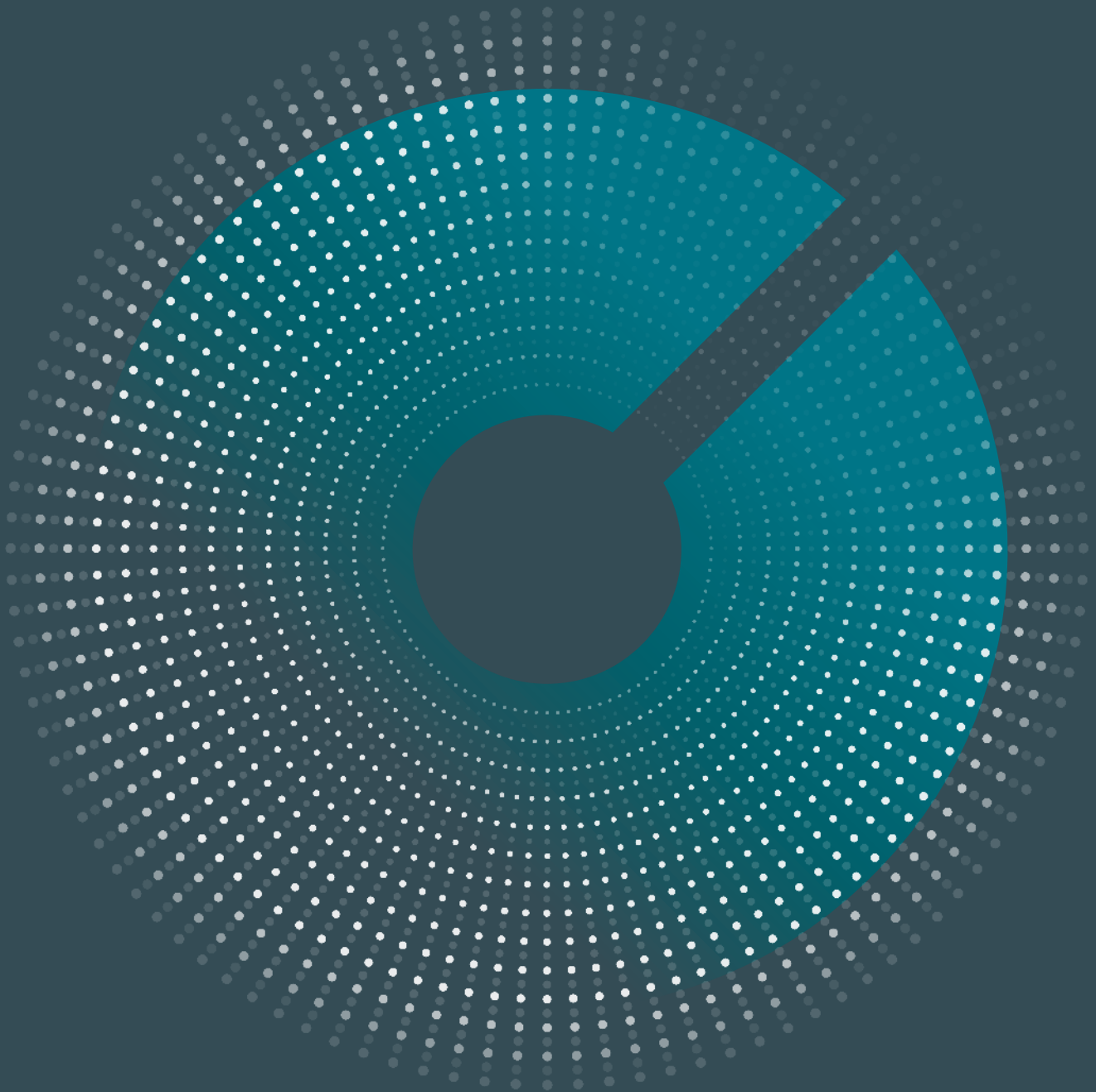


6-Month Report 2023

# Growth Industries in Focus



# Manz AG

at a glance

## 2023 Financial Calendar

|                           |                                                      |
|---------------------------|------------------------------------------------------|
| <b>September 5, 2023</b>  | Herbstkonferenz Equity Forum                         |
| <b>September 19, 2023</b> | Berenberg Goldman Sachs Conference/Munich            |
| <b>October 18, 2023</b>   | Capital Markets Day/Reutlingen                       |
| <b>November 7, 2023</b>   | Publication of the 3rd quarter 2023 quarterly report |
| <b>November 28, 2023</b>  | German Equity Forum/Frankfurt                        |

