

TOMORROW'S TECHNOLOGY TODAY

Quarterly Financial Report of LPKF Laser & Electronics SE
January 1 – September 30, 2024

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AT A GLANCE

LPKF Laser & Electronics SE

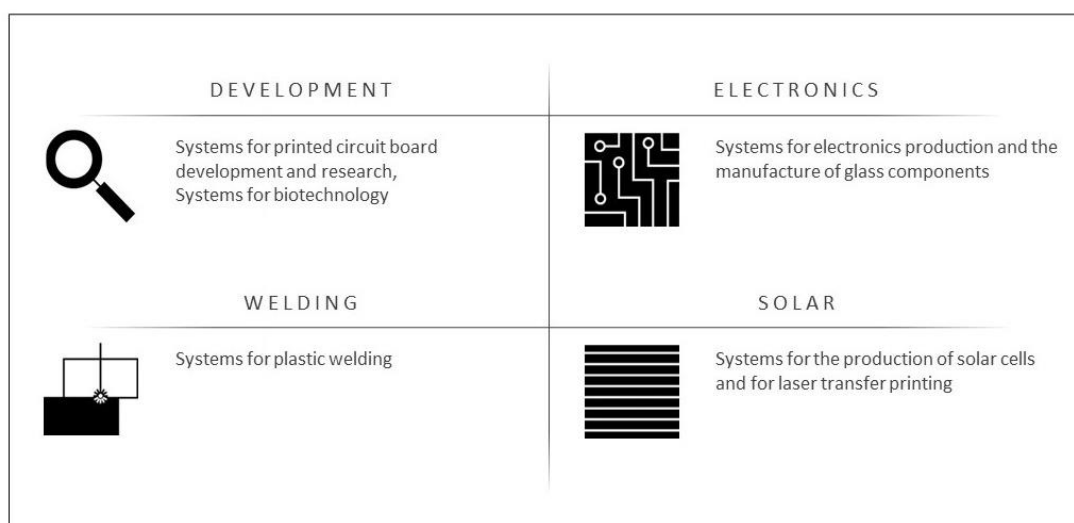
Key Group figures after 9 months 2024

	9 Months 2024	9 Months 2023
Revenue (Mio. EUR)	82.5	80.9
EBIT (Mio. EUR)	-6.7	-4.6
EBIT margin (%)	-8.1	-5.6
Adjusted EBIT (Mio. EUR)	-5.6	-4.6
Adjusted EBIT margin (%)	-6.8	-5.6
Free Cash Flow (Mio. EUR)	-1.7	-13.6
EPS, diluted (EUR)	-0.35	-0.22
Incoming orders (Mio. EUR)	84.1	94.0

	As of 09/30/2024	As of 09/30/2023
Net working capital (Mio. EUR)	35.5	33.7
Equity ratio (%)	63.8	62.4
Orders on hand (Mio. EUR)	61.2	76.2
Employees	780	754

*After adjustments in accordance with IAS 8.41 ff. (see notes on the preparation of the financial report)

Segments and markets



LETTER FROM THE MANAGEMENT BOARD

Garbsen, October 24th, 2024

Ladies and Gentlemen,

Today, we would like to give you an overview of the development and progress of LPKF Laser & Electronics SE in the first nine months and in the third quarter of 2024. The economic conditions for mechanical engineering companies have not improved over the course of the year. The reluctance to invest in China and in the automotive sector is also noticeable for us in various areas. In this persistently difficult market environment, LPKF has performed solidly in operational terms.

At the same time, we have worked with an external consultant to identify potential improvements and given high priority to reducing our operating costs and increasing efficiency. We will implement a range of organizational and operational measures to reduce costs and strengthen the company for the long term.

In the area of our strategic initiatives, the continued increase in demand for our LIDE (Laser Induced Deep Etching) technology is particularly noteworthy. It is driven by the megatrend of artificial intelligence and the transformation towards glass substrates in the semiconductor market. It is now well established in the industry that our LIDE technology will play a crucial role in the future of the semiconductor industry. Specifically, we see that the entire supply chain is now preparing for the serial production of glass substrates.

Key financial figures for the reporting period

Sales revenues for the nine-month period reached EUR 82.5 million (9M 23: EUR 80.9 million), adjusted earnings before interest and taxes (EBIT) amounted to EUR -5.6 million, and EBIT totaled EUR -6.7 million (9M 23: EUR -4.6 million).

