

## THE BOARD OF DIRECTORS APPROVES THE FINANCIAL RESULTS AS OF SEPTEMBER 30, 2024

**Group Revenues and adjusted EBITDA as at September 30<sup>th</sup>, 2024 in line with results as of September 30<sup>th</sup> 2023, thanks to the increasing global demand of electrification in automotive, offsetting the weak demand in the industrial field in Europe.**

**Acquisition of 40% stake, and control, of Kumar finalized.**

- **Group revenues in 9M 2024** at € 649 million (+1% compared to € 644 million in 9M 2023) and equal to € 227 million in Q3 2024 (+19% compared to € 190 in Q3 2023)
- **Growth in the EV & Automotive segment confirmed**, with revenues in 9M 2024 at € 416 million (+15% compared to 9M 2023) and equal to € 152 million in Q3 2024 (+29% compared to Q3 2023)
- **Strong growth in China continues**, with 9M 2024 revenues at € 87 million (+167% compared to €33 million in 9M 2023), with further acceleration in Q3 2024 with Revenues from China at € 38 million (+262% YoY)
- **Adjusted EBITDA** at € 82 million in 9M 2024 (€ 83 million in 9M 2023), reflecting increased start-up and ramp-up costs in the period for newly acquired projects. In Q3 2024 the adjusted EBITDA stood at € 31 million (+21% compared to € 26 million in Q3 2023)
- **EBIT** was € 48 million in 9M 2024 (€ 59 million in 9M 2023) with higher depreciation costs in 2024. In Q3 2024 EBIT was € 18 million (€ 17 million in Q3 2023).
- **EV traction order book<sup>1</sup> and pipeline** as of September 30, 2024, stand at € 5.6 billion and € 5.1 billion, respectively
- **Acquisition of a 40% stake, and control** - throughout a shareholders' agreement relating to the governance - **of Kumar Precision Stampings**, a leading player in the Indian industrial market, was finalized.

**Baranzate (MI), November 14, 2024** – The Board of Directors of EuroGroup Laminations S.p.A. ("EuroGroup" or the "Group" or the "Company" or "EGLA") – a world leader in the design, production, and distribution of stators and rotors for electric motors and generators – met today chaired by Mr Sergio Iori and approved the Interim Financial Results as of September 30<sup>th</sup>, 2024."

**Marco Arduini, Chief Executive Officer at EuroGroup Laminations, commented:** "Our results as of September 2024 confirm the continued growth in global demand for automotive electrification, with a very positive trend in China, which is a strategic area for our Group and where revenues continue to show triple-digit growth, with a particular acceleration observed in the third quarter of this year. We are also pleased to announce the closing of the acquisition and control of Kumar. This transaction continues the strengthening of the global positioning of our Industrial Business Unit. We are entering a new market, India, which is characterized by great potential for growth in the coming years, allowing us to realize synergies and enhance production flexibility. This operation also allows us to broaden the scope of our Business to magnetic laminations for Transformers, thus completing EGLA's presence in the different areas of electrification (generation, distribution, consumption). Thanks to the energy transition, that of Transformers represents another sector with high development potential, not only in India."

<sup>1</sup> Aggregate revenues expected from customer-awarded orders starting from October 2024 for the following 70 months  
EuroGroup Laminations S.p.A.

## KEY GROUP FINANCIAL RESULTS AS OF 30 SEPTEMBER 2024

€/000	9M 2024	9M 2023	Var %	Q3 2024	Q3 2023	Var %
Revenues	649,123	644,196	0.8%	226,655	190,392	+19.0%
Adjusted EBITDA	82,084	83,193	(1.3%)	30,988	25,590	+21.1%
EBIT	48,448	59,089	(18.0%)	18,372	17,053	+7.7%

€/000	30/09/2024	31/12/2023
Net financial debt	214,257	110,786
Equity	461,275	459,187

In the first nine months of 2024, revenues amounted to €649.1 million, showing a slight increase compared to the first nine months of 2023 (when they were equal to €644.2 million). This result was driven by the strong growth in the EV & Automotive segment, which more than offset the reduction in the 9M in the Industrial segment.

