



Conference Call on Q2 2021

Dr. Stefan Wolf, CEO | Thomas Jessulat, CFO
August 5, 2021



Q2 2021

Headlines

- **Recovery of sales after Covid-19 impact** particularly on second quarter 2020 in Europe and North America
- **Group sales increased** by 56.1% to EUR 394 million, **organically up by 58.0%**
- Against the backdrop of a challenging economic environment, **Group EBIT increased to EUR 23.0 million** (Q2 2020: EUR -32.4m), **EBIT margin at 5.9%** (Q2 2020: -12.8%)
- **Operating free cash flow at EUR 37.0 million** (Q1 2021: EUR 28.6m)
- Continued optimization of net working capital to EUR 413 million, **net financial debt further reduced** to EUR 363 million, net debt/EBITDA now at 1.4
- **Extension of syndicated loan facility** by EUR 100 million to EUR 450 million in combination with a prolongation of total loan until early 2026

New orders in fuel cell business



① Green Corp Konnection (GCK)

- Stacks for industrial applications of high power systems
- First use in 2023 Dakar Rally
- NM12 Twin Stack with market-leading power of over 200 kW
- Designed for applications with high output requirements



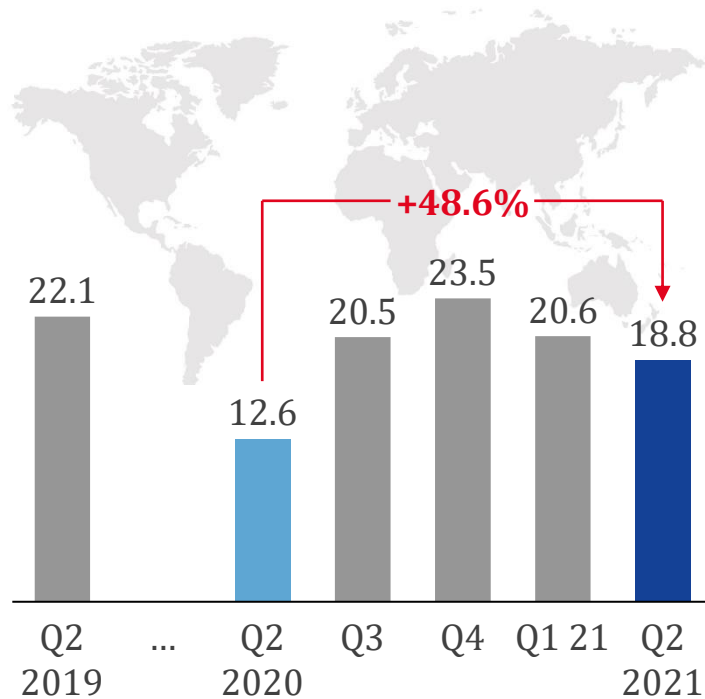
② AE Driven Solutions

- Volume: high double-digit million-euro range
- Multi-year contract from 2022 onward
- Eco-friendly drivetrains for inner-city transport
- NM5-evo stack with high power density of up to 4.6 kW/l

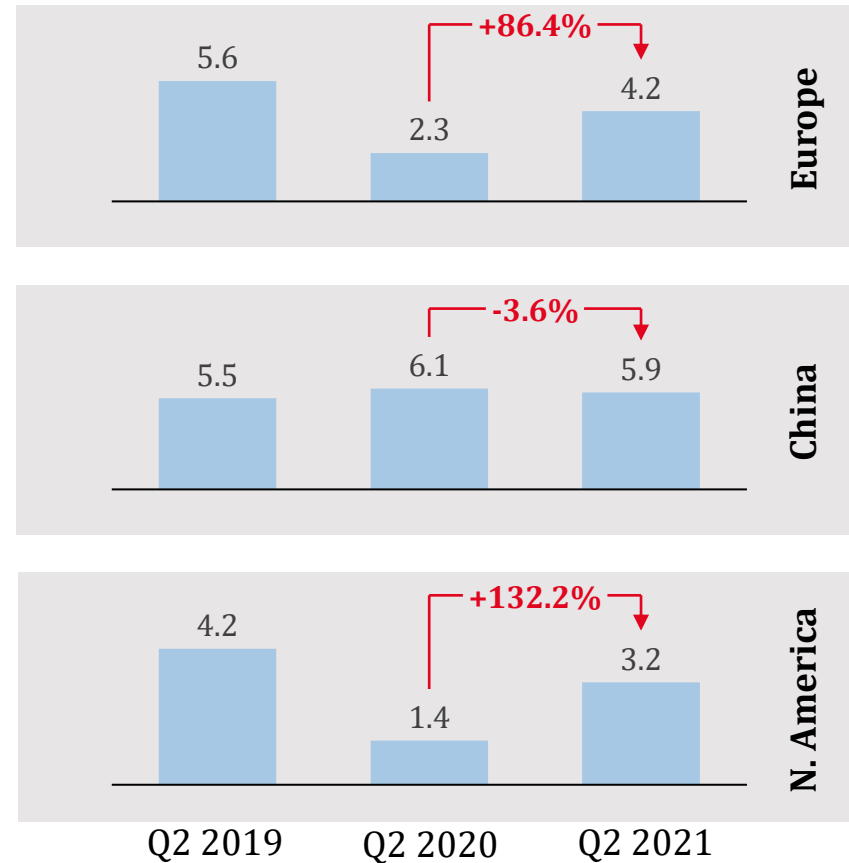
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Pre-pandemic level in China, recovery in Europe and North America

