2022 FINANCIAL YEAR

INTERIM REPORT AS OF SEPTEMBER 30, 2022

CONTENT

SUMMARY OF THE THIRD QUARTER OF THE 2022 FINANCIAL YEAR

THE BEST OF HESSE:

EDAG Group and EintrachtTech launch partnership

Both parties are among the best in their fields, both are geared to the future: the EDAG Group, the world's largest independent engineering service provider in the mobility industry, and EintrachtTech, the independent digital subsidiary of Eintracht Frankfurt, this year's European League winners, announce their partnership. The two partners are joining forces to focus on an all-round approach to digitalization. This can also be seen from the "Campus FreeCity real lab for the research of a networked fleet of modular robot vehicles" project, which has recently been jointly implemented and is funded by the Federal Ministry of Transport and Digital Infrastructure (BMDV).

"With the EDAG CityBot at the Campus FreeCity in the Deutsche Bank Park, the focus is not just on a revolutionary vehicle, but also on a complete ecosystem that the EDAG Group has developed for the mobility, transport and service tasks of a smart city," explains Holger Merz, CFO of the EDAG Group. EDAG CityBots are multi-functional, fully autonomous robot vehicles that move without emissions. Designed for a complete smart city ecosystem, this makes it the first and only mobility system to effectively counteract traffic gridlock. Thanks to their innovative and modular design, the EDAG CityBots can be used for a wide variety of different transport tasks - around the clock. EintrachtTech offers a unique digital center in the form of the "Arena of IoT" where this can be researched, and in which many different innovation partners and start-ups from Eintracht Frankfurt's network are brought together to create a "perfect playing field" on which the innovative strength of the partners involved can be made visible and tangible. "We are pleased that, through our work with EintrachtTech, the progress that

JULY *AUG*

has already been made with the research project will be advanced, and that we are now an official partner of the "Arena of IoT"," adds Holger Merz. Hesse will therefore become a real lab for the future of mobility - be this in Germany or internationally.

"The digitalization of all areas of life and work continues unabated. With this partnership, the EDAG Group and EintrachtTech want to make a sociopolitical contribution towards making our cities quieter, cleaner, more life enhancing and smarter in the future," explains EDAG Group CEO Cosimo De Carlo.

"Eintracht Frankfurt sees itself not just as a professional soccer club. Through EintrachtTech, it also takes an active role as a driver of the region in the field of digitalization," stresses Timm Jäger, CEO of EintrachtTech GmbH. The stadium is an ideal place to test "IoT" solutions in cooperation with technology partners like the EDAG Group, and to offer innovative projects a realistic test environment. With its digital center, Eintracht Frankfurt is actively strengthening the Frankfurt Rhine-Main digital location.

As Holger Merz sees it, there is "great potential" in this cooperation: "We experience EintrachtTech as an innovative and motivated technology pioneer, and are very much looking forward to this intensive and in many respects trendsetting partnership. This is the best of Hesse.

PARTNER VON EINTRACHTTECH

UST SEPTEMBER

SUMMARY OF THE THIRD QUARTER OF THE 2022 FINANCIAL YEAR

ARMING AGAINST CYBER ATTACKS:

EDAG Group receives TÜV certification for cybersecurity

One of the first companies to meet the requirements of the ISO / SAE 21434 standard

The EDAG Group, the world's largest independent engineering service provider in the mobility industry, is one of the first companies in the automotive sector to be certified in accordance with the latest standard ISO / SAE 21434 Cybersecurity – Road Vehicles. The independent audit evaluates a wide variety of damage scenarios relating to possible cyber attacks on vehicles and their digital security architecture. The standard includes measures for product development throughout the entire product life cycle: from the concept phase through development and production to maintenance and decommissioning.

JULY *AUG*

"As a globally active service provider in the mobility industry, the EDAG Group is aware of the importance of cybersecurity and the corresponding need for action. We therefore see it as our responsibility to integrate end-to-end security solutions into existing company guidelines, to adapt our organizational structure and business processes to these, to constantly optimize them, and to involve our customers and partners in an open and transparent manner," explains Managing Director and EDAG Group CFO Holger Merz. This covers the entire product life cycle, taking into account the industry's best standards and practices, and in compliance with whatever laws, regulations, standards and rules are applicable at any given time.

"Cars today have to be able to multitask. Although their permanent online connection constantly makes them more comfortable and safer, it also makes them vulnerable to criminal hackers and cyber attacks," notes Oliver Jäger, Corporate Manager for Cybersecurity and Functional Safety at the EDAG Group. Effective cybersecurity measures therefore need to be implemented to fully protect vehicle functions from external manipulation. This calls for appropriate concepts to provide all-round protection for the vehicles, back-end systems and customer devices. This also applies to all data – from creation and transmission to storage.

Even while the new cybersecurity standard, "Road Vehicles – Cybersecurity Engineering", was still being drafted, the EDAG team was paying detailed attention to the new requirements for vehicles, their components and the relevant development and production processes. "We spent more than 20 months examining the subject intensively and constructively. In the process, we put all relevant IT connections and processes to the test, changed existing procedures and defined new ones," says Oliver Jäger.

Within weeks of the first stage of the Regulation of the European Parliament and Council on the type approval of motor vehicles, which from July 6, 2022 requires a cybersecurity management system, coming into force, the EDAG Group was one of the first companies in the industry to obtain the certification. Oliver Jäger is convinced: "For the EDAG Group and our customers, this TÜV certification is an important milestone towards a mobile future in which classic IT and operational technology will continue to merge and cybersecurity will be an absolute must."

U S T *S E P T E M B E R*

KEY FIGURES OF AND EXPLANATIONS BY THE EDAG GROUP AS PER SEPTEMBER 30, 2022

(in € million or %)	1/1/2022 – 9/30/2022	1/1/2021 – 9/30/2021	7/1/2022 – 9/30/2022	7/1/2021 – 9/30/2021
Vehicle Engineering	350.1	324.9	122.5	111.8
Electrics/Electronics	167.7	139.0	59.8	46.9
Production Solutions	82.4	71.5	28.3	24.1
Consolidation	- 10.5	- 29.2	- 3.2	- 9.7
Total revenues[1]	**589.7**	**506.2**	**207.5**	**173.1**
Growth:				
Vehicle Engineering	*7.8%*	*6.8%*	*9.6%*	*17.6%*
Electrics/Electronics	*20.6%*	*10.8%*	*27.5%*	*19.3%*
Production Solutions	*15.3%*	*-2.7%*	*17.5%*	*2.7%*
Change of revenues[1]	***16.5%***	***4.8%***	***19.9%***	***15.1%***
Vehicle Engineering	24.0	18.9	7.4	9.4
Electrics/Electronics	12.4	8.1	5.6	3.5
Production Solutions	1.2	- 3.2	0.6	0.3
Adjusted EBIT	**37.5**	**23.8**	**13.5**	**13.1**
Vehicle Engineering	*6.8%*	*5.8%*	*6.0%*	*8.4%*
Electrics/Electronics	*7.4%*	*5.9%*	*9.3%*	*7.5%*
Production Solutions	*1.4%*	*-4.5%*	*2.0%*	*1.1%*
Adjusted EBIT margin	***6.4%***	***4.7%***	***6.5%***	***7.6%***
Profit or loss	***21.0***	***8.5***	***7.1***	***7.0***
Earnings per share (€)	0.84	0.34	0.28	0.28

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

(in € million or %)	9/30/2022	12/31/2021
Fixed assets	342.8	304.8
Net working capital	64.9	12.4
Net financial debt (incl. lease liabilities)	- 205.2	- 134.7
Provisions	- 55.2	- 66.9
Held for sale	-	- 0.2
Equity	**147.3**	**115.4**
Balance sheet total	**694.7**	**694.2**

Net financial debt/credit [-/+] wo lease liabilities	- 24.4	12.0
Equity / BS total	*21.2%*	*16.6%*
Net Gearing [%] incl. lease liabilities	*139.4%*	*116.7%*

(in € million or %)	1/1/2022 – 9/30/2022	1/1/2021 – 9/30/2021	7/1/2022 – 9/30/2022	7/1/2021 – 9/30/2021
Operating cash flow	5.9	- 5.1	12.9	18.5
Investing cash flow	- 17.4	- 12.9	- 6.0	- 5.1
Free cash flow	- 11.5	- 17.9	6.9	13.4
Adjusted cash conversion rate[1]	72.9%	74.8%	73.5%	76.9%
CapEx	17.6	13.2	6.1	5.4
CapEx/Revenues	*3.0%*	*2.6%*	*2.9%*	*3.1%*

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

	9/30/2022	12/31/2021
Headcount end of period incl. apprentices	8,246	7,880
Trainees as %	3.3%	3.5%

At € 589.7 million, the revenue in the nine-month period just ended was a significant € 83.4 million or 16.5 percent above the previous year's level (Q1-3 2021: € 506.2 million). In comparison with the same period in the previous year, revenue in all segments increased in the reporting period just ended.