## Overview of Consolidated Net Profits

| (in EUR million)                          | Jan. 1, to<br>June 30, 2023 | Jan. 1, to<br>June 30, 2022 | Change in % |
|-------------------------------------------|-----------------------------|-----------------------------|-------------|
| Revenues                                  | 142.1                       | 126.7                       | +12.2       |
| Total operating revenues                  | 151.2                       | 137.8                       | +9.7        |
| EBITDA                                    | 16.1                        | 0.1                         | +17,729.8   |
| EBITDA margin (in %)                      | 10.7                        | 0.1                         | +10.6 pp    |
| EBIT                                      | 10.3                        | -5.7                        | +279.6      |
| EBIT margin (in %)                        | 6.8                         | -4.2                        | +11.0 pp    |
| EBT                                       | 9.2                         | -6.5                        | +242.9      |
| Consolidated net profit                   | 7.6                         | -8.4                        | +190.2      |
| Earnings per share,<br>undiluted (in EUR) | 0.89                        | -1.09                       | +181.9      |
| Cash flow from operating activities       | -28.3                       | 11.4                        | -347.4      |
| Cash flow from investing activities       | -7.3                        | -8.7                        | +16.9       |
| Cash flow from financing activities       | 10.0                        | 1.5                         | +583.0      |

|                       | June 30, 2023 | Dec. 31, 2022 | Change in % |
|-----------------------|---------------|---------------|-------------|
| Total assets          | 316.0         | 344.8         | -8.4        |
| Shareholders' equity  | 108.5         | 102.3         | +6.1        |
| Equity ratio (in %)   | 34.3          | 29.7          | +4.6 pp     |
| Financial liabilities | 56.2          | 44.3          | +27.0       |
| Liquid funds          | 7.6           | 33.6          | -77.4       |
| Net debt              | 48.6          | 10.7          | +355.5      |

# Manz AG Mission Statement

With many years of expertise in the areas of automation, laser processing, wet chemistry, inspection systems and digital printing, we are a globally active high-tech engineering company that offers manufacturers and their suppliers innovative production equipment in the segments Industry Solutions and Mobility & Battery Solutions.

Our product portfolio includes customer-specific developments as well as individual machines and modules that can be linked together to form complete, individual systems. Above all, by being involved in customer projects at an early stage, we make a significant contribution to our customers' success with high-quality, demand-oriented solutions.

We pay particular attention to the automotive industry and electromobility. For example, we support economic and competitive plants for the manufacture of lithium-ion batteries – from cell to finished pack – and highly integrated assembly lines for cell contacting systems to support the industry in the transformation from the classic to the electric powertrain.

**We are focused on five future industries.  
For new growth opportunities.  
And a stronger market position.**

Automobile and electromobility. Battery manufacturing. Electronics. Energy. Medical Technology.

Systematically taking advantage of the opportunities that arise from dynamic growth markets – that is what Manz stands for. Therefore our technology and product portfolio is strongly aligned to the needs and challenges of selected industries in our two segments, and it will continue to be enhanced with an industry focus. Therefore, this 6-month report concentrates on our five target industries and their potential.

The 6-month as well as the annual report and additional information about our industry focus can be found on our website.

For the sake of better readability, we avoid gender-differentiating formulations (e.g. "his/her" or "he/she"). The corresponding terms apply to all genders for the purposes of equal rights. This is done solely for editorial purposes and does not imply a judgment of any kind.



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# History

of Manz AG

Manz, GROB-WERKE, and Dürr are entering into a unique European partnership in the field of production technology for lithium-ion batteries

2022

Acquisition of Arcotronics in Bologna, Italy: Expansion of the technology portfolio for the production of Li-Ion batteries

2014

Development of the modular assembly platform "LightAssembly" for electronic products

2012

Entry on market for lithium-ion batteries

2009

Acquisition of R&D and production sites in Slovakia, Taiwan & China

2008

IPO on Entry Standard of Frankfurt stock exchange

2006

Foundation of Manz Hungary Kft.

2004

First automation system for fully automated production line of crystalline solar cells

2000

First delivery of an automation solution for FPD industry to Asia

1994

Foundation of Manz Automatisierungstechnik GmbH by Dieter Manz

1987





To Our  
**Shareholders**



|    |                                |
|----|--------------------------------|
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# Letter from the Managing Board

Dear Shareholders,

developments in the first half of 2023 are sending mixed signals. Following a significant increase in the first quarter, revenue development remained stable in the second quarter. Revenues after the first six months amounted to EUR 142.1 million. Both the Mobility & Battery Solutions and Industry Solutions divisions contributed to this year-on-year growth of 12.2%. At the same time, we recorded a significant improvement in earnings before interest, taxes, depreciation and amortization (EBITDA) of EUR 16.1 million thanks to a positive earnings effect of EUR 5.7 million from a share swap with Customcells and a significantly improved cost of materials ratio. The EBITDA margin rose to 10.7%. Earnings before interest and taxes (EBIT) also showed a correspondingly strong improvement, rising to EUR 10.3 million or an EBIT margin of 6.8%. At the same time, however, we have been registering a continuing reluctance to invest since the beginning of the year, which is reflected accordingly in a weaker order intake compared to the previous year.

Irrespective of this, we continue to have a strong basis for our further development with an order backlog of EUR 221.3 million. In addition, we expect postponements of investment decisions in the Mobility & Battery Solutions segment to dissipate in the second half of the year due to the overall positive market outlook. This is also underpinned by our sales pipeline, which currently includes potential orders with a volume of EUR 500 million for this division only. And also with a view to the order development in the Industry Solutions segment, we are convinced that order placement will gain significant momentum in the course of the second half of the year.