Global LV production – in million units



LV production in main markets – in million units



Source: IHS (07/2021), JP Morgan, ElringKlinger Research

Financials

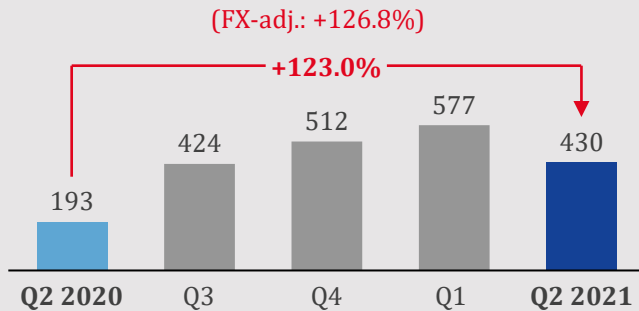
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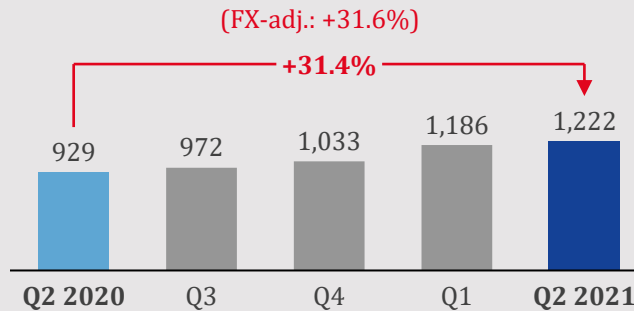
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Strong order situation continuing