### Group revenues by operating segment

€/000	9M 2024	9M 2023	Var %	Q3 2024	Q3 2023	Var %
EV & Automotive	415,570	363,058	+14.5%	151,661	117,918	+28.6%
Industrial	233,553	281,138	(16.9%)	74,994	72,474	+3.5%
<b>Total Revenues</b>	<b>649,123</b>	<b>644,196</b>	<b>+0.8%</b>	<b>226,655</b>	<b>190,392</b>	<b>+19.0%</b>

The **EV & Automotive segment** recorded revenues of €415.6 million, up 14.5% compared to the first 9M of 2023 (when they were equal to €363.1 million). This growth was primarily driven by increased production volumes on new projects and production ramp-ups in response to growing demand for EV products across various clients, in line with the order book execution, thus reaffirming the Group's leadership in its target markets.

The **Industrial segment** reported revenues of €233.6 million, down from €281.1 million in the same period of 2023 (-16.9% year-on-year). The revenue decline was mainly due to reduced volumes resulting from the ongoing de-stocking process by the Group's European customers within a macroeconomic context of slowing consumption. Additionally, further reductions in raw material prices contributed to the lower revenues.

### Group revenues by Geographic area

€/000	9M 2024	9M 2023	Var %	Q3 2024	Q3 2023	Var %
EMEA	310,602	372,789	(16.7%)	93,335	105,646	(11.7%)
<i>of which Italy</i>	303,502	367,113	(17.3%)	91,476	104,109	(12.1%)
North America	251,286	238,710	+5.3%	95,299	74,241	+28.4%
<i>of which Mexico</i>	211,164	197,716	+6.8%	81,761	60,574	+35.0%
<i>of which USA</i>	40,122	40,994	(2.1%)	13,538	13,667	(0.9%)
Asia	87,235	32,697	+166.8%	38,021	10,505	+261.9%
<i>of which China</i>	87,235	32,697	+166.8%	38,021	10,505	+261.9%
<b>Total Revenues</b>	<b>649,123</b>	<b>644,196</b>	<b>+0.8%</b>	<b>226,655</b>	<b>190,392</b>	<b>+19.0%</b>

Revenues in the **EMEA region** for the first nine months of 2024 totalled €310.6 million

(€372.8 million in the first nine months of 2023), a decrease of 16.7%, largely attributable to a slowdown in demand within the Industrial segment.

Revenues in **North America** amounted to € 251.3 million, an increase from €238.7 million in the first nine months of 2023 (+5.3%), driven by higher sales in the EV & Automotive segment, which more than offset the decline in the Industrial segment. Specifically, revenues in Mexico reached € 211.2 million (€ 197.7 million in the first nine months of 2023), growing by 6.8%. Revenues from the United States (entirely related to the Industrial segment) amounted to € 40.1 million (€ 41.0 million in the first nine months of 2023).

Revenues in **Asia**, where the EV & Automotive segment surpassed the Industrial segment in 2023, reached € 87.2 million, representing a growth of 167% compared to the same period in 2023 (€ 32.7 million), with further acceleration observed in the third quarter of 2024. This increase reflects the ramp-up of production for new projects in the EV & Automotive segment. Production for the first Chinese OEM is scheduled to begin in the fourth quarter of 2024 as part of the Group's growth strategy aimed at expanding market penetration in the region, particularly among Chinese electric vehicle manufacturers. In this regard, it should be mentioned the Memorandum of Understanding which EuroGroup Laminations signed in early August 2024 to negotiate a potential strategic partnership with Hixih Rubber Industry Group, a leading automotive component supplier in the Chinese market.

**In 9M 2024, adjusted EBITDA**, excluding non-recurring costs, amounted to € 82.1 million, compared to an adjusted EBITDA of € 83.2 million in the same period of 2023.

Adjusted EBITDA by operating segment:

- The adjusted EBITDA for the EV & Automotive segment in the first nine months of 2024 was €54.0 million, up from €50.0 million in the first nine months of 2023 (+8%), with an adjusted EBITDA margin of 13.0%, down from 13.8% in the first nine months of 2023, due to the start-up and ramp-up costs undertaken in 2024.
- The adjusted EBITDA for the Industrial segment was € 28.1 million, compared to € 33.2 million in the same period of 2023 (-15.4%), with an adjusted EBITDA margin of 12.0%, broadly in line with the 11.8% margin recorded in the first nine months of 2023. The impact of reduced production volumes on the adjusted EBITDA margin for the Industrial segment was mitigated by the Group's ability to manage activity fluctuations synergistically between the two business segments, while the pass-through mechanism offset the negative impact of raw material deflation on the top line.