As a result of the developments described in the first half of 2023, we are confident of achieving our forecast for the fiscal year, but also see ongoing challenges in the ability to plan order development. Thus, for fiscal year 2023, we continue to expect an increase in revenues in the lower double-digit percentage range compared to 2022, an EBITDA margin in the mid positive single-digit percentage range, and an EBIT margin in the low positive single-digit percentage range.

In line with our corporate claim "engineering tomorrow's production", we strongly focus on continuously developing new future technologies and growth areas. As an established high-tech equipment manufacturer and recognized driver of innovation, we are very well



positioned in a wide range of industries to master the challenges of the future and exploit opportunities. We would be delighted if you, our shareholders, continued to accompany us on this exciting journey!

The Managing Board of Manz AG

Martin Drasch

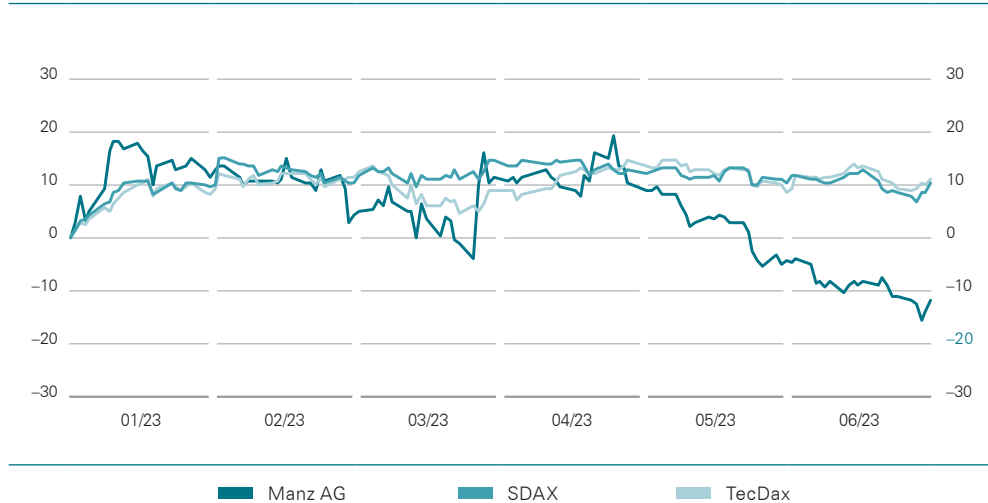
Manfred Hochleitner

## The Manz AG Share

### Change in share price

The Manz AG share started the 2023 fiscal year at a price of EUR 21.60 on January 2, 2023. In an overall economic environment that remained tense, the share price trended downward until the end of March following a brief rise in January. The publication of the order from Daimler Truck for battery production equipment on March 28, 2023, resulted in a steep rise in the share price to EUR 25.00. After a short plateau phase, the share finally reached its highest value in the period under review on April 25, 2023, at EUR 25.70. The share price subsequently developed negatively, reaching a low for the first half of 2023 of EUR 18.22 on June 28, 2023. On June 30, 2023, the share closed at EUR 19.04, corresponding to a market capitalization of EUR 162.7 million. With a price decline of 11.9% since the beginning of the year, Manz shares lagged behind the benchmark SDAX and TecDAX indices, both of which gained just over 10% during the period under review.

#### Share of Manz AG (XETRA, in %)



## Stock Key Data and Key Figures for the Share

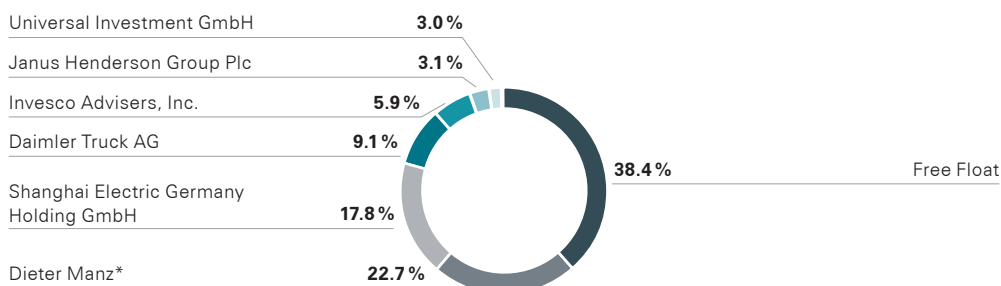
|                                                              |                                                                                                              |
|--------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| <b>German Securities Identification Number</b>               | A0JQ5U                                                                                                       |
| <b>Ticker symbol</b>                                         | M5Z                                                                                                          |
| <b>Trading segment</b>                                       | Regulated market (Prime Standard)                                                                            |
| <b>Share type</b>                                            | Registered, common, no-par value bearer shares, each with a proportionate value of EUR 1.00 of capital stock |
| <b>Capital Stock</b>                                         | <b>8,542,574 EUR</b>                                                                                         |
| <b>Initial listing</b>                                       | September 22, 2006                                                                                           |
| <b>Opening Price</b>                                         | EUR 19.00                                                                                                    |
| <b>Share price at the beginning of the reporting period*</b> | EUR 21.60                                                                                                    |
| <b>Share price as at June 30, 2023*</b>                      | EUR 19.04                                                                                                    |
| <b>Change (in percent)</b>                                   | <b>-11.85 %</b>                                                                                              |
| <b>Period high</b>                                           | EUR 25.70                                                                                                    |
| <b>Period low</b>                                            | EUR 18.22                                                                                                    |
| <b>Market capitalization (June 30, 2023)</b>                 | EUR 162.65 million                                                                                           |