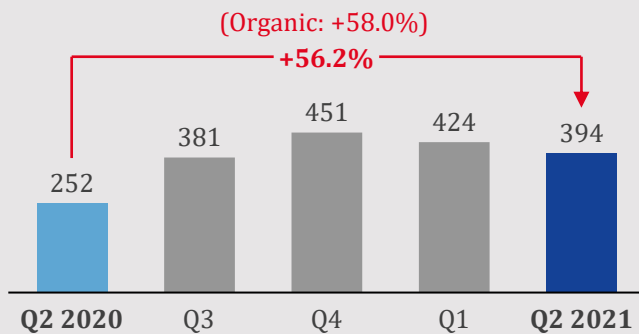
Order intake – in EUR million



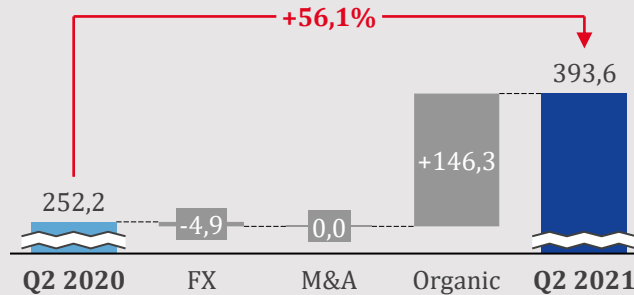
Order backlog – in EUR million



Sales – in EUR million

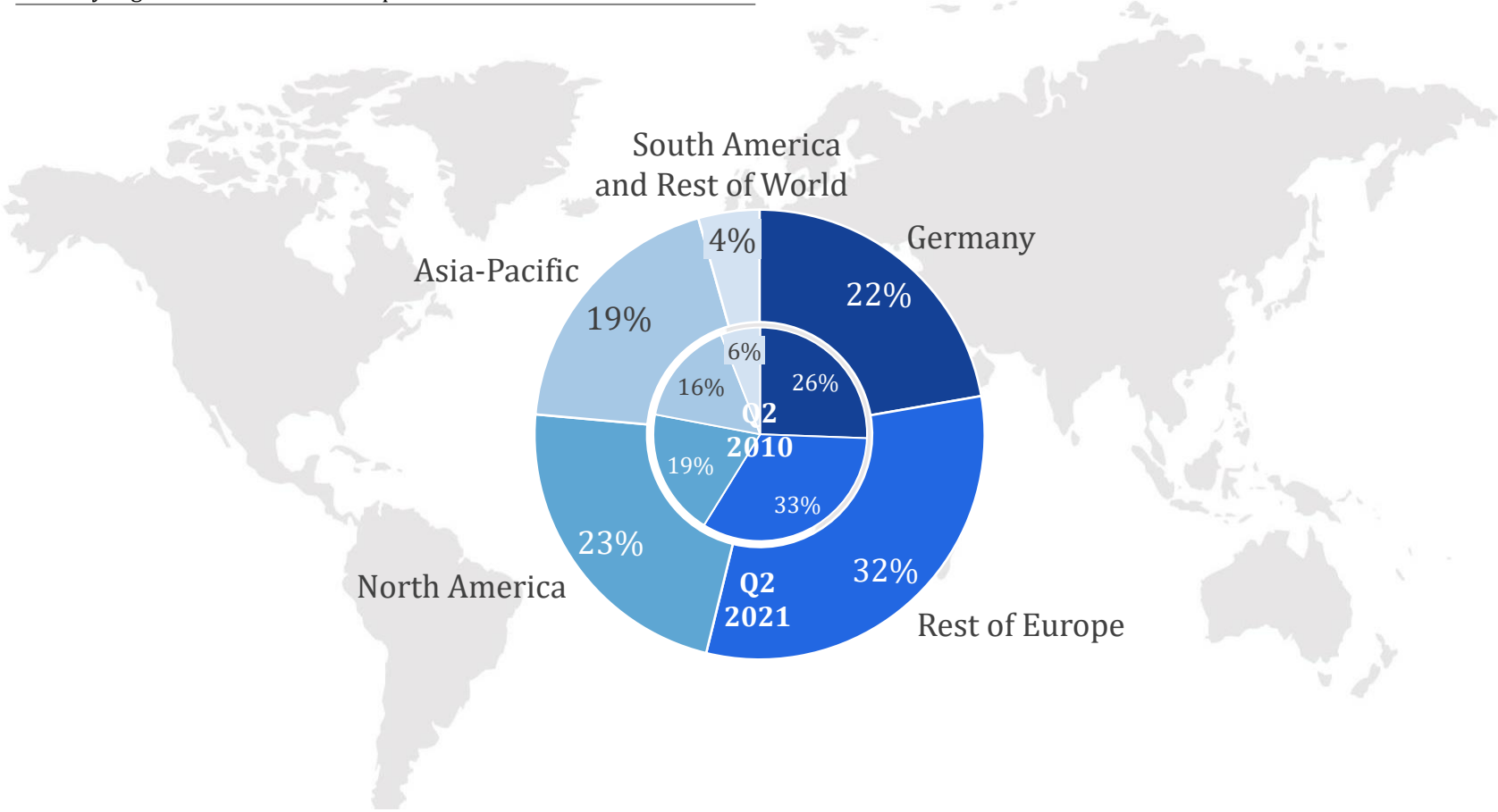


Sales bridge – in EUR million/ in %



Growth particularly in North America and Asia over the past decade

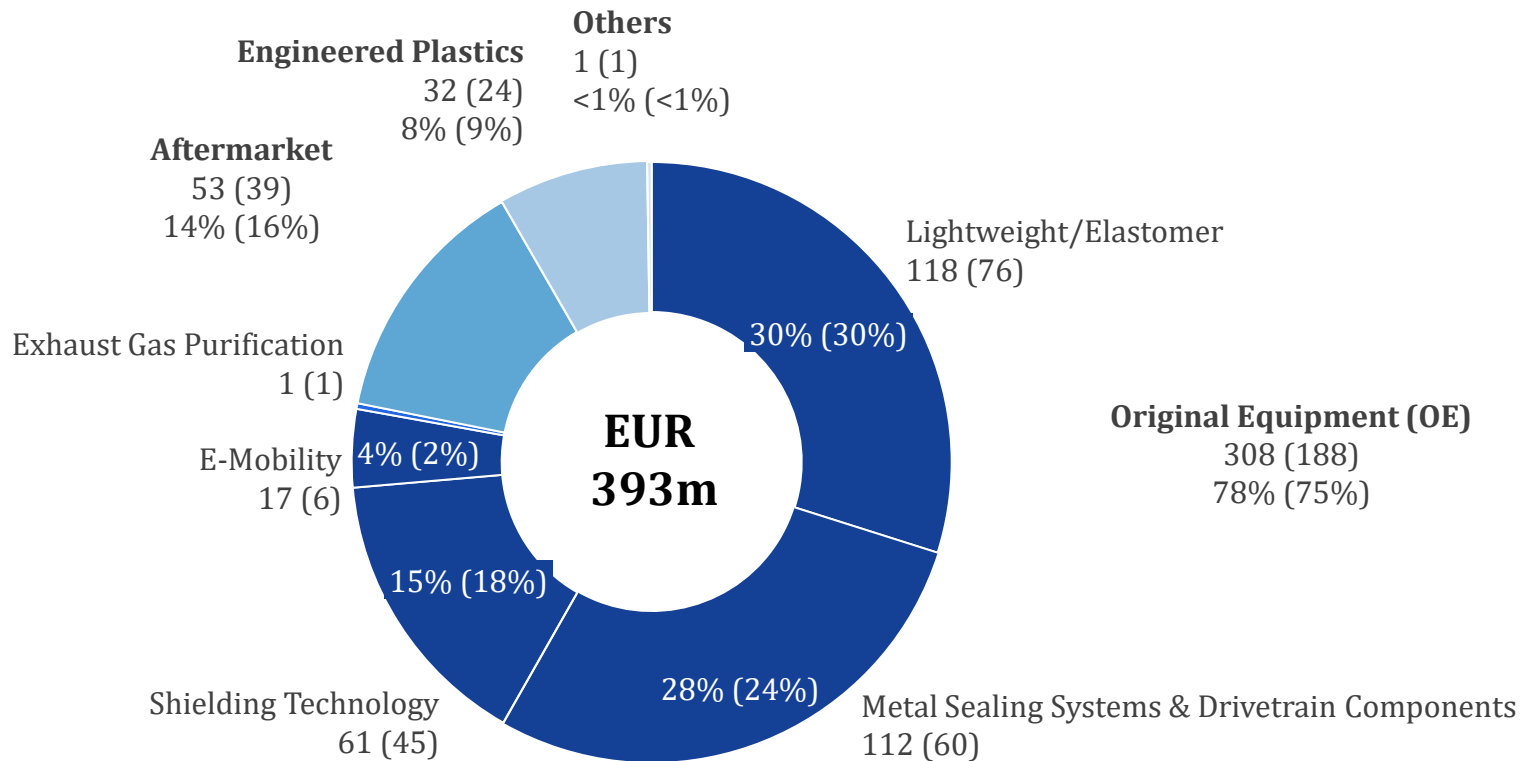
Growth LV production vs. sales ElringKlinger (FX adjusted) - in %
Sales by region - in EUR million resp. %



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E-Mobility and Metal Sealing & Drivetrain Comp. with rising sales share

Sales by segment – in EUR million
Share of total sales – in %

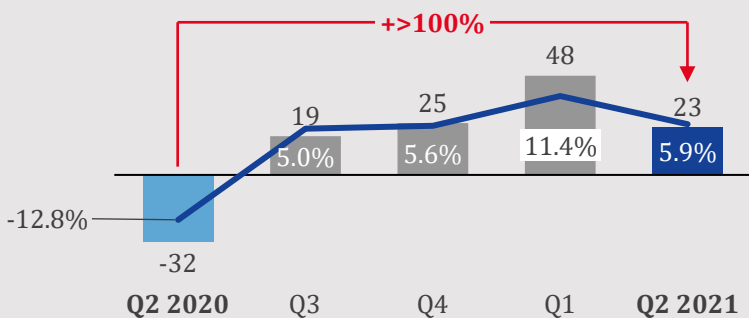


Previous year's Q2 figures in brackets

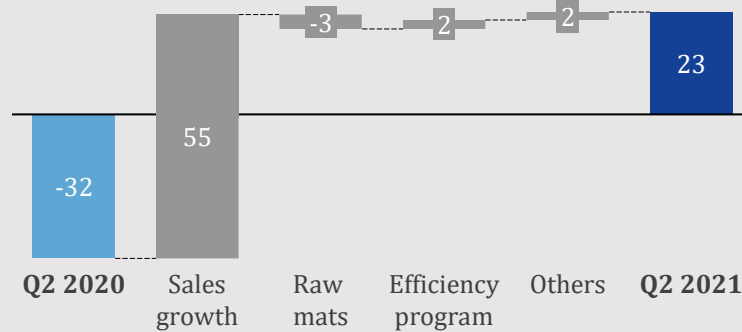
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Solid earnings after post-Covid-19 sales recovery