Compared to the previous year, the EBIT in the reporting period increased by a substantial € 18.1 million to € 37.9 million (Q1-3 2021: € 19.7 million). This means that an EBIT margin of 6.4 percent was achieved (Q1-3 2021: 3.9 percent).

Primarily adjusted for the depreciation, amortization and impairments from the purchase price allocations that were recorded in the reporting period in 2022 (€ 1.9 million) and income from the reversal of provisions for restructuring (€ 1.8 million), the adjusted EBIT figure was € 37.5 million (Q1-3 2021: € 23.8 million), which is equivalent to an adjusted EBIT margin of 6.4 percent (Q1-3 2021: 4.7 percent).

The headcount, including trainees, on September 30, 2022 was 8,246 employees (12/31/2021: 7,880 employees). 5,851 of these employees were employed in Germany, and 2,395 in the rest of the world (RoW) (12/31/2021: [Germany: 5,635; RoW: 2,245]).

Gross investments in fixed assets amounted to € 17.6 million in the reporting period, which was above the level of the same period in the previous year (Q1-3 2021: € 13.2 million). The equity ratio on the reporting date was 21.2 percent (12/31/2021: 16.6 percent).

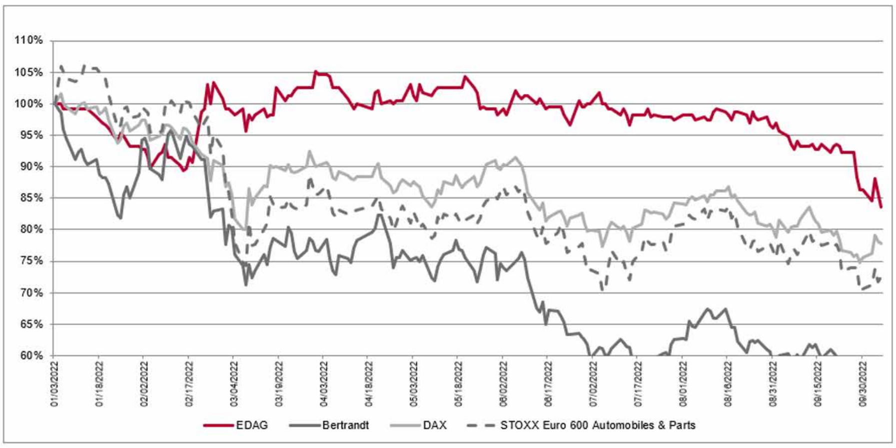
At € 205.2 million, the net financial debt (including lease liabilities) increased compared to the level recorded on December 31, 2021 (€ 134.7 million). Without taking lease liabilities into account, the net financial assets on September 30, 2022 amount to € 24.4 million (12/31/2021: net financial assets € 12.0 million).

THE EDAG SHARE

On January 3, 2022, the DAX started the trading year with 15,947.44 points. With a closing value of 16,271.75 points, the index reached a new record closing level on January 5. Later on, and especially with the outbreak of war in Ukraine, the DAX weakened. Persistently high inflation, concerns about recession and rising interest rates weighed on the financial markets, as a result of which the DAX fell to a closing level of 11,975.55 points on September 29. On September 30, the DAX closed the reporting period at 12,114.36 points, only slightly above this level. During the first nine months of 2022, the STOXX Automobiles & Parts Index reached its highest closing level of 716.41 points on January 13 and its lowest closing level of 474.59 points on September 29.

1 Price Development

On January 3, 2022, the opening price of the EDAG share in XETRA trading was € 11.85. In the wake of the ad hoc announcement on February 21, the share price successively rose until a closing price of € 12.30 was reached on March 31. This was also the highest closing price in the reporting period. The EDAG share was subsequently unable to completely escape the developments on the global financial markets, with the share price falling to its lowest closing price in the first nine months, namely € 10.10, on September 30; this was also the closing price for the reporting period. During the first nine months of 2022, the average XETRA trade volume was 4,268 shares a day.



Source: Comdirect

2 Key Share Data

	1/1/2022 – 9/30/2022
Prices and trading volume:	
Share price on September 30 (€)[1]	10.10
Share price, high (€)[1]	12.30
Share price, low (€)[1]	10.10
Average daily trading volume (number of shares)[2]	4,268
Market capitalisation on September 30 (€ million)	252.50

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

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

INTERIM MANAGEMENT REPORT

1 Basic Information on the Group

1.1 Business Model

Three Segments

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

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

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

Presentation of the Vehicle Engineering Segment

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

Our **Body Engineering** department 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 department is involved with new technologies and lightweight design, as well as commercial vehicle development and the development 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. Our **Vehicle Integration** department is responsible for the complete functional integration and for vehicle validation. This department employs computer-aided engineering (CAE) to carry out the early validation of products and their properties. Functionality is validated and durability analyzed on the test equipment and facilities at our test laboratories, in readiness for start of production. This includes testing individual components, modules, engines, motors, transmissions, and even complete vehicles. The new profit center, **Energy Systems and Drivetrain**, was created on January 1, 2022. Here, we have bundled in-house competencies in the design, development and integration of future-oriented powertrains (e.g. electric motors) and energy storage systems (e.g. battery, hydrogen) in both the mobility and the energy sectors. In the **Models & Vehicle Solutions** department, we offer a full range of styling, ideation and design services, and in our design studios we are able to implement the virtual design validation process and construct physical models for all phases of vehicle engineering. In the associated Prototype and Vehicle Construction department, we create complete test vehicles as well as sub-assemblies and vehicle bodies for the physical validation of these modules and systems. The development and production of individual vehicle conversions round off the portfolio of this department. This also includes the construction of classic cars, including custom-made spare parts. Complete vehicle development and interdisciplinary module packages, some of them calling for the involvement of our international subsidiaries, are managed by the **Project Management** department. The **Product Quality & Care** department provides assistance with consulting and support for quality-related matters, as well as services which explain a product and enable it to be used effectively.

Presentation of the Electrics/Electronics Segment

The structures in the Electrics/Electronics (E/E) segment consist of six programs that represent a complete E/E portfolio from the customer's point of view, and externally reflect the most important customer trends. These six programs are: Vehicle Electrics & Electronics, e-Drive & Energy Systems, Comfort & Body Systems, Autonomous Drive & Safety, Connectivity & User Experience (UX) and Mobility & Cloud Services. Systematic innovation management, adherence to new agile development processes and rapid customer-oriented development are the values that are also applied in customer projects in the digital transformation process.

Thanks to the competence organization in the growth domains, the range of services offered by the EDAG E/E segment provides all development services required for a complete vehicle. PMBO (Project Management Office & Business Operation) consolidates the cross-segment project management processes and provides the E/E project leaders with an explicit project management framework for small to large-scale projects.