\* In each case closing prices on the XETRA trading system of Deutsche Börse AG

## Shareholder Structure

As of the reporting date of June 30, 2023, Manz AG has a slightly lower free float of 38.4% compared to the previous year (June 30, 2022: 42.3%). The broad shareholder base of Manz AG is distributed in detail as follows: Dieter Manz, founder and Supervisory Board member of Manz AG, and his family hold a total of 22.7% of the shares in the company, and Shanghai Electric Germany Holding GmbH holds a total of 17.8% of the shares as of June 30, 2023. The cooperation partner and anchor shareholder, Daimler Truck AG, which joined the Group in the previous year, holds a 9.1% stake as of June 30, 2023. The investment company Invesco Advisers, Inc. holds 5.9% of the shares. In addition, Janus Henderson Group Plc holds 3.1% and Universal Investment 3.0% of the shares.

### Shareholder Structure



\* thereof direct (Section 33 WpHG) 9.1%, thereof attributed (Section 34 WpHG) 13.6%

## Investor Relations

Manz AG attaches great importance to active dialog with shareholders, institutional investors, analysts and financial journalists, and has maintained a continuous, proactive exchange of information in the first half of 2023. The regular and prompt publication of reports relevant to the company underscores its goal of providing comprehensive information on the company's developments. In doing so, Manz AG, with its listing in the Prime Standard Segment of the Frankfurt Stock Exchange, fully complies with the highest transparency requirements. Manz AG strives to exceed this standard.

In addition to its statutory obligations, Manz AG participated in two capital market conferences in the first half of 2023. Manz published four press releases and three corporate news items. Manz AG contributes to the greatest possible transparency in its capital market communications by regularly offering conference calls with a web cast for the publication of financial reports and audio displays as an online offer on the company website.

Manz AG is currently covered by the following institutions:

- Pareto Securities
- Stifel Europe
- Bankhaus Metzler

In the second half of 2023, Manz AG will further intensify its dialog with capital market participants. Accordingly, a Capital Markets Day, as well as further conference participations and roadshows, have already been planned. For an up-to-date overview of upcoming events and publication dates, please visit the company website at [www.manz.com](http://www.manz.com) In the Investor Relations / Financial Calendar section.

## Annual General Meeting

The Annual General Meeting 2023 was again held as a physical event on July 04, 2023. The Managing Board took the opportunity to report to shareholders in detail on Manz AG's operational and strategic development in fiscal year 2022, for which the Managing Board and Supervisory Board were discharged by a large majority at the Annual General Meeting. A total of 64.94 % of capital stock with voting rights was represented (previous year: 63.78 %). All agenda items were passed by a large majority.

Detailed voting results can be found at any time on the company's website [www.manz.com](http://www.manz.com) under Investor Relations/Annual General Meeting.

## Financial Calendar 2023

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**September 5, 2023**

Herbstkonferenz Equity Forum

**September 19, 2023**

Berenberg Goldman Sachs Conference/Munich

**October 18, 2023**

Capital Markets Day/Reutlingen

**November 7, 2023**

Publication of the 3rd quarter 2023 quarterly report

**November 28, 2023**

German Equity Forum/Frankfurt

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# Group Interim Management Report