**Reported EBITDA** in the first nine months of 2024 amounted to € 80.2 million, compared to a reported EBITDA of € 82.4 million in the same period of the previous year.

**EBIT** in the first nine months of 2024 was € 48.4 million, compared to € 59.1 million in the same period of 2023. This performance primarily reflects an increase in depreciation and amortization, amounting to € 31.7 million in the first nine months of 2024 (€ 23.3 million in the same period of 2023), mainly due to the progress of the investment plan supporting growth in the EV & Automotive segment, accounting for over 80% of the total investments of 9M 2024.

**Net profit** in the first nine months of 2024 was €21.6 million, compared to €30.5 million in the same period of 2023, primarily due to the aforementioned factors.

**Order Book and Pipeline:** The order book<sup>2</sup> for the EV & Automotive segment stands at an

<sup>2</sup> Aggregate revenues expected from customer-awarded orders starting from July 2024 for the following 70 months.

estimated value of € 5.6 billion, with an additional € 5.1 billion in the pipeline as of September 30, 2024.

### Balance sheet key figures

In the first nine months of 2024, **investments (CAPEX)** amounted to €71.4 million (compared to €75.1 million in the same period of 2023). These investments are linked to the Group's expansion plans, primarily in the EV & Automotive segment, which accounted for over 80% of total investments made.

As of September 30, 2024, **Net Trade Working Capital** stood at €240.0 million (€179.1 million as of December 31, 2023). This trend is mainly attributable to the increase in inventories needed to support approximately 10 production starts for new EV & Automotive projects across all regions expected by the end of the year, 8 of which were already launched in the first nine months of 2024.

As of September 30, 2024, **Net financial debt** was €214.3 million, compared to €110.8 million as of December 31, 2023, with a leverage ratio of 1.9x as of September 30, 2024, versus 1.0x as of December 31, 2023. This increase is mainly due to the seasonal absorption of working capital and operational investments supporting production capacity growth in the EV & Automotive segment. Excluding the effects of buyback operations undertaken in the first half of 2024 and dividend payments, net financial debt would be approximately €195 million, of which €49 million is related to IFRS 16 impacts.

### OUTLOOK

In light of the observed trends in the dynamics of the two business segments, the targets for 2024 are confirmed at the low end of the guidance range, with consolidated revenues of approximately €900 million, EBITDA of approximately €120 million, investments for approximately €80 million and Net trade working capital of approximately €200 million.

Medium-term growth targets are confirmed, with a 2024-2026 CAGR of Revenues and EBITDA expected between 24% and 27%.

\*\*\*

The executive responsible for preparing the company's financial reports, Matteo Perna, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Finance Act, that the accounting information contained in this press release corresponds to the documented results, books, and accounting records.

\*\*\*

This press release on the consolidated results for the first nine months of 2024, which have not been audited, is prepared on a voluntary basis in accordance with Article 82-ter, 'Additional Periodic Financial Information,' of Consob Issuers' Regulation No. 11971 of March 14, 1999, as subsequently amended and supplemented. It continues the quarterly reporting previously provided by EuroGroup Laminations and aligns with the minimum content and timing established in the Group's financial calendar.

\*\*\*

The income statement, balance sheet and financial position information have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union.

In this document, in addition to the financial measures required by IFRS, a number of measures derived from latter, though not required by IFRS (Non-GAAP Measures), are

presented in line with ESMA's guidelines on Alternative Performance Indicators (ESMA/2015/1415 Guidelines, adopted by Consob with Notice No. 92543 of December 3, 2015) published on October 5, 2015. These measures are provided to enable a better assessment of the Group's operating performance and should not be considered as alternatives to those required by IFRS.

\*\*\*

This document contains forward-looking statements regarding future events and future operating, economic, and financial results of EuroGroup Laminations. These statements inherently involve risks and uncertainties, as they depend on the occurrence of future events and developments. Actual results may therefore differ significantly from those announced due to a variety of factors, most of which are beyond the control of EuroGroup Laminations.