A look at the third quarter shows revenues of EUR 27.3 million (Q3 23: EUR 33 million) and EBIT of EUR -1.2 million (Q3 23: EUR 2.6 million). Adjusted EBIT in the third quarter was EUR -0.6 million. This is in line with our own guidance for the third quarter of 2024 (revenue between EUR 26 and 31 million, adjusted EBIT in the range of EUR -3 to 2 million).

Order intake after nine months was down 10.5% year-on-year at EUR 84.1 million (9M 23: EUR 94.0 million). The order backlog fell from EUR 76.2 million in the previous year to EUR

61.2 million. We anticipate order entry in the Electronics and Solar segments to improve in the coming months, while we don't expect any short-term improvements in the Welding segment due to the weak automotive sector.

Highlights in the reporting period

In the Development segment, we are the market leader with our systems for rapid PCB prototyping. We have an attractive product portfolio and a well-filled project pipeline. After a weak first half of the year, we are seeing a significant upturn in business here as expected.

Since our new biotechnology division ARRALYZE entered the market, it has attracted a great deal of interest in various fields of application in single-cell analysis. In both Europe and the United States, we are working with partners who are testing the use of ARRALYZE in their own organizations. The recovering market environment is beneficial to our commercialization efforts.

Our solar business is supported by the global trend towards renewable energies and is developing as planned. In this segment, we noticed a reluctance among Chinese customers in the third quarter. Since the Chinese government introduced economic stimulus measures, this situation has improved again for LPKF.

In the third quarter, the Welding segment again fell well short of expectations in terms of revenue, earnings and new orders, mainly due to weak investment in the automotive industry. We have counteracted this by introducing a new product line to expand the addressable market. However, we do not expect to see any noticeable improvement in the near future and have therefore taken measures to significantly reduce operating costs.

In the Electronics segment, we continue to see good business with PCB depaneling systems. Thanks to our outstanding products, we can offer our customers significant competitive advantages and thus successfully hold our own even in a weak market environment. By contrast, the cyclically sensitive stencil business has fallen short of expectations this year.

The momentum in the LIDE systems business continues to be strong; we expect to double the sales relative to the previous year. With our patented LIDE process for glass processing, we deliver the key technology for increasing the performance of microchips. Major semiconductor manufacturers have publicly announced that they will use glass for advanced packaging. This initially concerns applications for AI-driven high-performance computing. This paradigm shift has led to a strong increase in demand for our unique and highly advanced LIDE systems. We are able to offer a mature process that has already proven itself in operational use. We also continue to see good opportunities for a series application of LIDE technology in the display area following the conclusion of our development partnership with a leading display manufacturer.

In collaboration with an external consultant, we have identified specific areas in which the company can improve efficiency and materially reduce costs. Concrete measures have been developed for these areas and are now being implemented with high priority. The aim is to reduce operating costs and increase efficiency throughout the Group. It is expected that this will result in total annualized savings of around EUR 5 - 7 million, which will significantly improve the EBIT margin in 2025.

Outlook

In the medium term, we continue to aim to increase the Group's profitability to an attractive double-digit EBIT margin. LIDE will play a major role in this and we are currently very satisfied with the momentum we are seeing in this area.

On the other hand, we have to face a number of challenges in the short term. These include the weak economy, the reluctance of key customers to invest, particularly in the automotive market, and the effects on our welding business. For this reason, we have slightly lowered our expectations for the current year.

For fiscal year 2024, we now expect Group sales of EUR 125 - 130 million (previously: EUR 130 - 135 million) and an adjusted EBIT margin between 3.5 - 6.5% (previously: 4% and 7%).

In the medium term, we are aiming for attractive average growth in the upper single-digit percentage range for the core business, a low triple-digit million revenue figure for the new business fields and an attractive double-digit EBIT margin for the group.

We would like to thank our employees for their tireless commitment and you, our shareholders, for your trust and support.

Best regards,



Dr. Klaus Fiedler
Chief Executive Officer



Christian Witt
Chief Financial Officer

INTERIM MANAGEMENT REPORT AS OF 30 SEPTEMBER 2024

1 BASIC INFORMATION ON THE GROUP

The basic information on the LPKF Group in the combined management and Group management report for 2023 continues to apply unchanged. Changes in the scope of consolidation are presented in the notes to this interim report under "Notes on the preparation of the quarterly financial report".