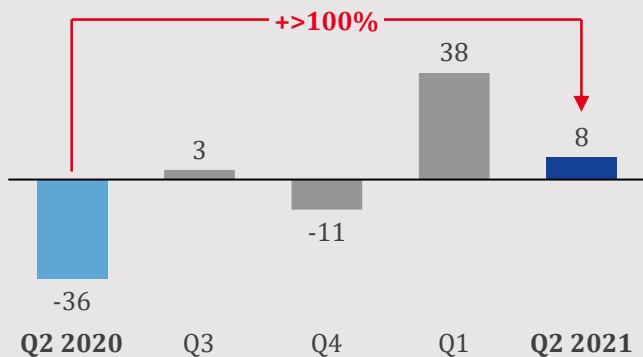
EBIT – in EUR million
EBIT margin – in % of total sales



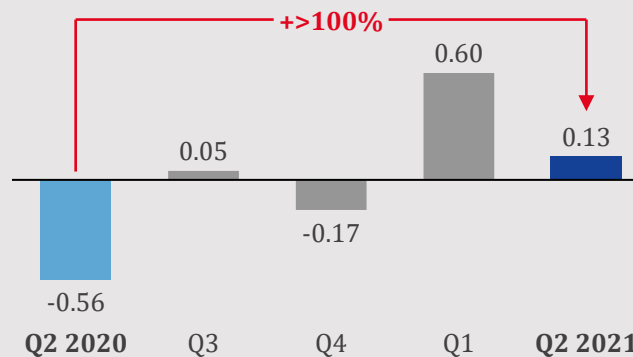
EBIT bridge – in EUR million



Net income (attr. to shareholders) – in EUR million



Earnings per share – in EUR



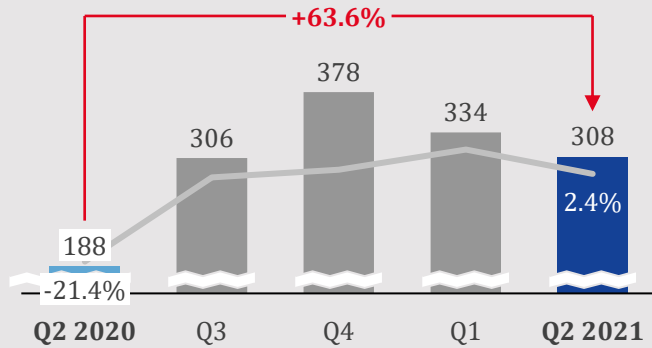
Differences due to rounding

Q2 2021

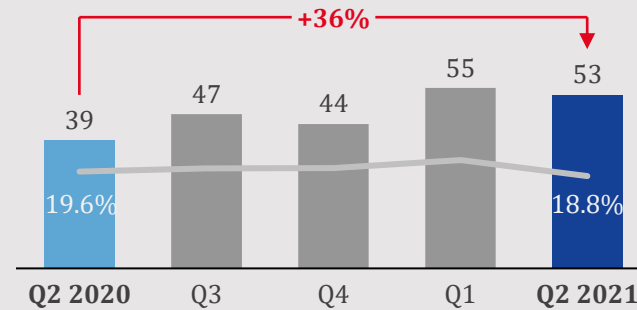
Strong performance particularly in Engineered Plastics

Sales – in EUR million
EBIT margin – in % of segmental sales

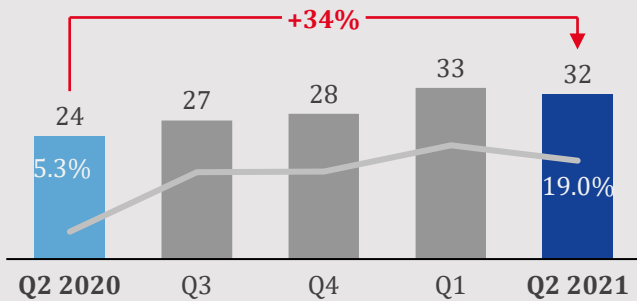
Original Equipment (OE)



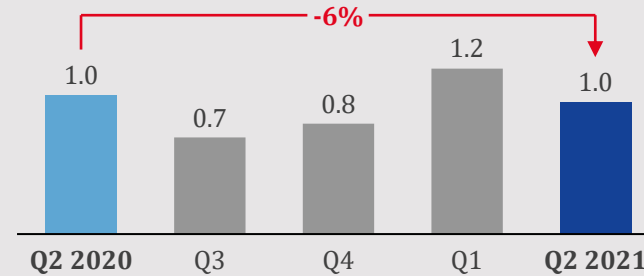
Aftermarket



Engineered Plastics



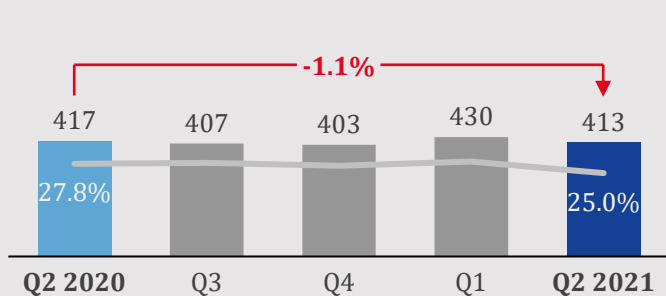
Others (sales only)