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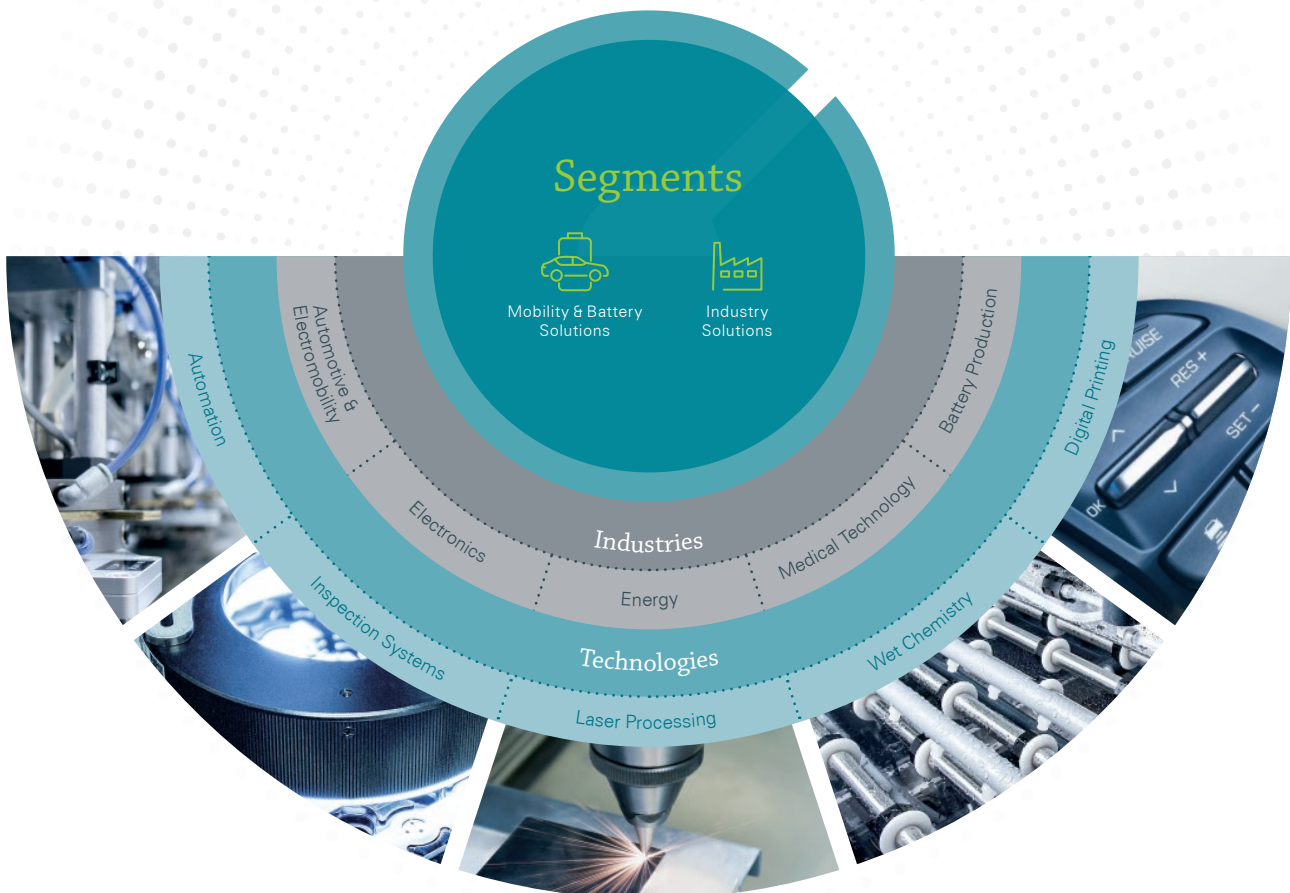
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# Basic Group Information

## Business model

Founded in 1987, Manz AG is a global high-tech engineering company with a focus on five industries: automotive & e-mobility, battery manufacturing, electronics, energy, and medical technology. The company reports on and manages its business activities in the two reporting segments of Mobility & Battery Solutions and Industry Solutions. This structure is the result of the company consistently aligning its portfolio of technology and products to the needs of its target industries. With many years of expertise in automation, laser processing, digital printing, inspection systems and wet chemistry, the company offers manufacturers and their suppliers in these future-oriented industries a broad portfolio of products and solutions. In addition to customized production solutions, this also includes individual machines and modules that can be linked together to form complete, individual system solutions.



The company also offers a comprehensive range of services around Manz AG's core technological competencies: From simulation and factory planning to process and prototype development, customer training and after-sales service.

Manz AG is a development partner for industrial companies, and in this role helps to support new technologies to market maturity. Manz operates internationally and has development and production facilities in Germany, Slovakia, Hungary, Italy, China, and Taiwan, as well as additional sales and service offices in India and the USA.

## Strategy

Manz AG's corporate strategy is subject to an annual review, and is based on four pillars.