Increasingly, international work results are being provided in cooperations across various segments and sites. This includes in particular the growth domains eMobility, autonomous driving, digital networking both inside and outside of the car, and solutions for mobility services. Also included in the range of services are developments relating to comfort and safety systems.

To accommodate the constantly increasing number of functions and the internal and external networking of vehicles, the **Architecture & Networks Development** division develops innovative domain or service-oriented architectures on the basis of a fully integrated tool-based EDAG 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, using the company's own benchmark, feature and component databases.

The **Systems Engineering** division develops electrical and electronic systems and functions. The systems are divided into their individual elements: sensor technology, actuator technology and controls. 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.

E/E Software & Digitalization develops hardware and software components. EDAG provides support along the entire development cycle from the concept phase to series production, and assumes responsibility for all development activities. Development in line with the ASPICE model in highly automated tool chains and agile development teams is one of the daily challenges faced in the endeavor to ensure efficient processing with high-quality engineering in the projects. Information technology is another key aspect of Software & Digitalization. Here, EDAG E/E develops innovative services on behalf of customers. EDAG E/E's service portfolio includes order-related UX, agile development processes and distinctive technological expertise in classic software development in the front-end and back-end and in special applications in the field of AI and data science.

The **Integration & Validation** division combines validation and testing skills. Apart from specific test stand construction, this also calls for knowledge of test strategies, test specifications and test performance. The tests are carried out in the laboratory, at the test site, on the road, or in virtual test environments in a variety of ways ranging from manual to highly automated. All E/E aspects relating to prototype and test vehicle construction are also included in this division.

In its cross-company interdisciplinary function, competence in the field of **functional safety & cybersecurity** in particular is gaining in significance. In society's endeavors to minimize risks (Vision Zero), comprehensive security concepts that also cover the infrastructure and monitoring elements such as vehicle guidance systems are being developed. Through standards such as ISO/SAE 21434 and planned standardized requirements for the type approval of vehicles, cybersecurity continues to gain in importance. Here too, EDAG intends to take a leading position

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

Presentation of the Production Solutions Segment

The Production Solutions (PS) segment - operating through the independent company EDAG Production Solutions GmbH & Co. KG, Fulda, its international subsidiaries and profit centers - is an all-round engineering partner which accepts responsibility for the development and implementation of production processes at 11 sites in Germany and at international sites particularly in the USA, India, Hungary and China. In addition to handling the individual stages in the product creation process and all factory and production systems-related services, EDAG PS is also able to optimally plan complete factories over all fields, including cross processes, and to provide realization support. 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 in the following business segments: Automotive Solutions, Industrial Solutions and Smart City Solutions.

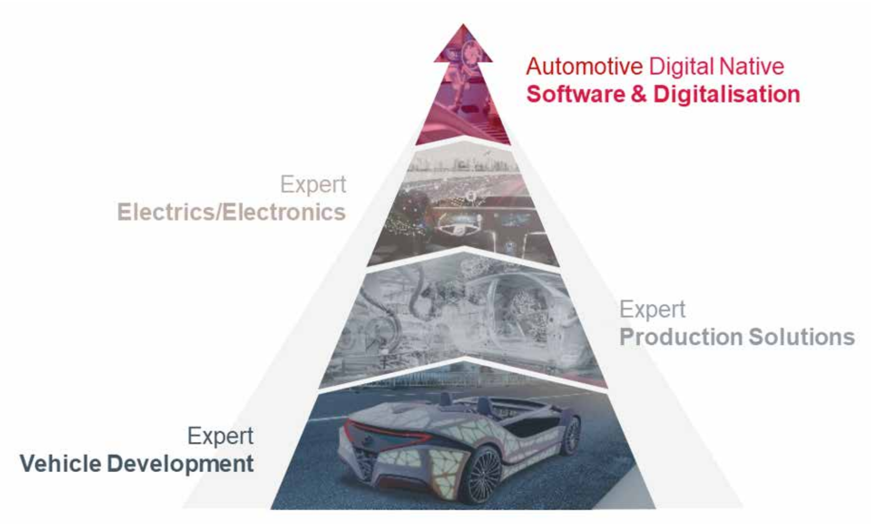
The **Automotive Solutions** division comprises the long-standing business segment of EDAG PS. EDAG PS offers customers in the automotive industry an extensive portfolio which ranges from planning to virtual commissioning. It has the comprehensive production development competence needed to master all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

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

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

1.2 Targets and Strategies

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



With some 8,200 employees at almost 60 international sites, the EDAG Group now stands firmly alongside its customers as an innovative partner.

Corporate Purpose

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

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

Company Vision and Mission

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

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

EDAG therefore pursues the following goals:

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

2 Financial Report

2.1 Macroeconomic and Industry-Specific Conditions

According to the International Monetary Fund's (IMF) latest outlook on October 11, 2022, the world economy exhibited 6.0 percent growth in 2021 (2020: a decline of 3.1 percent). For the current year, the IMF anticipates a growth rate of 3.2 percent.

Compared to the same period in the previous year, the European automotive market (EU-27 + EFTA & UK) recorded a further downturn in the number of new registrations in the nine-month period just ended (-10 percent). The decline of the five largest individual markets varied widely: new registrations in the first nine months of 2022 fell by 7 percent in both Spain and Germany. There were sharper declines in the number of new vehicles registered in Great Britain (-8 percent), France (-12 percent) and Italy (-16 percent).

In Germany, a slight increase in new registrations of electric passenger cars was recorded in the first 9 months of 2022 (2.2 percent compared to the same period in the previous year). Overall, sales of electric passenger cars, which amounted to 488,120, accounted for a market share of 26.1 percent (same period in the previous year: 23.7 percent). At 35.3 percent, the proportion of gasoline-fueled passenger cars was below the previous year's level (38.1 percent). Likewise, at 19.4 percent, the proportion of diesel-fueled passenger cars was also below the level in the previous year (21.1 percent) in the first nine months of 2022.

In the USA, the volume on the light vehicle market (passenger cars and light trucks) in the period January to September 2022 decreased by 13 percent compared to the same period in the previous year. As development of the light truck segment in the USA was not as weak as the car segment, the market share of the light truck segment has risen in the course of the year, and, in terms of the light vehicle market as a whole, stood most recently at 79.0 percent. Similarly, the markets in Brazil (-5 per cent) and Japan (-11 per cent) performed worse compared to the same period in the previous year, to some extent significantly so. In India (+23 percent) and China (+15 percent), on the other hand, the number of new vehicles sold up to September 2022 increased compared to the same period in the previous year.

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

Financial Performance

Development of the EDAG Group

As a result of increases in our customers' R&D budgets, orders on hand as of September 30, 2022 increased significantly to € 479.2 million, compared to € 333.8 million as of December 31, 2021 (9/30/2021: € 357.6 million). Neither potential call-offs relating to general agreements nor call-offs relating to production orders are included in the orders on hand. In the nine-month period just ended, the EDAG Group generated incoming orders amounting to € 709.9 million, which, compared to the same period in the previous year (€ 526.7 million), represents a significant increase of € 183.2 million.

At € 589.7 million, the revenue in the nine-month period just ended was a significant € 83.4 million or 16.5 percent above the previous year's level (Q1-3 2021: € 506.2 million). This development is due to some extent to increases in our customers' R&D budgets and in the number of contracts acquired, but mainly to the fact that the same period in the previous year was adversely affected not only by the continuing challenges in connection with the COVID-19 pandemic, but also by the cyber attack and the impact this had on operations. In comparison with the same period in the previous year, revenue in all segments increased in the reporting period just ended.

Materials and services expenses increased by € 24.8 million to € 83.2 million (Q1-3 2021: € 58.4 million). This development is also reflected in the materials and services expenses ratio which, at 14.1 percent, was above the level of the same period in the previous year (Q1-3 2021: 11.5 percent). Compared to the same period in the previous year, the materials expenses ratio fell by 0.1 percentage points to 4.0 percent. On the other hand, at 10.1 percent, the ratio of service expenses in relation to the revenues was above the level of the same period in the previous year (Q1-3 2021: 7.5 percent).