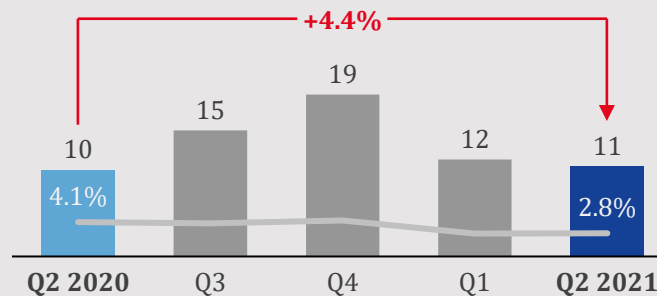
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Net working capital further optimized, strong operating free cash flow

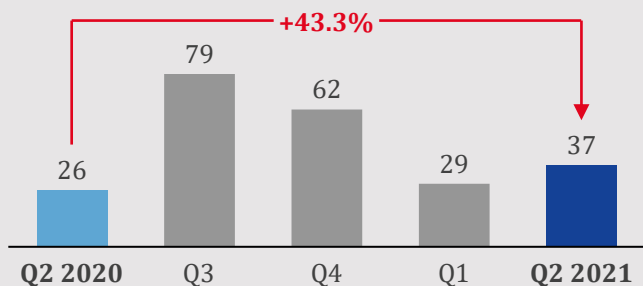
Net working capital / ratio - in EUR m / % of sales



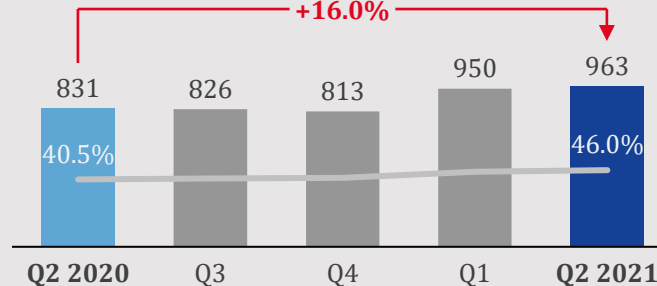
Capex / ratio - in EUR million / % of total sales