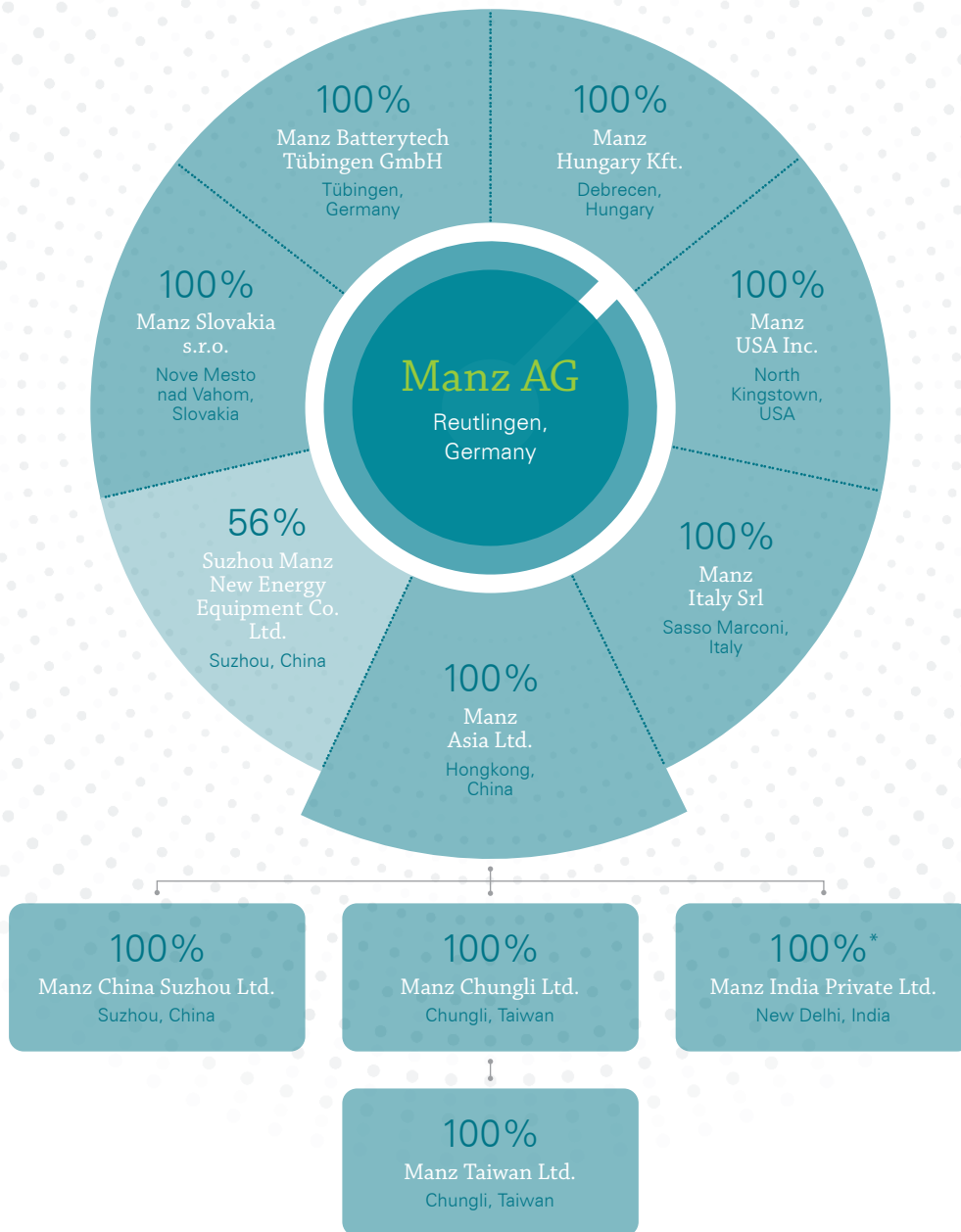
The first pillar is the development of Manz AG into a leading European provider and integrator for machines and plants used for battery production, as well as other components of the electric drive train. With innovative engineering, Manz works on production solutions that contribute to increasing the performance parameters and reducing the costs of the end products. By addressing different growth industries at the same time, synergies can be created and opportunities fully exploited. To do so, Manz relies on strategic cooperations and a concept of growth based on partnership with industry-leading companies. By combining their respective strengths, the company is able to address supply chains on a comprehensive basis, accelerating technological development. At the same time, Manz AG works to foster long-term customer relationships as a development partner, in order to participate with our customers in growth opportunities across their respective sectors through those partnerships.

One of Manz AG's other focal areas is continuously expanding the modular machine concept, with the goal of increasing its competitiveness and profitability in the long term.

Furthermore, Manz AG is dedicated to the topic of digital transformation in industry. Using new methods, such as digital twins, a new generation of fully automated production lines is to be developed. In this context, the use of artificial intelligence (AI) enables an innovative type of machine control and production control, with the goal of self-optimizing manufacturing.

In line with the company's claim "engineering tomorrow's production," Manz AG attaches great importance to continuously developing new future technologies and growth fields. To this end, Manz pursues a targeted M&A strategy that includes both majority and minority interests in companies and technologies worldwide.

## Group structure and holdings



\* 25% of the shares are held by Manz AG, 75% of the shares are held by Manz Asia Ltd.

# Locations and Employees

34  
Nations

Employees and managers from 34 different countries work in our Group's various subsidiaries.

Around a third of employees work in research and development worldwide.