The EDAG Group's personnel expenses in the reporting period increased by 9.3 percent to € 387.4 million compared to the same period in the previous year. On the other hand, there was an appreciable decrease in the ratio of personnel expenses down to 65.7 percent, compared with the same period in the previous year (Q1-3 2021: 70.0 percent). In the nine-month period just ended, the company had a workforce of 8,017 employees on average, including apprentices (Q1-3 2021: 7,834 employees).

Depreciation, amortization and impairments totaled € 29.1 million (Q1-Q3 2021: € 30.2 million). The net result from the impairment or impairment loss reversal of financial assets amounted to € 0.3 million (Q1-3 2021: € 0.0 million). The other operating expenses increased by € 11.1 million to € 72.5 million. By contrast, there was only a slight increase in the ratio of operating expenses in relation to sales revenues and changes in inventories, to 12.3 percent (Q1-3 2021: 12.1 percent).

Compared to the previous year, the EBIT in the reporting period increased by a substantial € 18.1 million to € 37.9 million (Q1-3 2021: € 19.7 million). This means that an EBIT margin of 6.4 percent was achieved (Q1-3 2021: 3.9 percent).

Primarily adjusted for the depreciation, amortization and impairments from the purchase price allocations that were recorded in the reporting period in 2022 (€ 1.9 million) and income from the reversal of provisions for restructuring (€ 1.8 million), the adjusted EBIT figure was € 37.5 million (Q1-3 2021: € 23.8 million), which is equivalent to an adjusted EBIT margin of 6.4 percent (Q1-3 2021: 4.7 percent).

The financial result for the nine-month period just ended was € -6.4 million, (Q1-3 2021: € -7.1 million), an improvement of € 0.6 million compared to the same period in the previous year. This is primarily due to an improvement in the results of investments accounted for using the equity method (€ 0.6 million) compared with the previous year (Q1-3 2021: € 0.3 million), but also to lower interest expenses as a result of a reduction in the financing framework.

To sum up, with a result of € 21.0 million (Q1-3 2021: a profit of € 8.5 million), business development of the EDAG Group was all in all satisfactory in the reporting period.

Development of the Vehicle Engineering Segment

Incoming orders in the nine-month period just ended amounted to € 447.2 million, which was well above the level of the same period in the previous year (Q1-3 2021: € 312.5 million). At € 350.1 million, revenues were also above the previous year's level (Q1-3 2021: 324.9 million). All in all, an EBIT of € 24.5 million was reported for the Vehicle Engineering segment in the nine-month period just ended (Q1-Q3 2021: € 16.0 million). The EBIT margin amounted to 7.0 percent and was thus well above the level of the same period in the previous year (Q1-3 2021: 4.9 percent). Compared to the same period in the previous year, there was a marked improvement in the adjusted EBIT margin, which increased to 6.8 percent (Q1-3 2021: 5.8 percent).

Development of the Electrics/Electronics Segment

Incoming orders increased by a significant € 29.2 million to € 187.3 million compared to the same period in the previous year (Q1-3 2021: € 148.0 million). At € 167.7 million, revenue was also well above the level of the same period in the previous year (€ 139.0 million). The EBIT stood at € 12.4 million (Q1-3 2021: € 8.1 million). This meant that the EBIT margin amounted to 7.4 percent (Q1-Q3 2021: 5.9 percent). The adjusted EBIT margin was also 7.4 percent, which was an improvement on the previous year's level (Q1-3 2021: 5.9 percent).

Development of the Production Solutions Segment

In this segment, incoming orders amounted to € 84.5 million, which was also above the level of the same period in the previous year (Q1-3 2021: € 71.3 million). At € 82.4 million, the revenue in the nine-month period just ended was a significant 10.9 percent above the previous year's level (Q1-3 2021: € 71.5 million). Overall, the EBIT for the Production Solutions segment stood at € 1.0 million in the nine-month period just ended (Q1-Q3 2021: € -4.4 million). At 1.4 percent, the adjusted EBIT margin in the nine-month period was above the level of the same period in the previous year (Q1-3 2021: -4.5 percent).

Cash Flows and Financial Position

There was a slight rise of € 0.5 million in the EDAG Group's statement of financial position total, taking it to € 694.7 million, the same level as on December 31, 2021 (€ 694.2 million). The non-current assets increased by € 33.9 million to € 358.7 million, primarily as a result of additions to rights of use (12/31/2021: € 324.8 million). By way of contrast, there was a decrease in deferred tax assets. In the current assets, there was an increase of € 59.0 million in the contract assets. By way of contrast, the accounts receivable fell by € 53.5 million. Though decreasing from € 151.1 million to 114.6 million, cash and cash-equivalents still remain at a very high level.

On the equity, liabilities and provisions side, equity increased to from € 115.4 to € 147.3 million, mainly as a result of the current profits (€ 21.0 million) and effects from the subsequent measurement of pension provisions (€ 13.5 million). The opposite effect was had by the dividend payout (€ -5.0 million). The equity ratio on the reporting date increased to 21.2 percent (12/31/2021: 16.6 percent).

In addition to a reclassification of financial liabilities to current liabilities and provisions in the amount of € 80.5 million, non-current liabilities and provisions decreased to € 225.8 million (12/31/2021: € 291.3 million), primarily due to the increase in the actuarial interest rate applied to pension provisions. By way of contrast, lease liabilities increased due to the acquisition of new rights of use. Current liabilities and provisions increased by € 34.2 million to € 321.7 million; this was primarily due to the reclassification of financial liabilities.

In the nine-month period just ended, the operating cash flow was € 5.9 million (Q1-3 2021: € -5.1 million). The increase was due to improvements in financial performance.

At € 17.6 million, gross investments in the reporting period were higher than in the previous year (Q1-3 2021: € 13.2 million). The ratio of gross investments in relation to revenues was therefore 3.0 percent (Q1-Q3 2021: 2.6 percent).

On the reporting date, unused lines of credit in the amount of € 105.6 million exist in the EDAG Group (12/31/2021: € 106.4 million). The Executive Management regards the overall economic situation of the EDAG Group as good. The company has a sound financial basis, and was able to fulfil its payment obligations at all times throughout the reporting period.

2.3 HR Management and Development

The success of the EDAG Group as one of the leading engineering service providers in the automotive sector is inextricably linked to the skills and motivation of its employees. Behind the company's comprehensive service portfolio are people with widely differing occupations and qualifications. In addition, the EDAG Group is also characterized by the special commitment and mentality of its employees. Throughout more than 50 years of history, EDAG has always ensured that both young and experienced employees are offered interesting and challenging activities and projects, and are provided with the prospect of and the necessary space for personal responsibility and decision-making. And this is the primary focus of both our human resources management and development. For a more detailed representation of personnel management and development, please see the Group Management Report in the Annual Report for 2021.

On September 30, 2022, the EDAG Group employed a workforce of 8,246 people (12/31/2021: 7,880 people). Personnel expenses in the reporting period amounted to € 387.4 million (Q1-Q3 2021: € 354.5 million).

3 Forecast, Risk and Reward Report

3.1 Risk and Reward Report

The following significant change to the risks and rewards described in the Group Management Report in the Annual Report for 2021 occurred during the reporting period.

With risk category A remaining unchanged, the macroeconomic and industry risks rise to a high probability of occurrence in the third quarter (2021: medium). This is due to slower economic growth, high inflation, the great uncertainty caused by high energy prices, and to the continuing imbalance between supply and demand.

Operative risks in the third quarter remain in risk category C, with a medium probability of occurrence (2021: medium). In the previous two quarters, the probability of occurrence was high. The reason for these changes are risks from energy price increases which have since been dealt with.