2 REPORT ON ECONOMIC POSITION

2.1 NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS OF THE GROUP

Earnings situation

The LPKF Group generated consolidated revenue of EUR 27.3 million in the third quarter of 2024, down 17% on the same quarter of the previous year (EUR 33.0 million). Revenue after nine months totaled EUR 82.5 million, up 2% on the prior-year period (EUR 80.9 million). The increase resulted from the Solar segment (+ EUR 6.2 million). The Electronics (EUR -0.7 million), Development (EUR -2.6 million) and Welding (EUR -1.3 million) segments reported lower sales.

All segments (Solar: EUR -3.3 million, Welding: EUR -1.7 million, Development: EUR -0.6 million, Electronics: EUR -0.2 million) recorded a decline in sales in Q3 2024 compared to the same quarter of the previous year.

The higher expenses in the first nine months led to negative EBIT (earnings before interest and taxes) of EUR -6.7 million (previous year: EUR -4.6 million). EBIT in the third quarter amounted to EUR -1.2 million (previous year: EUR 2.6 million).

At EUR 84.1 million, incoming orders after nine months were down on the previous year's figure of EUR 94.0 million. At EUR 61.2 million, the order backlog as of September 30, 2024 was down on the previous year's figure of EUR 76.2 million.

Own work capitalized included EUR 3.4 million in development services for products and software (previous year: EUR 3.7 million). At EUR 2.4 million, other income was below the previous year's figure (previous year: EUR 2.6 million). The decrease compared to the same period of the previous year was mainly due to lower grants for research and development (EUR -0.2 million).

At 32%, the cost of materials ratio was slightly below the previous year's figure of 34%, which is mainly due to the product mix.

As of September 30, 2024, the LPKF Group employed 780 people, 26 more than on September 30, 2023. The increase in employees was mainly attributable to the Service and

Sales divisions. At EUR 43.1 million, personnel expenses in the reporting period were higher than in the previous year (EUR 39.5 million). The increase was mainly due to additions to personnel provisions and market-oriented salary adjustments.

At EUR 6.2 million, depreciation and amortization in the reporting period was EUR 0.8 million lower than in the previous year. Of this amount, EUR 2.5 million was attributable to depreciation from own work capitalized (previous year: EUR 3.4 million). At EUR 19.0 million, other operating expenses were higher than the previous year's figure of EUR 18.0 million. This increase was mainly due to higher expenses for travel and entertainment costs (+ EUR 0.5 million), sales commissions (+ EUR 0.5 million), R&D costs (+ EUR 0.5 million), external work (+ EUR 0.4 million) and insurance (+ EUR 0.4 million). In contrast, advertising and sales expenses (EUR -0.5 million), miscellaneous other operating expenses (EUR -0.5 million) and expenses for currency losses (EUR -0.4 million) decreased.

Interest expenses for short-term drawings and loans were incurred to a small extent due to the use of overdraft facilities. After interest and taxes, the consolidated result amounted to EUR -8.5 million (previous year: EUR -5.3 million).

Financial position

The Group's cash and cash equivalents fell from EUR 10.7 million on December 31, 2023 to EUR 6.9 million in the reporting period.

Cash flow from operating activities amounted to EUR 3.3 million after nine months (previous year: EUR -7.7 million). The positive operating cash flow for the reporting period was mainly due to the reduction in net working capital. Advance payments received as of the reporting date of September 30 were roughly at the same level as of December 31, 2023, while the Group's receivables decreased by EUR 11.6 million. Liabilities fell by EUR 3.5 million. At the same time, inventories increased by EUR 3.6 million in order to secure upcoming deliveries. Therefore the net working capital improved by EUR 4.5 million in the first nine months.

In the third quarter, the cash inflow from operating activities amounted to EUR 5.7 million. At EUR 1.3 million, investments were below the level of the same quarter of the previous year.

After a cash outflow from investing activities of EUR -5.0 million in the first nine months (previous year: EUR -5.9 million), free cash flow amounted to EUR -1.7 million (previous year: EUR -13.6 million). There was a cash outflow from financing activities of EUR -2.5 million (previous year: EUR 5.7 million), mainly due to the repayment of short-term financial loans.