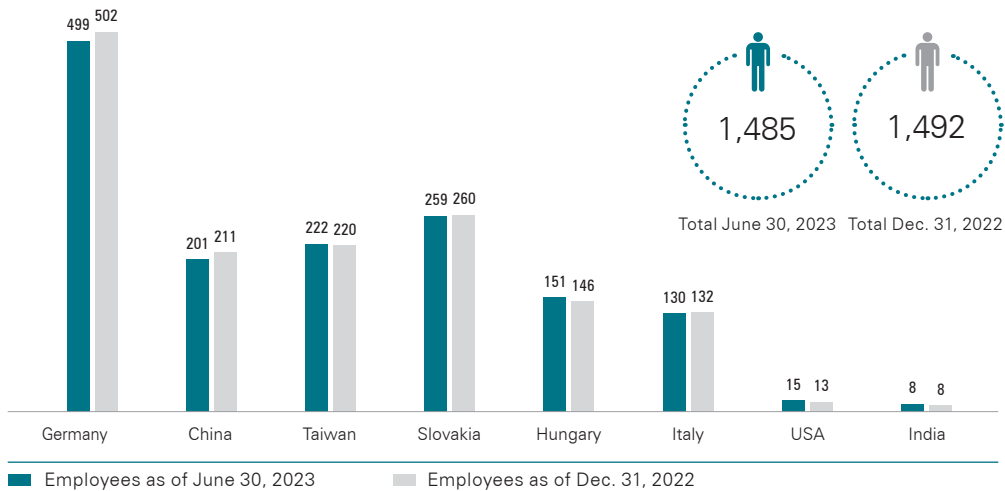
1,485  
Employees

## Locations

- |                                                                          |                                                                |                                                                             |
|--------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------|
| 1 <b>Germany</b><br>Reutlingen, Tübingen<br>Production, Sales & Service  | 4 <b>Italy</b><br>Sasso Marconi<br>Production, Sales & Service | 7 <b>China</b><br>Shanghai, Suzhou, Hongkong<br>Production, Sales & Service |
| 2 <b>Hungary</b><br>Debrecen<br>Production & Service                     | 5 <b>USA</b><br>North Kingstown, Cupertino<br>Sales & Service  | 8 <b>India</b><br>New Delhi<br>Sales & Service                              |
| 3 <b>Slovakia</b><br>Nove Mesto nad Vahom<br>Production, Sales & Service | 6 <b>Taiwan</b><br>Chungli<br>Production, Sales & Service      |                                                                             |

## Locations and employees

### Employees by country



## Control system and performance indicators

On the group level, Manz AG reported in the Mobility & Battery Solutions and Industry Solutions reporting segments. In order to decide on the allocation of resources and to control the profitability of the divisions, they were monitored separately by management. The entire Managing Board was kept informed of the business performance in detail by means of regular reports and management meetings. As a result, forward-looking management by the Managing Board was possible in a timely manner in financial year 2022.

Manz AG's financial management system is centrally organized. To minimize risks and leverage Group-wide optimization potential, the company bundles decisions on financing, cash investments and currency hedges of subsidiaries within the Group. In this context, the company follows value-based financing principles in order to secure its liquidity at all times, limit financial risks and optimize the cost of capital. In addition, Manz strives for a well-balanced debt maturity profile. Further information on the management of the individual financial risks can be found in the notes to the consolidated financial statements under "Reporting on financial instruments".

## Research and development

For Manz as a high-tech equipment manufacturer, research and development (R&D) continued to play a central role. With over 500 engineers, technicians and scientists at its various development sites, Manz AG focuses on the development of manufacturing, assembly and handling technologies, integrated into modularized individual machines, tools and linked system solutions. The Manz AG interdisciplinary "R&D Council" is intended to enable the internal, cross-segment integration of competencies.

Overall, Manz AG has a ratio of 8.8% for research and capitalized development services for the reporting period (previous year: 7.9%). The slight increase is due to higher own work capitalized from the IPCEI project, which had less impact in the previous year. The capitalization ratio, i.e. the share of capitalized development costs in total R&D expenses, is 79.8% (previous year: 71.8%). Investments in R&D amount to EUR 13.3 million and are above the previous year's level of EUR 10.9 million for the reasons described. Subsidies received are already taken into account here in each case.

In the first half of 2023, R&D costs charged to the income statement amounted to EUR 4.8 million and remained just below the level of the previous year of EUR 5.5 million. The company will also continue to place a clear emphasis on R&D activities in future. In order to consolidate its technological positioning in the relevant target markets and its innovative strength in a sustainable way and over the long term, Manz AG aims to achieve an annual R&D ratio of 5% on average in its two segments. Including Manz AG's own share of development costs as part of the IPCEI project, this figure is expected to average around 15% over the next few years.



At the end  
of 2022, around

**28** million

electric vehicles were  
registered worldwide –  
around 59% more than in  
the previous year\*



# The car of the future is digital and electric

Advancing digitization and rapid innovations in e-mobility create a number of challenges for the automotive industry. Our mission is to actively contribute to this progress as a development partner and pioneer.

## Intelligent, integrated and highly innovative

We focus particularly on intelligent and integrated production solutions for various components in the segments automotive electronics as well as conventional and electric power trains.

As a technology and process experts for the automotive industry, we bundle our expertise - e.g. in the vision, metrology and laser applications segments - into tailor-made and customer-specific production solutions for::

- Battery cells and battery modules  
(Li-Ion battery manufacturing)
- Cell contacting systems
- Battery management systems and inverters
- Displays
- Electronic components and controllers
- Sensors and cameras for assistance system

In our modular production lines, we integrate and combine a variety of technologies: from assembly, ultrasound welding, bonding and soldering to laser welding and automated function tests. In this way, we support OEMs and their suppliers with optimizing their production processes and making them more efficient using our machines and equipment.