\*\*\*

**ATTACHMENTS:** Attached to this press release are the consolidated financial statements, including the Statement of Financial Position, Income Statement, and Cash Flow Statement as of September 30, 2024.

This press release is available on the Group's website <https://euro-group.it/>, in the Investors/Press Release section, as well as on the authorized storage device [lInfo \(www.linfo.it\)](http://www.linfo.it)

\*\*\*

The presentation summarizing key figures for 9M 2024 will be made available on [www.eurogroup.com](http://www.eurogroup.com) in the Investor Relations section, in support of the call with financial analysts and investors scheduled for tomorrow, 15th November 2024 at 10:30am CET.

#### FOR FURTHER INFORMATION

##### [EUROGROUP LAMINATIONS – INVESTOR RELATIONS](#)

Ilaria Candotti | Head of Investor Relations | [ir@euro-group.it](mailto:ir@euro-group.it)

##### [PRESS OFFICE | COMMUNITY – COMMUNICATION ADVISORS](#)

Giulia Polvara | [giulia.polvara@community.it](mailto:giulia.polvara@community.it) | T. +39 334 2823 514

Valeria Longo | [valeria.longo@community.it](mailto:valeria.longo@community.it) | T. +39 351 1410 677

#### **ABOUT EGLA**

*EuroGroup Laminations is a world leader in the design, production and distribution of the motor core (stators and rotors) for electric motors and generators. The Group's business is organized along two segments: (i) EV & AUTOMOTIVE, which designs and produces the motor core of electric motors used in electric vehicle traction, as well as a wide range of non-traction automotive applications; and (ii) INDUSTRIAL, which designs and manufactures products used in various applications including among others industrial applications, home automation, HVAC equipment, wind energy, logistics and pumps. With registered office in Baranzate (MI), EuroGroup Laminations recorded revenues of approximately € 836 million in 2023, currently has a workforce of approximately 3,000 employees, 8 production plants in Italy and 7 abroad (2 in Mexico, 2 in China, 1 in the United States, 1 in India and 1 in Tunisia) and an Order Book for the EV & AUTOMOTIVE segment with an estimated value of approximately € 5.6 billion, and a pipeline of orders under discussion at approximately €5.1 billion.*

## Consolidated Statement of Financial Position as of September 30<sup>th</sup>, 2024

<i>(Amounts in thousands of Euro)</i>	September 30 2024	December 31 2023
Goodwill	10,543	10,543
Intangible assets	7,232	7,517
Tangible Assets	311,302	269,341
Rights of use	68,121	61,122
Non-current financial assets and receivables	3,484	3,649
Deferred tax assets	17,362	20,810
Other non-current assets	3,001	2,241
<b>Total non-current assets</b>	<b>421,045</b>	<b>375,223</b>
Inventories	349,632	357,044
Trade receivables	158,716	117,544
Cash and cash equivalents	170,941	204,836
Other current assets and receivables	63,324	66,710
Current financial assets and receivables	60,887	50,736
Tax receivables	5,423	3,188
<b>Total current assets</b>	<b>808,923</b>	<b>800,058</b>
<b>Total assets</b>	<b>1,229,968</b>	<b>1,175,281</b>
Share Capital	6,112	6,112
Share premium reserve	270,288	270,288
Other reserves	(15,041)	(4,016)
Retained earnings	161,761	151,966
<b>Total Group's equity</b>	<b>423,120</b>	<b>424,350</b>
<b>Total equity of third parties</b>	<b>38,155</b>	<b>34,837</b>
<b>Total equity</b>	<b>461,275</b>	<b>459,187</b>
Non-current financial liabilities	233,676	167,589
Non-current financial liabilities from rights of use	41,120	40,117
Employee benefits	4,555	4,657
Provisions for risks and charges	475	637
Deferred tax liabilities	15,214	17,811
Other non-current liabilities	7,216	6,802
<b>Total non-current liabilities</b>	<b>302,256</b>	<b>237,613</b>
Current financial liabilities	163,199	147,303
Current financial liabilities from rights of use	7,873	11,178
Trade payables	268,333	295,448
Tax liabilities	2,610	999
Other current liabilities	24,422	23,553
<b>Total current liabilities</b>	<b>466,437</b>	<b>478,481</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,229,968</b>	<b>1,175,281</b>