The LPKF Group has the necessary funds for investments and further growth, consisting of cash and cash equivalents and the available credit lines.

Net assets

Analysis of net assets and capital structure

Compared to December 31, 2023, non-current assets decreased by EUR 1.0 million to EUR 64.7 million. The change was mainly due to property, plant and equipment (EUR -1.5 million). This was offset by an increase in intangible assets of EUR 0.7 million.

Current trade receivables fell by EUR 11.6 million to EUR 24.8 million during the reporting period. Inventories increased by EUR 3.6 million to EUR 34.9 million. This is due to a targeted build-up of inventories to secure upcoming deliveries. Cash and cash equivalents decreased by EUR 3.8 million and amounted to EUR 6.9 million as at 30/09/2024. Overall, current assets decreased by EUR 10.9 million to EUR 71.9 million.

Net working capital decreased from EUR 40.0 million on December 31, 2023 to EUR 35.5 million on September 30, 2024. Inventories increased by EUR 3.6 million, while receivables fell by EUR 11.6 million. Liabilities decreased by EUR 3.5 million. Advance payments received for customer projects were at the level of 31.12.2023.

At 63.8% as of September 30, 2024, the equity ratio was below the ratio at the end of 2023 of 64.1%. Based on the corresponding resolutions at the 2024 Annual General Meeting, stock options were issued to further employees of the Group in August 2024, as in the second quarter of 2024 for the CEO and CFO. Due to the intention to settle the options issued with shares, the accounting rules for equity-settled share-based payments apply. The valuation of the granted stock options at the valuation date, June 17, 2024, using a Monte Carlo simulation resulted in a fair value per option of €1.26 for the CEO (166,667 options), €1.60 for the CFO (112,500 options) and €1.73 for employees (134,209 options). On this basis, a pro-rata expense of EUR 0.1 million was recorded in the reporting period and allocated to the reserves for share-based payments in equity. No options are exercisable as of the September 30, 2024 reporting date. Full details of the type and content of the existing share-based payments and a description of the main option conditions for determining the fair values and parameters used can be found in the notes to the consolidated financial statements for 2024.

Non-current liabilities increased by EUR 0.8 million. Current liabilities decreased by EUR 4.7 million to EUR 44.0 million, which is mainly due to a lower level of trade payables on the reporting date.

Beyond this, the balance sheet structure has not changed significantly.

Investments

In the first nine months of the year, the Group invested EUR 1.3 million less than in the same period of the previous year. Investments in property, plant and equipment and intangible assets amounted to EUR 5.0 million, while additions to capitalized development costs amounted to EUR 3.4 million.

Segment performance

The following table provides an overview of the operating segments' performance:

in Mio. EUR	Revenue		Adjusted EBIT	
	9 Months 2024	9 Months 2023	9 Months 2024	9 Months 2023*
Electronics	19.2	19.9	-5.6	-4.2
Development	17.6	20.2	-1.5	0.8
Welding	13.2	14.5	-3.8	-2.2
Solar	32.5	26.3	5.3	1.0
Total	82.5	80.9	-5.6	-4.6

*After adjustments in accordance with IAS 8.41 ff. (see notes on the preparation of the financial report)

The adjusted EBIT of the segments includes the operating business of the segments and the Group allocations attributable to them. The difference between the adjusted EBIT (EUR -5.6 million) and the Group EBIT (EUR -6.7 million) is the result of special effects from costs associated with severance payments, consulting costs for the earnings improvement program and the changes in the value of the virtual and real share options issued. They are not allocated to the segment result.

2.2 EMPLOYEES

The following table shows the development in employee numbers in the first nine months of 2024:

Area	09/30/ 2024	12/31 2023
Development	211	215
Production	147	150
Service	114	102
Sales	152	142
Administration	156	152
Total	780	761

The total number of employees as of Sept. 30, 2024, equals 736 Full Time Equivalentents (FTE), compared to 714 FTE at year-end 2023.

2.3 OVERALL ASSESSMENT OF THE GROUP'S ECONOMIC SITUATION

Expectations for the German mechanical engineering sector are currently characterized by uncertainty and scepticism. Forecasts for the German economy are cautious. Political

developments and economic uncertainties worldwide are having a negative impact on expectations and the propensity to invest.