Operating free cash flow - in EUR million



Equity / ratio - in EUR million / % of total assets

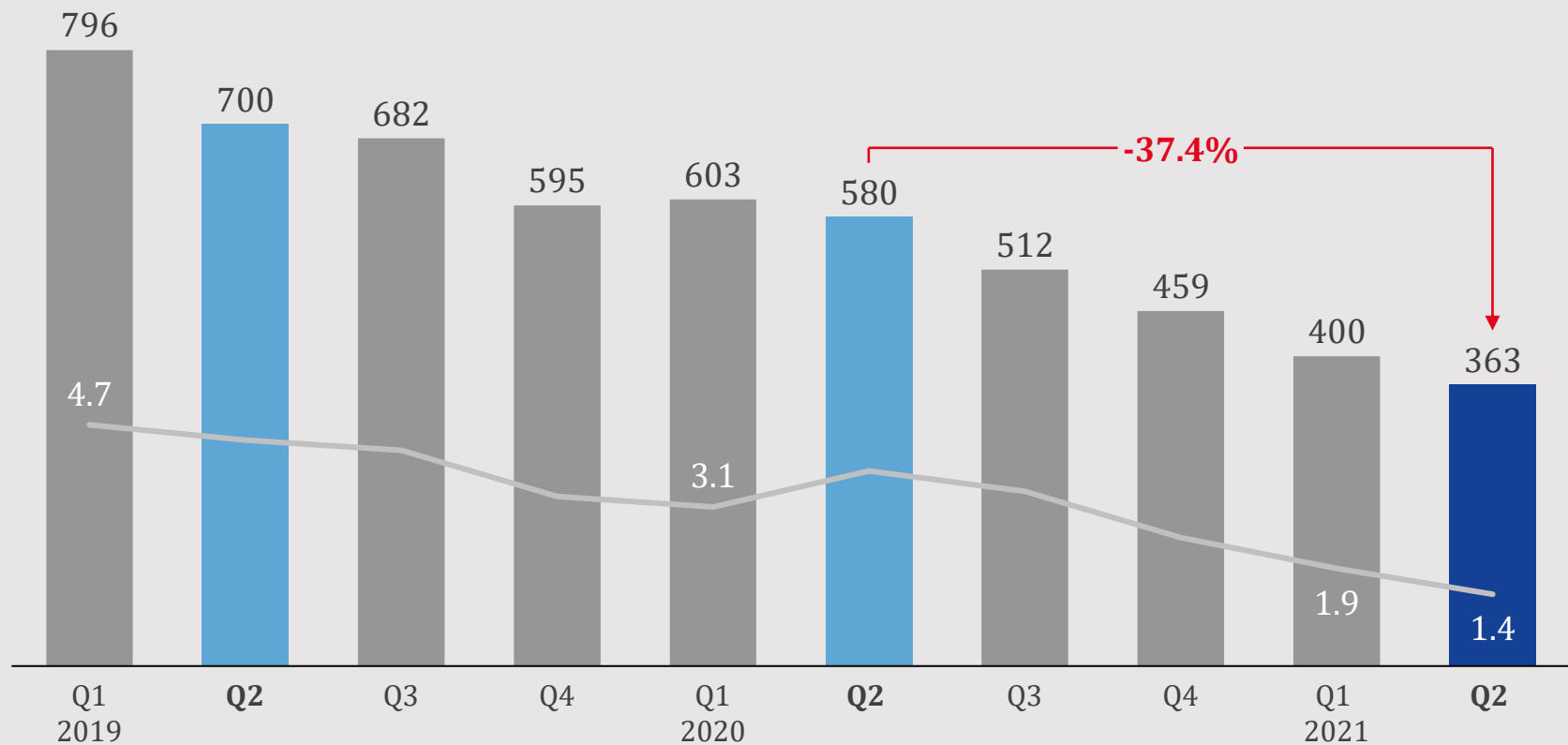


Differences due to rounding

Q2 2021

Strong track record of net financial debt reduction

Net debt/ Net debt/EBITDA – in EUR million



Outlook

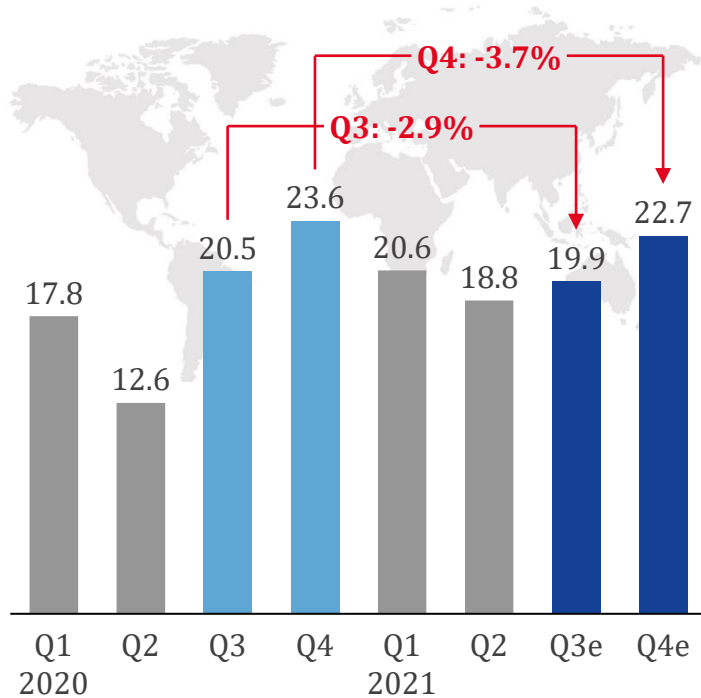
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A glowing, textured sphere with a blue and red core, surrounded by a complex, web-like blue structure, set against a dark blue background. The sphere has a bright, multi-colored center with blue, red, and white light. The surrounding structure is a dense, interconnected network of blue lines, resembling a molecular or cellular structure.

Q2 2021

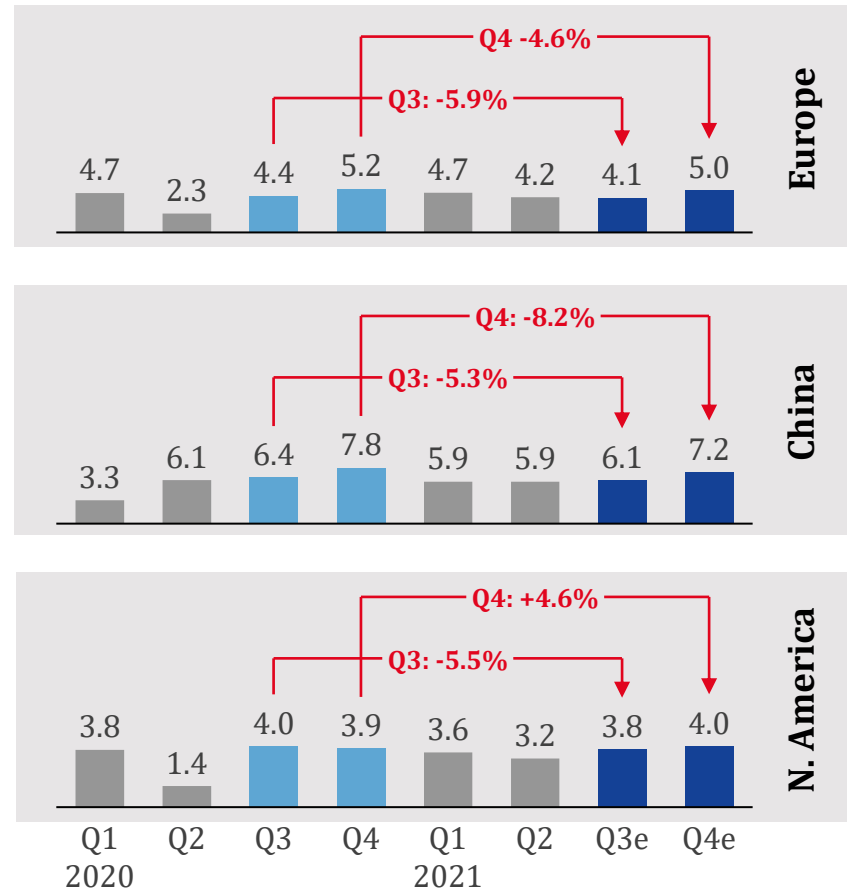
Solid production in H2 2021, but on the back of a strong prior H2