Financial risks continue to be classified in risk category C (2021: C), with a medium probability of occurrence (2021: low). As regards the other risks and rewards, there were no significant changes during the reporting period to the risks and rewards described in the Group Management Report for 2021. The impact of the Covid 19 pandemic and the war in Ukraine initiated by Russia's attack on February 24, 2022, continue to constitute a risk to both the global economy and to EDAG. Recovery of the global economy from the pandemic has been demonstrably slowed down, and could also be derailed with long-term effect.

Considering the measures taken, our position on the market, and our strategic and financial strength, we remain confident of our ability to contain the existing risks and deal successfully with the resulting challenges. For a more detailed representation of the Risk and Reward Report, please see the Group Management Report in the Annual Report for 2021.

3.2 Forecast

Russia's war of aggression and its impact on supply chains, energy prices and other uncertainties are having a marked impact on global economic expectations for 2022 and 2023. According to the latest IMF estimate announced on October 11, 2022, an increase of 1.5 percent in economic performance is expected for Germany in 2022, while an economic downturn of -0.3 percent is anticipated in 2023. Within the euro area, the IMF expects a growth rate of 3.1 percent in 2022 and of 0.5 percent in 2023. Growth of the US economy is expected to be 1.6 percent in 2022, while a growth rate of 1.0 percent is anticipated in 2023. According to latest estimates, China, with forecasts for a 3.2 percent increase in economic output in 2022 and 4.4 percent in 2023, remains the fastest growing economy in the global economy, and is therefore one of the states with the fastest growing economic performance in both 2022 and 2023.

According to VDA estimates, new registrations within Europe (EU-27 + EFTA & UK) in 2022 will be at a level of 11.3 million passenger cars, and so about -4 percent lower than in the previous year. For Germany, the VDA forecasts a decline of -6 percent to 2.5 million passenger cars compared to the previous year.

For China, on the other hand, the VDA anticipates a growth rate of 9 percent to 23 million units in 2022. In the USA, the VDA anticipates a decline of -7 percent to 13.8 million units in 2022.

In its forecast of October 14, 2022, Morgan Stanley anticipates a slight decline in global sales of vehicles down to 68.4 million in 2022, a downturn of 0.6 percent compared to 2021. This puts the number of passenger cars sold only slightly below the 2021 figure of 68.8 million units, but nevertheless well below the pre-crisis year of 2019, when more than 78.1 million units were sold.

Besides the sales figures, however, technological and digital trends are having 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 reshape the mobility of the future. The current emission standards are making the further development of classic powertrain types essential, and promoting the integration of alternative powertrains. The BEV/PHEV[1] technologies are also becoming increasingly important. In addition, however, e-fuels and the hydrogen-based fuel cell are providing high-tech engineering service providers with diverse opportunities. Additional challenges for all market participants are being created by the future-oriented fields of software, sensors, and autonomous and connected driving. The development of new digital business fields and mobility services necessitates additional development and capacity requirements, which could lead to new growth opportunities for the engineering service market. The continuing consolidation of the engineering service providers and changed responsibility models in the drafting of work contracts will also bring about lasting changes within the sector.

The market for engineering services remains highly dynamic. With a growing focus on CO_2 reduction, the development of alternative drive concepts is being massively accelerated. Trend topics such as highly automated driving and data-based business models call for completely new vehicle architectures, and are increasingly leading to a separation of hardware and software in development, and thus to additional integration. 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 € 220 billion in research and development in the automotive industry by 2026; to this must

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

be added the expenditure on the conversion of existing and the construction of new plants.

As before, we do not at present see any risk to the continued existence of the company in the Covid-19 pandemic and the geopolitical conflicts, but do see a risk that its development might be impaired. The dynamic situation in connection with Russia's war of aggression continues to harbor uncertainties the development of which cannot be foreseen. It is difficult to make a reliable outlook with regard to possible consequences for supply chains and the availability of pre-products and raw materials in the automotive industry. On the reporting date, unused lines of credit with credit institutions in the amount of € 105.6 million exist in the EDAG Group. As a result, we see ourselves as being very well positioned to meet the challenges of the 2022 financial year.

Delays in the awarding of contracts, project cancellations, heterogeneous capacity utilization in different areas and locations, and continuing price pressure still pose additional risks for engineering service providers.

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

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

Further increases in our customers' R&D budgets and contract acquisitions led to a reassessment of the forecast for EDAG's sales development in the current financial year. Group Management now expects that revenue growth for 2022 as a whole will be in the range of 14 to 16 percent, although previous expectations were for the upper end of a range of some 6 to 9 percent. Against this background, insider information in accordance with Article 17 of Regulation (EU) No. 596/2014 was published on October 19, 2022, and the forecast adjusted.

Forecasts indicate that the adjusted EBIT margin will remain in the range of 6 to 8 percent.

On account of the sustained growth, we expect investments in the 2022 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 to 5 percent.

To a large extent, however, these estimates remain dependent on the impact of the war in Ukraine, the possibility of further geopolitical conflicts, ongoing disruptions in global supply chains, and further pandemic developments.

A summary of the outlook for 2022 is included in the following table:

in € million	2021	Forecast 2022
Group		
Revenues	687.6	Growth in a range of around 14 to 16 percent
Adjusted EBIT-margin	4.5%	Range of around 6 to 8 percent
Investment rate	2.7%	Range of around 4 to 5 percent

4 Disclaimer

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

ABRIDGED CONSOLIDATED FINANCIAL STATEMENTS

1 Consolidated Statement of Comprehensive Income

in € thousand	1/1/2022 – 9/30/2022	1/1/2021 – 9/30/2021	7/1/2022 – 9/30/2022	7/1/2021 – 9/30/2021
Profit or loss				
Sales revenues and changes in inventories[1]	589,668	506,244	207,518	173,114
Sales revenues	588,831	506,166	207,584	173,491
Changes in inventories	837	78	- 66	- 377
Other income	20,104	18,038	6,621	7,396
Material expenses	- 83,212	- 58,418	- 38,718	- 24,320
Gross Profit	**526,560**	**465,864**	**175,421**	**156,190**
Personnel expenses	- 387,371	- 354,466	- 125,573	- 113,065
Depreciation, amortization and impairment	- 29,113	- 30,210	- 10,109	- 10,727
Net result from impairment losses or impairment loss reversals of financial assets	278	- 27	14	347
Other expenses	- 72,489	- 61,413	- 26,926	- 20,066
Earnings before interest and taxes (EBIT)	**37,865**	**19,748**	**12,827**	**12,679**
Result from investments accounted for using the equity method	600	339	86	125
Financial income	305	118	129	44
Financing expenses	- 7,354	- 7,517	- 2,464	- 2,311
Financial result	**- 6,449**	**- 7,060**	**- 2,249**	**- 2,142**
Earnings before taxes	**31,416**	**12,688**	**10,578**	**10,537**
Income taxes	- 10,461	- 4,225	- 3,522	- 3,508
Profit or loss	**20,955**	**8,463**	**7,056**	**7,029**

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

in € thousand	1/1/2022 – 9/30/2022	1/1/2021 – 9/30/2021	7/1/2022 – 9/30/2022	7/1/2021 – 9/30/2021
Profit or loss	**20,955**	**8,463**	**7,056**	**7,029**
Other Comprehensive Income				
Under certain conditions reclassifiable profits/losses				
Currency conversion difference				
Profits/losses included in equity from currency conversion difference	2,179	748	844	226
Total under certain conditions reclassifiable profits/losses	**2,179**	**748**	**844**	**226**
Not reclassifiable profits/losses				
Revaluation of net obligation from defined benefit plans				
Revaluation of net obligation from defined benefit plans before taxes	19,275	1,051	5,077	- 211
Deferred taxes on defined benefit plans	- 5,779	- 313	- 1,521	65
Share of other comprehensive income of at-equity accounted investments, net of tax	218	17	56	- 3
Total not reclassifiable profits/losses	**13,714**	**755**	**3,612**	**- 149**
Total other comprehensive income before taxes	21,672	1,816	5,977	12
Total deferred taxes on the other comprehensive income	- 5,779	- 313	- 1,521	65
Total other comprehensive income	**15,893**	**1,503**	**4,456**	**77**
Total comprehensive income	**36,848**	**9,966**	**11,512**	**7,106**
Earnings per share of shareholders of EDAG Group AG [diluted and basic in €]				
Earnings per share	0.84	0.34	0.28	0.28