## Consolidated Income Statement as of September 30, 2024

<i>(Amounts in thousands of Euro)</i>	September 30 2024	September 30 2023
Revenues	649,123	644,196
Other revenues and income	4,128	2,696
Changes in inventories of finished and semi-finished products	(263)	9,994
Raw material costs	(402,228)	(419,377)
Costs for services	(77,803)	(73,038)
Personnel costs	(90,773)	(80,814)
Other operating expenses	(1,987)	(1,260)
Depreciation and amortisation	(31,748)	(23,308)
<b>Operating profit</b>	<b>48,449</b>	<b>59,089</b>
Financial expenses	(21,949)	(16,235)
Financial income	4,579	3,910
Exchange (gains) losses	(1,969)	(2,518)
<b>Profit before tax</b>	<b>29,110</b>	<b>44,246</b>
Taxes	(7,499)	(13,790)
<b>Profit for the period</b>	<b>21,611</b>	<b>30,456</b>
Profit attributable to the Group	16,858	27,408
Profit attributable to third parties	4,753	3,048
Earnings per share	<b>0.10</b>	<b>0.17</b>

## Consolidated cash flow statement as of September 30, 2024

<i>(Amounts in thousands of Euro)</i>	September 30 2024	September 30 2023
<b>Profit for the period</b>	<b>21,611</b>	<b>30,456</b>
Income taxes	7,499	13,790
Depreciation and amortisation	31,748	23,308
Difference between pension contributions paid and pension charges	282	(147)
Financial income	(4,579)	(3,910)
Financial expenses	21,949	16,234
Capital (gains)/losses from the disposal of tangible assets	(143)	(148)
Net changes in provisions for risks and charges	12	(343)
Provision for bad debts	499	706
Inventory write-down	981	2,955
Share-based compensation expenses	556	177
<b>Cash flow before changes in Net Working Capital</b>	<b>80,415</b>	<b>83,078</b>
(Increase)/decrease in trade receivables	(41,671)	14,606
Increase/(decrease) in inventories	6,430	(56,766)
Increase/(decrease) in trade payables	(27,115)	(53,328)
Increase/(decrease) in tax payables	3,242	13,820
(Increase)/decrease in other receivables	(1,640)	12,955
Increase/(decrease) in other payables	(1,934)	(1,896)
<b>Cash flow after changes in Net Working Capital</b>	<b>17,727</b>	<b>12,467</b>
Income taxes paid	(6,147)	(17,127)
<b>Cash flow from operating activities (A)</b>	<b>11,580</b>	<b>(4,660)</b>
(Investments) in tangible assets	(69,796)	(73,987)
Realization price, or reimbursement value, of tangible assets	187	144
(Investments) in intangible assets	(1,639)	(1,084)
(Investments)/disinvestments in current financial assets	(10,271)	(39,395)
(Investments)/disinvestments in non-current financial assets	(2,294)	-
Interests collected	3,878	2,770
Dividends received	33	43
<b>Cash flow from operating activities (B)</b>	<b>(79,902)</b>	<b>(111,509)</b>
Equity increase	-	235,890
Purchase of treasury shares	(10,873)	(221)
New bank loans and other lenders	99,466	9,782
Repayment of bank loans and other lenders	(33,844)	(22,591)
Increase in current financial liabilities	64,238	21,093
Repayment of current financial liabilities	(46,123)	(56,041)
Repayments of financial liabilities arising from rights of use	(8,288)	(7,550)
Dividends paid	(8,029)	-
Interests paid	(18,479)	(14,692)
<b>Cash flow from financing activities (C)</b>	<b>38,068</b>	<b>165,670</b>
<b>(Increase) decrease in cash and cash equivalents (A+B+C)</b>	<b>(30,254)</b>	<b>49,501</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>204,836</b>	<b>116,503</b>
Effect of changes in exchange rates	(3,641)	2,462
<b>Cash and cash equivalents at the end of the period</b>	<b>170,941</b>	<b>168,466</b>