Global LV production – in million units



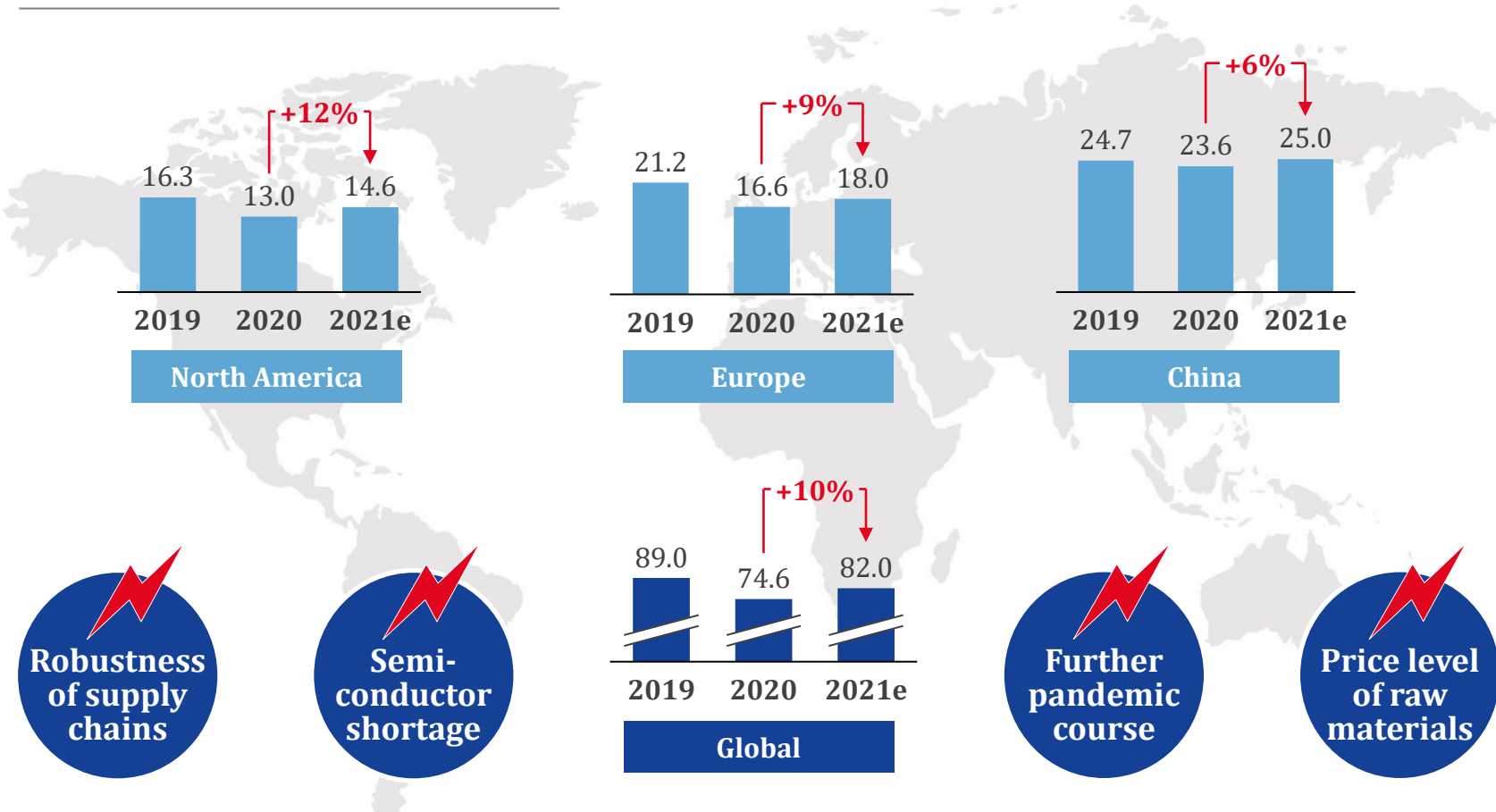
Source: IHS (07/2021), JP Morgan, ElringKlinger Research

LV production in main markets – in million units



Remaining year still highly uncertain

Light vehicle production by region – in million units



Source: IHS (07/2021), ElringKlinger Research

Outlook confirmed

2021

Midterm

Sales	Organic growth approximately at level of global LV production	Organic growth outpacing global LV production growth
EBIT margin	Around 5 to 6%	Gradually improving
ROCE	Visible year-on-year improvement	Steady annual improvement
Operating FCF	Positive in double-digit million-euro range	Positive
Net debt/ EBITDA	Year-on-year improvement	Less than 2.0

Q&A

H_2

Appendix



H_2

Group – Q2 2021

Consolidated income statement

	Q2 2021	Q2 2020
Sales revenue	393.6	252.2
Cost of sales	-302.8	-229.7
Gross profit	90.7	22.5
Gross margin	23.1	8.9
		in %
Selling expenses	-29.1	-23.8
General and administrative expenses	-21.1	-16.2
Research and development costs	-18.5	-13.9
Other operating income	3.9	2.3
Other operating expenses	-2.9	-3.2
Operating result (EBIT)	23.0	-32.4
Finance income	2.4	-0.9
Finance costs	-6.2	-4.1
Share of result of associates	-0.8	-1.4
Net finance costs	-4.6	-6.3
Earnings before taxes (EBT)	18.5	-38.7
Income tax expenses	-12.0	3.1
Net income	6.5	-35.5
of which: attributable to non-controlling interests	-1.4	-0.1
of which: attributable to shareholders of ElringKlinger AG	7.9	-35.5
Basic and diluted earnings per share (EPS)	0.13	-0.56
		in EUR

All figures in EUR million unless otherwise describe, differences due to rounding

Group – Q2 2021

Consolidated statement of financial position

Assets	As of June 30, 2021	As of Dec 31, 2020	Liabilities and equity	As of June 30, 2021	As of Dec 31, 2020
Intangible assets	202	201	Share capital	63	63
Property, plant, and equipment	930	940	Capital reserves	118	118
Investment property	0	0	Revenue reserves	730	684
Financial assets	15	15	Other reserves	-32	-89
Shares in associates	15	17	Equity attr. to shareh. of ElringKlinger AG	879	777
Non-current income tax assets	1	0	Non-controlling interest in equity	84	36
Other non-current assets	43	4	Equity	963	813
Deferred tax assets	29	24	Provisions for pensions	157	157
Contract performance costs	9	10	Non-current provisions	21	20
Non-current contract assets	0	1	Non-current financial liabilities	381	392
Non-current assets	1,244	1,212	Non-current contract liabilities	7	8
Inventories	343	301	Deferred tax liabilities	14	14
Current contract assets	10	10	Other non-current liabilities	7	7
Trade receivables	226	231	Non-current liabilities	587	597
Current income tax assets	4	5	Current provisions	28	27
Other current assets	102	71	Trade payables	156	129
Cash and cash equivalents	163	128	Current financial liabilities	159	205
Current assets	848	746	Current contract liabilities	31	31
Assets held for sale	0	5	Tax payable	32	33
Total assets	2,092	1,963	Other current liabilities	136	125
			Current liabilities	542	551
			Liabilities in connection with assets held for sale	0	2
			Total liabilities and equity	2,092	1,963