2 Consolidated Statement of Financial Position

in € thousand	9/30/2022	12/31/2021
Assets		
Goodwill	75,084	74,566
Other intangible assets	11,654	13,151
Property, plant and equipment	71,811	67,799
Rights of use from leasing	165,628	130,996
Financial assets	142	134
Investments accounted for using the equity method	18,451	18,119
Non-current other financial assets	472	524
Non-current other non-financial assets	3,041	148
Deferred tax assets	12,413	19,387
Non-current assets	**358,696**	**324,824**
Inventories	4,009	2,588
Current contract assets	123,683	64,732
Current accounts receivables	76,214	129,688
Current other financial assets	2,451	1,565
Current securities, loans and financial instruments	30	141
Current other non-financial assets	13,993	17,722
Income tax assets	1,010	711
Cash and cash-equivalents	114,620	151,091
Assets held for sale/Disposal group	-	1,162
Current assets	**336,010**	**369,400**
Assets	**694,706**	**694,224**

in € thousand	9/30/2022	12/31/2021
Equity, liabilities and provisions		
Subscribed capital	920	920
Capital reserves	40,000	40,000
Retained earnings	107,475	91,520
Reserves from profits and losses recognized directly in equity	1,244	- 12,470
Currency conversion differences	- 2,369	- 4,548
Equity	**147,270**	**115,422**
Provisions for pensions and similar obligations	19,659	37,489
Other non-current provisions	3,993	3,905
Non-current financial liabilities	39,531	120,041
Non-current lease liabilities	162,564	129,866
Deferred tax liabilities	35	20
Non-current liabilities and provisions	**225,782**	**291,321**
Current provisions	31,552	25,471
Current financial liabilities	99,556	19,144
Current lease liabilities	18,227	16,914
Current contract liabilities	74,266	147,276
Current accounts payable	21,281	19,994
Current other financial liabilities	4,053	5,011
Current other non-financial liabilities	61,223	47,862
Income tax liabilities	11,496	4,493
Provisions and liabilities in connection with assets held for sale/Disposal group	-	1,316
Current liabilities and provisions	**321,654**	**287,481**
Equity, liabilities and provisions	**694,706**	**694,224**

3 Consolidated Cash Flow Statement

	in € thousand	1/1/2022 – 9/30/2022	1/1/2021 – 9/30/2021
	Profit or loss	**20,955**	**8,463**
+/-	Income tax expenses/income	10,461	4,225
-	Income taxes paid	- 1,647	- 796
+	Financial result	6,449	7,060
+	Interest and dividend received	297	107
+/-	Depreciation and amortization/write-ups on tangible and intangible assets	29,113	30,210
+/-	Other non-cash item expenses/income	18,874	- 5,105
+/-	Increase/decrease in non-current provisions	- 18,074	471
-/+	Profit/loss on the disposal of fixed assets	49	182
-/+	Increase/decrease in inventories	- 1,813	- 592
-/+	Increase/decrease in contract assets, receivables and other assets that are not attributable to investing or financing activities	- 3,122	- 66,575
+/-	Increase/decrease in current provisions	4,702	1,241
+/-	Increase/decrease in accounts payables and other liabilities and provisions that are not attributable to investing or financing activities	- 60,376	16,045
=	**Cash inflow/outflow from operating activities/operating cash flow**	**5,868**	**- 5,064**
+	Deposits from disposals of tangible fixed assets	209	286
-	Payments for investments in tangible fixed assets	- 13,959	- 9,827
-	Payments for investments in intangible fixed assets	- 3,610	- 3,324
+	Deposits from disposals of financial assets	3	5
-	Payments for investments in financial assets	- 12	- 19
=	**Cash inflow/outflow from investing activities/investing cash flow**	**- 17,369**	**- 12,879**

	in € thousand	1/1/2022 – 9/30/2022	1/1/2021 – 9/30/2021
-	Payments to shareholders/partners (dividend for prior years, capital repayments, other distributions)	- 5,000	-
-	Interest paid	- 6,665	- 7,470
+	Borrowing of financial liabilities	-	18,560
-	Repayment of financial liabilities	- 1,039	- 662
-	Repayment of lease liabilities	- 13,396	- 14,126
=	**Cash inflow/outflow from financing activities/financing cash flow**	**- 26,100**	**- 3,698**
	Net Cash changes in financial funds	**- 37,601**	**- 21,641**
-/+	Effect of changes in currency exchange rate and other effects from changes of financial funds	1,130	394
+	Financial funds at the start of the period	151,091	156,292
=	**Financial funds at the end of the period [cash & cash equivalents]**	**114,620**	**135,045**
=	**Free cash flow (FCF) – equity approach**	**- 11,501**	**- 17,943**

4 Consolidated Statement of Changes in Equity

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

in € thousand	Subscribed capital	Capital reserves	Retained earnings	Currency conversion	Revaluation from pension plans	Shares in investments accounted for using the equity method	Total equity
As per 1/1/2021	**920**	**40,000**	**80,097**	**- 5,581**	**- 13,474**	**- 121**	**101,841**
Profit or loss	-	-	8,463	-	-	-	8,463
Other comprehensive income	-	-	-	747	738	17	1,502
Total comprehensive income	**-**	**-**	**8,463**	**747**	**738**	**17**	**9,965**
As per 9/30/2021	**920**	**40,000**	**88,560**	**- 4,834**	**- 12,736**	**- 104**	**111,806**

5 Selected Explanatory Notes

5.1 General Information

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

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

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

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

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

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

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

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

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

5.2 Basic Principles and Methods

Basic Accounting Principles

The Consolidated Interim Report of the EDAG Group AG for the period ending September 30, 2022 has been prepared in accordance with IAS 34 "Interim financial reporting". As the scope of the Consolidated Interim Report has been reduced, making it shorter than the Consolidated Financial Statement, it should be read in conjunction with the Consolidated Financial Statement for December 31, 2021. The Consolidated Financial Statement of EDAG Group AG and its subsidiaries for December 31, 2021 has been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), as they are to be applied pursuant to Directive No. 1606/2002 of the European Parliament and Council regarding the application of international accounting standards in the EU. In addition to the International Financial Reporting Standards, the term IFRS also includes the still valid International Accounting Standards (IAS), the Interpretations of the IFRS Interpretations Committee (IFRS IC) and those of the former Standing Interpretations Committee (SIC). The requirements of all accounting standards and interpretations resolved as of September 30, 2022 and adopted in national law by the European Commission have been fulfilled.

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

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

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

New, Changed or Revised Accounting Standards

EDAG Group AG has applied the following accounting standards adopted by the EU and legally required to be applied since January 1, 2022, although they did not have any significant effect on the assets, financial position and financial performance of the EDAG Group in the Consolidated Interim Report:

- **Annual improvements to IFRS standards (2018 – 2020)** (IASB publication: May 14, 2020; EU endorsement: June 28, 2021)
- **IFRS 3 – Reference to the Conceptual Framework (amendment to IFRS 3)** (IASB publication: May 14, 2020; EU endorsement: June 28, 2021)
- **IAS 16 – Property, Plant and Equipment – Proceeds before Intended Use (amendment to IAS 16)** (IASB publication: May 14, 2020; EU endorsement: June 28, 2021)
- **IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract (Amendment to IAS 37)** (IASB publication: May 14, 2020; EU endorsement: June 28, 2021)

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

Accounting and Valuation Principles

For this Consolidated Interim Report, a discount rate of 4.04 percent has been used for pension provisions in Germany 12/31/2021: 1.13 percent). A discount rate of

2.24 percent has been used for pension provisions in Switzerland (12/31/2021: 0.20 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 (12/31/2021: 32.24 percent effective reported tax ratio) was used.