The LPKF Group is only moderately indebted in terms of working capital. In addition to its own cash and cash equivalents, LPKF also has liquidity reserves of EUR 25.0 million in cash following the conclusion of a new syndicated loan in October 2023. In addition to cash, the syndicated loan also includes a guarantee facility of EUR 15.0 million. The syndicated loan is provided by five global financing partners, has a term of three years and can be adjusted in terms of both amount and term with the approval of the financing partners.

The Management Board considers the earnings, net assets and financial position to be solid and orderly. It continues to assume that the Group has sufficient resources to continue its business activities for at least another twelve months and that the going concern assumption is appropriate as the basis for accounting.

3 SUPPLEMENTARY REPORT

CFO Christian Witt will leave LPKF Laser & Electronics SE on December 31, 2024 by mutual agreement. The Supervisory Board is currently looking for a successor.

No other significant events with a material effect on the net assets, financial position or results of operations of LPKF have occurred since the reporting date on 30 September 2024.

4 OPPORTUNITIES AND RISKS

The opportunities and risks of the LPKF Group are presented and explained in detail in separate reports in the combined management and group management report 2023. These explanations apply unchanged.

Risks continue to exist in the uncertain global economic and demand situation, which is also influenced by armed conflicts worldwide. This affects customers' investment activities and can lead to delays in the placement of orders.

There are currently no risks that could jeopardize the company's existence, nor are any risks discernible for the future.

5 REPORT ON EXPECTED DEVELOPMENTS

5.1 MANAGEMENT'S ASSESSMENT OF THE GROUP'S EXPECTED DEVELOPMENT

Development of the Group

Declining order backlogs and continued high financing and energy costs in Europe are leading to weak and possibly fragile growth in the advanced economies, particularly in the capital goods industry.

LPKF Laser & Electronics SE's strategic focus is on developing innovative, less cyclical technologies that have the potential to permanently change products, components and manufacturing in the electronics, semiconductor, display and other industries.

In the opinion of the Management Board, the company is financially stable and sustainably profitable. LPKF is in a position to expand its business activities by focusing even more strongly on customer needs and operational improvements. Investments in the development of new key technologies and their applications are being made in full despite the difficult economic conditions in the meantime. The LPKF Group's significantly increased diversification in recent years has considerably reduced its dependence on individual market segments and customers.

The Management Board continues to see great potential to sustainably increase the company's turnover and earnings. This potential stems from the technologies mastered by LPKF, its ability to integrate these into high-performance solutions, the exceptional expertise of its employees and the resulting value added for its customers.

The Management Board anticipates the following developments in the future:

- Megatrends such as miniaturization, artificial intelligence, connectivity, CO₂ neutrality and demographic change will lead to high-precision manufacturing and analysis methods becoming more prevalent.
- Customer demand for efficient solutions for the manufacture of high-precision components and products remains high. The number of applications continues to increase. New product developments are proving their worth.
- LIDE technology and associated core competencies are being used for volume production, e.g. in the semiconductor or display industry, and are well on the way to establishing themselves as a key technology in this area.
- Green Energy will continue to gain importance and increase the demand for efficient solar modules.
- With ARRALYZE, LPKF gains access to the growth market of biotechnology, which is developing very dynamically due to the aging population and the trend towards individual therapies.

The Management Board will continue to drive the Company's growth in the current financial year with targeted measures:

- LPKF continues to invest in technology development to expand its leading position in laser micromaterial processing. In doing so, the company focuses on the specific parameters that are decisive for the economic success of its customers so that its customers gain a concrete competitive advantage. LPKF also develops disruptive applications for new growth markets along its core competencies.
- The scalability of solutions for customers is strengthened in a targeted manner, and non-scalable solutions are not pursued further in the long term.
- LPKF will specifically drive forward technologies that help customers save resources and produce more energy-efficiently.
- LIDE technology and related applications in the Advanced Packaging segment will be further expanded and the establishment in various application fields will be driven forward. LPKF will be established as a supplier to the semiconductor industry.
- The company will strengthen its sales activities and further expand and transform its market penetration in the individual segments.
- After-sales service will be further expanded as an additional growth platform.
- The organization, processes and systems will be designed to be scalable and geared to future growth.
- The Management Board is working on targeted measures to reduce fixed and variable costs in order to sustainably increase profitability.
- The Management Board will also pursue possible growth through M&A activities, but only where the resulting increase in value is clearly discernible.