All figures in EUR million unless otherwise describe, differences due to rounding

Group – Q2 2021

Consolidated statement of cash flows

	Q2 2021	Q2 2020		Q2 2021	Q2 2020
Earnings before taxes (EBT)	18	-39	Proceeds from disposals of PPE, intangible assets and investment property	1	0
Depreciation/amortization (less write-ups) of non-current assets	27	31	Proceeds from disposals of financial assets	2	0
Net interest	2	4	Proceeds from the disposal of subsidiaries	0	0
Change in provisions	-1	0	Payments for investments in intangible assets	-4	-3
Gains/losses on disposal of non-current assets	0	0	Payments for investments in PPE and investment property	-11	-10
Share of result of associates	1	1	Payments for investments in financial assets	-4	-1
Change in inventories, trade receivables and other assets not resulting from financing and investing activities	9	63	Net cash from investing activities	-15	-14
Change in trade payables and other liabilities not resulting from financing and investing activities	15	-15	Dividends paid to shareholders and to non-controlling interests	-2	-1
Income taxes paid	-21	-6	Proceeds from addition of long-term loans	29	15
Interest paid	-2	-4	Payments for the repayment of long-term loans	-64	-8
Interest received	0	0	Changes in current loans	-2	17
Other non-cash expenses and income	0	4	Net cash from financing activities	-37	23
Net cash from operating activities	50	40	Changes in cash	-2	48
			Effects of currency exchange rates on cash	0	-1
			Cash at beginning of the period	165	101
			Cash at end of period (as per financial statement)	163	148

All figures in EUR million unless otherwise describe, differences due to rounding

Group – Q2 2021

Key figures

	Q2 2021	Q2 2020	Δ abs.	Δ rel.
Order intake	429.5	192.6	+236.9	+123%
Order backlog	1,222	929.4	+292.6	+31%
Sales	393.6	252.2	+141.4	+56%
EBITDA	50.4	-0.9	+51.3	+>100%
EBIT (reported)	23.0	-32.4	+55.4	+>100%
EBT	18.5	-38.7	+57.2	+>100%
Net income attributable to shareholders	7.9	-35.5	+43.4	+>100%
Earnings per share <i>in EUR</i>	0.13	-0.56	+0.69	+>100%
Capex	10.9	10.4	+0.5	+5%
Operating free cash flow	37.0	25.8	+11.1	+43%
Net working capital	413.0	417.4	-4.4	-1%
Equity ratio <i>in %</i>	46.0	40.5	+5.5	+14%
Net financial debt	363.3	579.9	-216.6	-37%
Employees (as at June 30)	9,608	9,991	-383	-4%

All figures in EUR million unless otherwise describe, differences due to rounding

Group – Last 5 quarters

Key figures

	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Order intake	430	577	512	424	193
Order backlog	1,222	1,186	1,033	972	929
Sales	393.6	424	451	381	252
EBITDA	50.4	77	88	49	-0.9
EBIT (reported)	23.0	48.4	25.2	18.9	-32.4
EBIT margin (in %)	5.9	11.4	5.6	5.0	-12.8
EBT	18.5	49.4	9.8	9.2	-38.7
Net income attributable to shareholders	7.9	37.9	-10.7	3.4	-35.5
Earnings per share (in EUR)	0.13	0.60	-0.17	0.05	-0.56
Capex (in PPE)	10.9	11.6	19.4	15.1	10.4
Operating free cash flow	37.0	28.6	62.4	78.6	25.8
Net working capital ¹	413.0	430.4	403	407	417
Equity ratio (in %)	46.0	45.0	41.4	41.0	40.5
Net financial debt ²	363.3	400.2	459	512	580
Employees (as at quarter-end)	9,608	9,597	9,724	9,770	9,991

All figures in EUR million unless otherwise described, differences due to rounding

¹ Incl. current contract assets, less current contract liabilities
² As from FY2020 reduced by time deposits and current securities

Group – Last 5 quarters

Segmental figures

		Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Group	Sales	394	424	451	381	252
	EBIT (reported)	23.0	48.4	25.2	18.9	-32.4
	EBIT margin (in %)	5.9	11.4	5.6	5.0	-12.8
Original Equipment	Sales	308	334	378	306	188
	EBIT (reported)	7.3	29.3	12.8	4.3	-40.5
	EBIT margin (in %)	2.4	8.8	3.4	1.4	-21.4
Aftermarket	Sales	53	55	44	47	39
	EBIT (reported)	10.0	11.9	8.9	9.6	7.7
	EBIT margin (in %)	18.8	21.6	20.4	20.3	19.7
Engineered Plastics	Sales	31.8	33.1	28.1	26.8	23.8
	EBIT (reported)	6.0	7.2	4.7	4.5	1.3
	EBIT margin (in %)	18.9	21.8	16.9	16.8	5.5
Others	Sales	1.0	1.2	0.8	0.7	1.0
	EBIT (reported)	-0.3	-0.0	-1.3	0.5	-0.8
	EBIT margin (in %)	n.a.	n.a.	n.a.	20.0	n.a.

All figures in EUR million unless otherwise described, differences due to rounding

Disclaimer

Forward-looking statements and predictions

This presentation contains statements about the future. These statements are based on current expectations, market evaluations and predictions by the Management Board, and on information that is currently available to them. The statements about the future should not be interpreted as guarantees of the future developments and results that they refer to. Whilst the Management Board is convinced that the statements that have been made, and the convictions and expectations on which they are based, are realistic, they rely on suppositions that may conceivably prove to be incorrect; future results and developments are dependent on a multitude of factors, they involve various risks and imponderabilities that can affect whether the ongoing development deviates from the expectations that have been expressed. These factors include, for example, changes to the general economic and business situation, variations of exchange rates and interest rates, poor acceptance of new products and services, and changes to business strategy.