Otherwise, the same accounting and valuation methods and consolidation principles as were used in the 2021 consolidated financial statements for EDAG Group AG were applied when preparing the Consolidated Interim Report and determining comparative figures. A detailed description of these methods has been published in the Notes to the Consolidated Financial Statement in the Annual Report for 2021. This Consolidated Interim Report should therefore be read in conjunction with the Consolidated Financial Statement of EDAG Group AG for December 31, 2021.

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

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

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

Due to the fact that it is still not possible to foresee the global consequences of the Covid-19 pandemic and the war in Ukraine, 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. Above all, there is a great deal of uncertainty surrounding the unforeseeable potential effects of further corona waves.

All available information relating to expected future economic developments and country-specific government measures was taken into account when the estimates and discretionary decisions were being updated.

5.3 Changes in the Scope of Consolidation

On September 30, 2022, the group of combined or consolidated companies is composed as follows:

	Switzerland	Germany	Other Countries	Total
Fully consolidated companies	2	5	20	27
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.

With the signing of the contract on December 15, 2021, EDAG Production Solutions GmbH & Co. KG undertook to sell all shares in the subsidiary EDAG Production Solutions CZ S.R.O., Mladá Boleslav, to a third party. The sale became effective in the new year, at the end of January 31, 2022 (loss of control).

The wholly owned subsidiary OOO EDAG Production Solutions RU, Russia, was liquidated with effect from April 13, 2022.

5.4 Currency Conversion

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

Country	Currency	9/30/2022	3Q 2022	12/31/2021	3Q 2021
	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	0.8830	0.8469	0.8403	0.8641
Brazil	BRL	5.2584	5.4677	6.3101	6.3809
USA	USD	0.9748	1.0650	1.1326	1.1967
Malaysia	MYR	4.5201	4.6184	4.7184	4.9412
Hungary	HUF	422.1800	384.2950	369.1900	356.5264
India	INR	79.4250	82.3310	84.2292	88.0773
China	CNY	6.9368	7.0210	7.1947	7.7407
Mexico	MXN	19.6393	21.5785	23.1438	24.0806
Czech Republic	CZK	24.5490	24.6174	24.8580	25.7366
Switzerland	CHF	0.9561	1.0125	1.0331	1.0903
Poland	PLN	4.8483	4.6700	4.5969	4.5464
Sweden	SEK	10.8993	10.5237	10.2503	10.1515
Japan	JPY	141.0100	135.9321	130.3800	129.7955
Turkey	TRY	18.0841	18.0841	15.2335	9.6980

Hyperinflation

Since the second quarter of 2022, the country of 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. 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 directly attributable special effects in conjunction with the cyber attack.

in € thousand	**1/1/2022 – 9/30/2022**	**1/1/2021 – 9/30/2021**	**7/1/2022 – 9/30/2022**	**7/1/2021 – 9/30/2021**
Earnings before interest and taxes (EBIT)	**37,865**	**19,748**	**12,827**	**12,679**
Adjustments:				
Expenses (+) from purchase price allocation	1,922	1,901	644	635
Other adjustmens	- 2,264	2,142	-	- 184
Total adjustments	**- 342**	**4,043**	**644**	**451**
Adjusted earnings before interest and taxes (adjusted EBIT)	**37,523**	**23,791**	**13,471**	**13,130**

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 group. The key performance indicator for the Group Executive Management at segment level is the EBIT/adjusted EBIT. The segment presentation is designed to show the profitability as well as the assets and financial situation of the individual business activities. Intercompany sales are accounted for at customary market prices and are equivalent to sales towards third parties (arm's length principle).

As at September 30, 2022, the non-current assets amounted to € 358.7 million (12/31/2021: € 324.8 million). Of these, € 2.6 million are domestic, € 307.0 million are German, and € 49.0 million are non-domestic (12/31/2021: [domestic: € 2.5 million; Germany: € 274.4 million; non-domestic: € 47.9 million]).

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

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

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

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

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

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

in € thousand	1/1/2021 – 9/30/2021					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Sales revenues with third parties	320,619	121,029	64,518	506,166	-	506,166
Sales revenues with other segments	4,332	17,902	6,961	29,195	- 29,195	-
Changes in inventories	- 40	118	-	78	-	78
Total revenues [1]	**324,911**	**139,049**	**71,479**	**535,439**	**- 29,195**	**506,244**
EBIT	**16,013**	**8,143**	**- 4,408**	**19,748**	**-**	**19,748**
EBIT margin [%]	4.9%	5.9%	-6.2%	3.7%	n/a	3.9%
Purchase price allocation (PPA)	1,751	-	150	1,901	-	1,901
Other adjustments	1,100	-	1,042	2,142	-	2,142
Adjusted EBIT	**18,864**	**8,143**	**- 3,216**	**23,791**	**-**	**23,791**
Adjusted EBIT margin [%]	5.8%	5.9%	-4.5%	4.4%	n/a	4.7%
Depreciation, amortization and impairment	- 22,954	- 4,319	- 2,937	- 30,210	-	- 30,210
Ø Employees per segment	4,384	2,200	1,250	7,834		7,834

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

The following table reflects the concentration risk of the EDAG Group, divided according to the customer sales divisions and segments: Compared to the previous year, the reporting structure has been modified with a view to clearly separating customers and sectors. The previous year has been adjusted accordingly, to facilitate comparison.

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

in € thousand	1/1/2021 – 9/30/2021							
	Vehicle Engineering		Electrics/ Electronics		Production Solutions		Total	
Customer sales division A	45,154	14%	44,320	37%	9,192	14%	98,666	19%
Customer sales division B	24,135	8%	35,388	29%	2,878	4%	62,401	12%
Customer sales division C	38,520	12%	16,042	13%	5,467	8%	60,029	12%
Customer sales division D	16,513	5%	2,546	2%	4,751	7%	23,810	5%
Customer sales division E	48,102	15%	9,779	8%	7,943	12%	65,824	13%
Customer sales division F	102,328	32%	43	0%	8,439	13%	110,810	22%
Customer sales division G	45,867	14%	12,911	11%	25,848	40%	84,626	17%
Sales revenue with third parties	**320,619**	**100%**	**121,029**	**100%**	**64,518**	**100%**	**506,166**	**100%**

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

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

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

in € thousand	1/1/2021 – 9/30/2021					
	Vehicle Engineering	Electrics/ Electronics	Production Solutions	Total segments	Consolidation	Total Group
Period-related revenue recognition	313,561	138,739	69,290	521,590	-	521,590
Point in time revenue recognition	11,390	192	2,189	13,771	-	13,771
Sales revenue with other segments	- 4,332	- 17,902	- 6,961	- 29,195	-	- 29,195
Sales revenue with third parties	**320,619**	**121,029**	**64,518**	**506,166**	**-**	**506,166**
Sales revenue with other segments	4,332	17,902	6,961	29,195	- 29,195	-
Changes in inventories	- 40	118	-	78	-	78
Total revenues	**324,911**	**139,049**	**71,479**	**535,439**	**- 29,195**	**506,244**

5.7 Contingent Liabilities/Receivables and Other Financial Obligations

Contingent Liabilities

As at the end of the 2021 financial year, there were no material contingent liabilities on the reporting date.

Other Financial Obligations

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

in € thousand	9/30/2022	12/31/2021
Open purchase orders	21,702	5,664
Total renting and leasing contracts	5,999	6,191
Other miscellaneous financial obligations	40	107
Total	**27,741**	**11,962**

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 2021 financial year, there were no material contingent receivables on the reporting date.