LPKF will remain agile and flexible as a company in order to be able to react quickly to any changes in the economic environment. Overall, LPKF expects further profitable growth in the medium term even in a volatile economic environment. Financially, the Company is and will remain well positioned and has the necessary funds for investments and further growth.

Key figures

Forecast for the 2024 financial year

In the medium term, LPKF continues to aim to increase the Group's profitability to an attractive double-digit EBIT margin. LIDE technology will play a key role in this. LPKF is currently very satisfied with the momentum in this area. In the short term, however, the company faces a number of challenges, including the weak economy, the reluctance of key customers to invest, particularly in the automotive market, and the impact on the Welding business. For this reason, expectations for the current year have been adjusted slightly downwards.

For the 2024 financial year, LPKF now expects consolidated revenue of EUR 125 to 130 million (previously: EUR 130 to 135 million) and an adjusted EBIT margin* of between 3.5% and 6.5%

(previously: 4% and 7%), which corresponds to an adjusted EBIT of EUR 4.4 million to EUR 8.5 million.

Ambition for the years ahead

In the medium term, the company continues to expect sustainable growth in all segments. LPKF expects mid to high single-digit growth rates for its core business. The markets addressed by the new strategic business initiatives in the semiconductor, display and biotechnology sectors are targeted to generate annual revenue contributions in the low three-digit million range. In addition, LPKF aims to achieve an attractive double-digit EBIT margin in the Group through scaling effects.

*Adjusted EBIT is EBIT adjusted for restructuring and severance costs and changes in the long-term incentive (LTI) due to fluctuations in the performance factor or the share price. LPKF expects these costs to amount to 0.5 - 1.5% of revenue in the 2024 financial year. Adjusted EBIT is reported in order to be able to compare operating profitability between periods by eliminating special items.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FROM 1 JANUARY TO 30 SEPTEMBER 2024

in EUR thousand	01-09 / 2024	01-09 / 2023*
Revenue	82,472	80,886
Changes in inventories of finished goods and work in progress	3,767	4,566
Other own work capitalized	3,427	3,807
Other income	2,400	2,609
Cost of materials	-30,524	-31,807
Staff costs	-43,141	-39,456
Depreciation and amortization*	-6,152	-6,960
Impairment expenses (including reversals) on financial assets and contract assets	47	-210
Other expenses*	-19,001	-17,993
Operating Result (EBIT)	-6,705	-4,558
Finance income	2	12
Finance costs*	-755	-304
Earnings before tax	-7,458	-4,850
Income taxes	-1,086	-462
Consolidated net profit/loss	-8,544	-5,312
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Revaluations of defined benefit plans	0	0
Tax effects	0	0
Items that will be reclassified to profit or loss		
Currency translation differences	34	23
Other comprehensive income after taxes	34	23
Total comprehensive income	-8,510	-5,289
in EUR		
Earnings per share (basic)	-0.35	-0.22
Earnings per share (diluted)	-0.35	-0.22

*After adjustments in accordance with IAS 8.41ff. (see notes on the preparation of the financial report).

FROM 1 JULY TO 30 SEPTEMBER 2024

in EUR thousand	07-09 / 2024	07-09 / 2023*
Revenue	27,295	32,974
Changes in inventories of finished goods and work in progress	2,501	1,641
Other own work capitalized	1,150	1,222
Other income	776	836
Cost of materials	-10,836	-13,567
Staff costs	-13,523	-12,306
Depreciation and amortization*	-2,171	-2,276
Impairment expenses (including reversals) on financial assets and contract assets	0	-132
Other expenses*	-6,394	-5,805
Operating Result (EBIT)	-1,202	2,587
Finance income	1	0
Finance costs*	-189	-147
Earnings before tax	-1,390	2,440
Income taxes	-198	-196
Consolidated net profit/loss	-1,588	2,244
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Revaluations of defined benefit plans	0	0
Tax effects	0	0
Items that will be reclassified to profit or loss		
Currency translation differences	0	164
Other comprehensive income after taxes	0	164
Total comprehensive income	-1,588	2,408
in EUR		
Earnings per share (basic)	-0.07	0.09
Earnings per share (diluted)	-0.07	0.09

*After adjustments in accordance with IAS 8.41ff. (see notes on the preparation of the financial report).

