depreciation and amortization – EBITDA** -, **operating earnings before interest and tax - EBIT** -, **earnings before tax - EBT** -, **earnings after tax - EAT** - and last but not least "**Earnings per Share**" – "**EPS**" -.

Gross domestic product (GDP) rose slightly in the 1st quarter of 2024 compared to the 4th quarter of 2023 - adjusted for price, seasonal and calendar effects - by +0.2 %, after falling slightly at the end of 2023. As reported by the Federal Statistical Office, Wiesbaden, ("Destatis") in a press release on April 30, 2024, the slight growth was driven by the increase in construction investment and exports. Private consumer spending, on the other hand, declined.

The European market for **heavy commercial vehicles over 16 tonnes** has developed negatively again with a registration decrease of -5,4 % in the 1st quarter of 2024 compared to the same quarter of the previous year (decrease in registrations in Germany: -5,3 %) (source: "ACEA - Association des Constructeurs Européens d'Automobiles", Brussels, as of April 30, 2024). As the market for heavy commercial vehicles over 16 tonnes is the only really relevant sales market for the "**MS XTEC**"-segment in Europe, these figures are fundamentally negative; instead we expect an increase in truck registration figures again in the year 2025.

After several months of double-digit declines in order books, Germany's mechanical and plant engineering industry posted a smaller minus in March. Overall, orders fell by -17 % in real terms compared to the previous year, with -23 % fewer orders coming from Germany and -15 % fewer from abroad, as the industry association "VDMA" announced in Frankfurt on May 3. The non-euro region with a decline of -14 % fared better than the euro countries (-17 %). The bottom line for the entire 1st quarter of 2024 was a real decline in incoming orders of -13 % compared to the previous year. From January to March inclusive, domestic orders fell by -16 %, and orders from abroad were -12 % lower (euro countries: -18 %, non-euro countries: -10 %). However, the decline in orders in the reporting month of March by -17% in real terms compared to the previous year is also the result of a so-called statistical "base effect": March 2023 recorded by far the highest order volume of the entire past year. According to the "VDMA", foreign orders also should have bottomed out.

Key figures for Q1-2024 (January to March 2024) are against this economical background as follows:

In the actual reporting period Q1-2024 and in the previous year's period there have been no non-recurring items with a significant influence on profit and loss, therefore no adjustments have been made.

Total **Consolidated Revenues** for Q1-2024 are at **Mio. EUR 54,1** (prev. Mio. EUR 61,2), with -11,5 % being significantly below the previous year's first quarter.

Gross profit amounts with **Mio. EUR 28,9** (prev. Mio. EUR 28,8) slightly above previous year's period. The **gross profit margin** has increased by +6,4 percentage points from 47,1 % to **53,5 %**, due to a change in product mix.

Earnings before interest, taxes, depreciation and amortization - **EBITDA** – in Q1 amount to **Mio. EUR 4,6** (prev. Mio. EUR 4,6), operating profits before interest and tax - **EBIT** - amount to **Mio. EUR 2,1** (prev. Mio. EUR 2,3).

The Group's profit before income tax - **EBT** – in Q1 amounts to around **Mio. EUR 0,9** (prev. Mio. EUR 1,5). The result after taxes - **EAT** - in Q1 amounts to around **Mio. EUR 0,6** (prev. Mio. EUR 1,1).

Earnings per share - "**EPS**" - based on the weighted average number of shares issued until March 31, 2024 (on average 30,0 million shares) basic and diluted amount to **EUR 0,02** (prev. basic and diluted: EUR 0,04 based on 29,9 million shares).

As of March 31, 2024, **Cash and cash equivalents** in the group in total amount to **Mio. EUR 3,8** (Dec. 31, 2023: Mio. EUR 2,1). **Liquid funds** as of March 31, 2024 amount to **Mio. EUR -9,5** (Dec. 31, 2023: Mio. EUR -26,9), this means an increase compared to the ending balance of 2023 by Mio. EUR +17,4. The increase in liquid funds is mainly due to positive cashflows from financing activities.

The Group's **Equity Ratio** has slightly increased compared to December 31, 2023 and now amounts to **35,4 %** (December 31, 2023: 35,2 %), while total assets have slightly increased.

Equity has slightly increased by Mio. EUR +0,8 in absolute figures to **Mio. EUR 65,3** as at March 31, 2024 (December 31, 2023: Mio. EUR 64,5) mainly due to the positive income of the period.

The number of **Employees** in the group decreased according to plan down to a number of **787 permanent employees** on March 31, 2024, compared to 813 permanent employees as at December 31, 2023.

In Q1-2024 there have been no changes in the consolidated group structure compared to December 31, 2023.

Originally, Group industrial sales for the 2024 financial year were expected to be on a par with 2023 - compared to the adjusted prior-year figures and excluding the currently unforeseeable effects of the war in Russia/Ukraine. In light of the revised sales forecasts of two main customers in the MS XTEC segment for the 2024 financial year - compared to the previous year's key figures and excluding the currently unforeseeable effects of the war in Russia/Ukraine - we currently expect industrial Group sales to be around 10% lower at around Mio. EUR 225, with a further slight increase in operating EBITDA and EBIT, with positive operating EBT and consolidated net income for the year at the previous year's level. According to Group projections, the gross profit margin (cost of materials as a percentage of sales) should be neutral and the EBIT margin from operating activities should be slightly positive, with operating earnings per share remaining roughly the same. Based on the expected positive annual result, a slight increase in Group equity is expected for 2024. Despite the revised sales forecast, we assume that the earnings level, which has already improved significantly in 2023, can be defended further in the current year. Among other things, the cost savings from the automation measures in Trossingen should have a positive effect and partially compensate for the lack of contribution margins due to the reduced volume. Cash flow from operating activities is expected to develop in a similar way to the previous year. With regard to cash flow from financing activities, we expect slightly positive changes compared to 2023. Based on the expected developments, the gearing ratio should remain stable and the equity ratio should increase slightly.

MS Industrie AG, headquartered in Munich, is the listed parent company of a focused technology group with the two business areas: **powertrain technology** ("MS XTEC Group": systems and components for heavy-duty combustion engines and hybrid or electrical powertrain solutions) and **ultrasonic-technology** ("Ultrasonic Technology Group": development, manufacture and distribution of industrial ultrasonic welding technology, special and series machines, systems for packaging materials and "nonwovens" as well as components). Key customer industries include the global commercial vehicle and passenger car industry, followed by the packaging machine industry, medical and other plastics processing industries as well as the general mechanical and plant engineering industry. The group currently generates annual sales of over Mio. EUR 225 with more than 800 permanent employees at five production sites, two of which are in Germany and one each in the USA, Brazil and China.

Best regards

MS Industrie AG - The Executive Board

Brienner Straße 7

80333 Munich, Germany

Phone: +49. 89. 20 500 900

Fax: +49. 89. 20 500 999

Mail: info@ms-industrie.ag

Homepage: www.ms-industrie.ag

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