5.8 Financial Instruments

Net Financial Debt/Credit

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

in € thousand	9/30/2022	12/31/2021
Non-current financial liabilities	- 39,531	- 120,041
Non-current lease liabilities	- 162,564	- 129,866
Current financial liabilities	- 99,556	- 19,144
Current lease liabilities	- 18,227	- 16,914
Current securities, loans and financial instruments	30	141
Cash and cash equivalents	114,620	151,091
Net financial debt/-credit [-/+]	**- 205,228**	**- 134,733**
Net financial debt/-credit wo lease liabilities [-/+]	**- 24,437**	**12,047**
Equity	147,270	115,422
Net Gearing [%] incl. Lease liabilities	**139.4%**	**116.7%**

At € 205.2 million, the net financial debt on September 30, 2022 is € 70.5 million above the value on December 31, 2021 (€ 134.7 million). Without taking lease liabilities into account, the net financial debt on September 30, 2021 amounts to € 24.4 million (12/31/2021: net financial assets € 12.0 million).

The major creditor is a well-known credit institution in the form of a promissory note loan (Schuldscheindarlehen) with a total volume of € 120 million. The promissory note loan is composed of several tranches with various interest rates and terms to maturity of one to six years.

As of September 30, 2022, there is a current loan, including interest, in the amount of € 17.6 million from VKE-Versorgungskasse EDAG-Firmengruppe e.V., the other major creditor, (12/31/2021: € 18.4 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 € 105.6 million on the reporting date (12/31/2021: € 106.4 million).

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

in € thousand		9/30/2022	12/31/2021
	Inventories	4,009	2,588
+	Current contract assets	123,683	64,732
+	Current accounts receivable	76,214	129,688
-	Current contract liabilities	- 74,266	- 147,276
-	Current accounts payable	- 21,281	- 19,994
=	**Trade Working Capital (TWC)**	**108,359**	**29,738**
+	Non-current other financial assets	472	524
+	Non-current other non-financial assets	3,041	148
+	Deferred tax assets	12,413	19,387
+	Current other financial assets excl. Interest-bearing receivables	2,451	1,565
+	Current other non-financial assets	13,993	17,722
+	Income tax assets	1,010	711
-	Deferred tax liabilities	- 35	- 20
-	Current other financial liabilities	- 4,053	- 5,011
-	Current other non-financial liabilities	- 61,223	- 47,862
-	Income tax liabilities	- 11,496	- 4,493
=	**Other working capital (OWC)**	**- 43,427**	**- 17,329**
	Net working capital (NWC)	**64,932**	**12,409**

The trade working capital increased by € 78,621 thousand to € 108,359 thousand, compared to December 31, 2021. The increase mainly results from a higher capital commitment in contract assets and contractual liabilities. By way of contrast, accounts receivable decreased.

The other working capital decreased by € 26,098 thousand to € -43,427 thousand, compared to € -17,329 thousand on December 31, 2021. This decrease was influenced mainly by an increase in current other non-financial liabilities from employee benefits.

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

The principles and methods for assessing at fair value have not changed compared to last year. Detailed explanations of the valuation principles and methods can be found in the Notes to the Consolidated Financial Statement in the Annual Report of EDAG Group AG for 2021.

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

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

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

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

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

in € thousand	Measured at Fair Value through Profit and Loss [FVtPL]	Measured at Amortized Cost [AC]		Not allocated to a measurement category [n.a.]	Balance sheet item as per 9/30/2022
		Carrying Amount	Fair Value		
Financial Assets					
Financial assets[1]	80	62	62	-	142
Non-current other financial assets	-	472	472	-	472
Current contract assets	-	-	-	123,683	123,683
Current accounts receivables	-	76,214	76,214	-	76,214
Current other financial assets	-	2,332	2,332	119	2,451
Current securities, loans and financial instruments	30	-	-	-	30
Cash and cash-equivalents	-	114,620	114,620	-	114,620
Financial Assets	**110**	**193,700**	**193,700**	**123,802**	**317,612**
Financial liabilitites					
Non-current financial liabilities	-	39,531	37,495	-	39,531
Non-current lease liabilities	-	-	-	162,564	162,564
Current financial liabilities	1,110	98,446	98,446	-	99,556
Current lease liabilities	-	-	-	18,227	18,227
Current contract liabilities	-	-	-	74,266	74,266
Current accounts payable	-	21,281	21,281	-	21,281
Current other financial liabilities	-	4,053	4,053	-	4,053
Financial liabilitites	**1,110**	**163,311**	**161,275**	**255,057**	**419,478**

[1] For financial assets classified as at fair value through profit or loss [FVtPL], use is made of the exemption in accordance with IFRS 9.B5.2.3 for shares in non-consolidated subsidiaries.

in € thousand	Measured at Fair Value through Profit and Loss [FVtPL]	Measured at Amortized Cost [AC]		Not allocated to a measurement category [n.a.]	Balance sheet item as per 12/31/2021
		Carrying amount	Fair Value		
Financial Assets					
Financial assets[1]	80	54	54	-	134
Non-current other financial assets	-	464	464	60	524
Current contract assets	-	-	-	64,732	64,732
Current accounts receivables	-	129,688	129,688	-	129,688
Current other financial assets	-	1,334	1,334	231	1,565
Current securities, loans and financial instruments	141	-	-	-	141
Cash and cash-equivalents	-	151,091	151,091	-	151,091
Financial Assets	**221**	**282,631**	**282,631**	**65,023**	**347,875**
Financial liabilitites					
Non-current financial liabilities	-	120,041	120,524	-	120,041
Non-current lease liabilities	-	-	-	129,866	129,866
Current financial liabilities	-	19,144	19,144	-	19,144
Current lease liabilities	-	-	-	16,914	16,914
Current contract liabilities	-	-	-	147,276	147,276
Current accounts payable	-	19,994	19,994	-	19,994
Current other financial liabilities	-	5,011	5,011	-	5,011
Financial liabilitites	**-**	**164,190**	**164,673**	**294,056**	**458,246**

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

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

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

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

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

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

in € thousand	Assessed at fair value 9/30/2022			
	Level 1	Level 2	Level 3	Total
Financial assets				
Current securities, loans and financial instruments	30	-	-	30
Financial liabilities				
Derivative financial liabilities	-	1,110	-	1,110

in € thousand	Assessed at fair value 12/31/2021			
	Level 1	Level 2	Level 3	Total
Financial assets				
Current securities, loans and financial instruments	139	2	-	141

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 2021.

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

in € thousand	1/1/2022 – 9/30/2022	1/1/2021 – 9/30/2021
EDAG Group with boards of directors[1] (EDAG Group AG)		
Work-related expenses	722	722
Travel and other expenses	28	5
Consulting expenses	19	26
EDAG Group with supervisory boards[1] (EDAG Engineering GmbH & EDAG Engineering Holding GmbH)		
Work-related expenses	39	36
Travel and other expenses	2	-
Compensation costs	509	456
EDAG Group with ATON companies (parent company and its affiliated companies)		
Goods and services rendered	137	80
Other operating expenses	1	-
EDAG Group with unconsolidated subsidiaries		
Other operating expenses	3	6
EDAG Group with associated companies		
Goods and services rendered	277	438
Goods and services received	2,819	569
Other operating income	338	355
Other operating expenses	47	37
Income from investments	600	339
EDAG Group with other related companies and persons		
Goods and services rendered	-	17
Interest expense	201	18
Other operating income	-	6
Other operating expenses	3	-
Paid leases for rights of use	4,356	4,282

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

5.10 Subsequent Events

No important events took place after the reporting period.

Arbon, November 9, 2022
EDAG Engineering Group AG, Arbon

Georg Denoke, Chairman of the Board of Directors

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

Cosimo De Carlo, Chairman of the Group Executive Management (CEO)

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

LEGAL NOTICE

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

Legal Notice
The Consolidated Interim 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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