CONSOLIDATED BALANCE SHEET

AS OF 30 SEPTEMBER 2024

in EUR thousand	09/30/ 2024	12/31/ 2023
ASSETS		
Intangible assets and goodwill	22,729	22,043
Property, plant and equipment	41,446	43,040
Trade receivables	0	23
Other financial assets	301	301
Other non-financial assets	19	20
Deferred tax assets	168	245
Non-current assets	64,663	65,672
Inventories	34,876	31,269
Trade receivables	24,802	36,394
Contract Assets	598	0
Income tax receivables	904	955
Other non-financial assets	3,779	3,505
Cash and cash equivalents	6,909	10,678
Current assets	71,868	82,801
Total assets	136,531	148,473

in EUR thousand	09/30/ 2024	12/31/ 2023
EQUITY		
Subscribed capital	24,497	24,497
Capital reserve	15,463	15,463
Other reserves	12,639	12,174
Net retained profits	34,477	42,982
Equity	87,076	95,116
LIABILITIES		
Provisions for pensions and similar obligations	325	346
Other financial liabilities	967	1,391
Deferred income	907	374
Contract liabilities	216	99
Trade payables	0	172
Other provisions	518	185
Deferred tax liabilities	2,571	2,114
Non-current liabilities	5,504	4,681
Other provisions	2,723	3,067
Other financial liabilities	11,384	12,216
Deferred income	36	88
Trade payables	6,475	9,790
Contract liabilities	17,521	17,647
Other non-financial liabilities	5,812	5,868
Current liabilities	43,951	48,676
Liabilities	49,455	53,357
Total equity and liabilities	136,531	148,473

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS OF 30 SEPTEMBER 2024

			Other reserves
in EUR thousand	Subscribed capital	Capital reserve	Other retained earnings
As of 01/01/2024	24,497	15,463	10,529
Consolidated net profit/loss			
Other comprehensive income after taxes			
Total comprehensive income	0	0	0
Changes in the consolidation scope			
Share-based payment			
As of 09/30/2024	24,497	15,463	10,529

			Other reserves
in EUR thousand	Subscribed capital	Capital reserve	Other retained earnings
Adjusted as of 01/01/2023	24,497	15,463	10,529
Consolidated net profit/loss			
Other comprehensive income after taxes			
Total comprehensive income	0	0	0
Adjusted as of 09/30/2023	24,497	15,463	10,529

	Revaluations of defined benefit plans	Share-based payment reserve	Foreign currency translation reserve	Net retained profits	Total equity
	-547	490	1,701	42,982	95,115
				-8,544	-8,544
	275		35		310
	275	0	35	-8,544	-8,234
				39	39
		156		0	156
	-272	646	1,736	34,477	87,076

	Revaluations of defined benefit plans	Share-based payment reserve	Foreign currency translation reserve*	Net retained profits*	Total equity
	-208	490	1,920	41,228	93,919
				-5,312	-5,312
	0		22		22
	0	0	22	-5,312	-5,290
	-208	490	1,942	35,916	88,629

CONSOLIDATED STATEMENT OF CASH FLOWS

FROM 1 JANUARY TO 30 SEPTEMBER 2024

in EUR thousand	01-09 / 2024	01-09 / 2023*
Cash flow from operating activities		
Consolidated net profit/loss*	-8,544	-5,312
Adjustments:		
Tax expenses	1,085	462
Financial expenses*	755	304
Financial income	-2	-12
Depreciation/amortization of non-current assets*	6,152	6,960
Gains/losses on the disposal of property, plant and equipment	-15	1
Impairment losses/reversals	320	918
Other non-cash expenses and income	325	1
Changes:		
Inventories	-4,015	-9,971
Trade receivables	11,626	-2,189
Other assets	-871	-1,822
Provisions	-31	67
Trade payables	-3,310	1,901
Other liabilities	281	1,980
Other:		
Interest received	2	12
Income taxes refund (paid)	-501	-1,042
Cash flow from operating activities	3,257	-7,742
Cash flow from investing activities		
Investments in intangible assets	-3,582	-4,603
Investments in property, plant and equipment	-1,420	-1,721
Revenue from the disposal of assets	14	418
Cash flow from investing activities	-4,988	-5,906

*After adjustments in accordance with IAS 8.41ff. (see notes on the preparation of the financial report).

in EUR thousand	01-09 / 2024	01-09 / 2023*
Cash flow from financing activities		
Dividends paid	0	0
Interest paid	-591	-297
Proceeds from (financial) borrowings	-700	9,801
Payments of lease liabilities*	-159	-685
Payments for repaying loans	-1,000	-3,150
Cash flow from financing activities	-2,450	5,669
Change in cash and cash equivalents		
Increase (decrease) in cash and cash equivalents	-4,181	-7,979
Cash and cash equivalents as of 1 January	10,678	12,785
Effects of exchange rate changes on cash and cash equivalents	412	228
Cash and cash equivalents as of end of reporting period	6,909	5,034

*After adjustments in accordance with IAS 8.41ff. (see notes on the preparation of the financial report).

NOTES ON THE PREPARATION OF THE QUARTERLY FINANCIAL REPORT

This financial report as of September 30, 2024 fully complies with the provisions of IAS 34 and the interpretations of the International Financial Interpretations Committee (IFRIC). The figures for the previous period have been calculated in accordance with the same principles, unless new standards require a change. The same applies to the accounting policies and calculation methods used in the interim financial statements.

Standards to be applied for the first time in the current financial year have already been applied. Estimates of amounts presented in previous interim reporting periods of the current financial year, the last annual financial statements or in previous financial years have not been changed in this financial report. Detailed explanations on the adjustment of prior-year figures in accordance with IAS 8 can be found in the notes to the consolidated financial statements as of December 31, 2023 in section B. Principles of preparation of the consolidated financial statements. There have been no significant changes to contingent liabilities and contingent assets since the last reporting date. This financial report has not been audited or reviewed by an auditor. Information on events of particular significance after the balance sheet date is provided in the supplementary report of the interim management report.

Basis of consolidation

In addition to the Group's parent company LPKF Laser & Electronics SE, Garbsen, the following subsidiaries have been included in the consolidated financial statements:

Name	Registered office	Equity interest in %
Full consolidation		
LPKF SolarQuipment GmbH	Suhl, Germany	100.0
LPKF WeldingQuipment GmbH	Fürth, Germany	100.0
LPKF Laser & Electronics d.o.o.	Naklo, Slovenia	100.0
LPKF Distribution Inc.	Tualatin (Portland), US	100.0
LPKF (Tianjin) Co. Ltd.	Shanghai, China	100.0
LPKF Shanghai Co., Ltd.	Shanghai, China	100.0
LPKF Laser & Electronics K.K.	Tokyo, Japan	100.0
LPKF Laser & Electronics Korea Ltd.	Seoul, Korea	100.0
LPKF Laser & Electronics Vietnam Co., Ltd.	Bac Ninh/Vietnam	100.0

To streamline and simplify the Group structures, LPKF Laser & Electronics Trading (Shanghai) Co. Ltd. was finally wound up in the second quarter of 2024. Any activities of the company were already transferred to other Group companies in previous years.

Transactions with related parties

There are no reportable business relations with persons affiliated to the LPKF Group.

Garbsen, 24th October 2024

LPKF Laser & Electronics SE

The Management Board



Dr. Klaus Fiedler

Chief Executive Officer



Christian Witt

Chief Financial Officer

FINANCIAL CALENDAR

27 March 2025	Publication of Annual Report 2024
30 April 2025	Publication of 3-months report
04 June 2025	Annual General Meeting
24 July 2025	Publication of 6-months report
30 October 2025	Publication of 9-months report

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For more information on LPKF Laser & Electronics SE and the addresses of our subsidiaries, please go to www.lpkf.com. This financial report can also be downloaded from our website.

Disclaimer

This financial report contains forward-looking statements that are based on the Management Board's current estimates and forecasts and on information currently available. These forward-looking statements are not to be understood as guarantees of forecast future performance and results. Instead, future performance and results depend on a large number of risks and uncertainties and are based on assumptions that might not prove accurate. We disclaim any obligation to update these forward-looking statements. For mathematical reasons, rounding differences may occur in percentage figures and numbers in the tables, illustrations and texts of this report.

This financial report is published in German and English. In case of any discrepancies, the German version shall prevail.

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