Using creative and innovative engineering, we are working hard on new production solutions that contribute to raising the performance parameters of end products and ultimately to reducing costs for the automotive industry.



Our  
expertise and  
experience...

...in technology fields such as automation, assembly, laser and integrated testing systems are bundled into ground-breaking production solutions for the automotive industry.

**Our task:  
To enable the  
e-mobility  
breakthrough.**

# Business Report

## Macroeconomic environment and sector-specific conditions

### Economic market environment

Although the global economy experienced a noticeable upturn at the beginning of 2023, there are currently no signs of this upturn being sustained. Some of the key conditions that were mainly responsible for the weakening of the global economy last year have recently improved significantly. For example, energy prices have fallen again; in China, the prospects for steady expansion have improved with the departure from the zero-covid policy, and supply bottlenecks are no longer hampering economic activity to an unusual extent. By contrast, the significant tightening of monetary policy, which has led to substantially higher financing costs and is thus holding back investment, is having a dampening effect. Against this backdrop, moderate growth is expected overall this year and next. The Kiel Institute for the World Economy (IfW) forecasts an increase in global gross domestic product (GDP) of 2.8 % for 2023 as a whole (previous year: 3.3 %). In March, the IfW had still forecast growth of 2.5 %. Economic growth of 0.6 % (previous year: 3.5 %) is forecast for the euro zone. According to the IfW experts, GDP in Germany is likely to decline by 0.2 % in 2023 (previous year: +1.9 %). GDP in the United States is expected to grow by 1.3 % in 2023 (previous year: +2.1 %) and in China by 5.6 % (previous year: +3.1 %).

### Engineering industry

According to the German Engineering Federation (VDMA), price-adjusted production output in the mechanical engineering sector in Germany increased by 2.4 % year-on-year in the first five months of 2023. Thanks to reduced bottlenecks in established supply chains, what remained high order backlogs were processed more quickly than before. For 2023 as a whole, however, the VDMA still expects real production to decline by 2.0 % (previous year: +0.4 %). Order intake remains under pressure, and many companies' order backlogs are unlikely to be sufficient to continue buffering production in the second half of the year. VDMA economists, therefore, expect slight year-on-year declines.

### Core segment sectors

#### Mobility & Battery Solutions

The automotive industry's shift toward electro-mobility is omnipresent, and is being accelerated by, among other things, stricter emissions requirements in key sales markets. According to the International Energy Agency (IEA), however, the outlook for 2023 is subject to certain risks: for example, a generally sluggish global economy and the expiry of subsidies in China, the largest sales market, could reduce the rise in electric car sales worldwide. On

the other hand, new markets could open up faster than expected, as persistently high oil prices are also making electric cars increasingly attractive. For the current year 2023, IHS Markit expects global production of around 9.8 million pure electric vehicles, representing growth of 48% compared to 2022. The share of purely electric vehicles in total automotive production worldwide, therefore, stands at around 11%. The battery capacity needed for this, according to IHS Markit, is around 640 gigawatt hours.

Electromobility is the main growth driver for the rapidly increasing demand for lithium-ion batteries in the coming years. In Europe, this is particularly pronounced due to the high sales figures of car manufacturers from Germany and France. At present, a large proportion of battery cells are still imported from Asia (especially China), but in the next few years, the industry's demand is expected to be increasingly met by the construction of numerous battery cell factories in Europe and North America. At present, approximately 90 projects with a total capacity of around 2.9 TWh are planned in these two markets for the coming years. In addition, the need for stationary energy storage systems – such as batteries or capacitors – will continue to increase as part of the energy transition. The market for battery cell assembly production equipment in Europe and the Americas is expected to grow by 39% to approximately 1.4 billion US dollars in 2023 from 993 million US dollars in the previous year, according to a study by Interact Analysis.

### Industry Solutions

With industrial assembly solutions, Manz addresses the needs of manufacturers of consumer electronics, power electronics, and other components of the electric drive train. Inverters are a key component of the electric drive train, converting the battery's direct current into alternating current, in order to efficiently drive the electric motor. The more effectively this conversion works, the greater the range that electric cars can travel on one battery charge. Manz has already developed efficient production solutions for the manufacture of inverters for well-known customers from the automotive industry in several projects. According to IHS Markit, around 17 million inverters will be produced in Europe and North America in the current year 2023 (previous year: 11 million).

In the field of display manufacturing, Manz offers highly efficient production processes with machines and equipment in the areas of wet chemistry, automation, and laser process technology, which are used in the production of TFT-LCDs and OLEDs. In the current year, Display Supply Chain Consultants expects production capacity for LCD and OLED displays to decline by 2% compared to the previous year. This was due, in particular, to delays and plant closures caused by the weak market situation.

For the production of printed circuit boards and chip carriers, Manz offers wet-chemical process technology, for example, for exposure or surface processing. The focus is on so-called IC substrates, which enable microprocessors to be packaged in a very small space and are used, for example, in high-performance computers, smartphones or cars. The market for these substrates is expected to decline to about 16.1 billion US dollars this year from 17.4 billion US dollars last year due to high inventories and lower demand, according to Prismark.

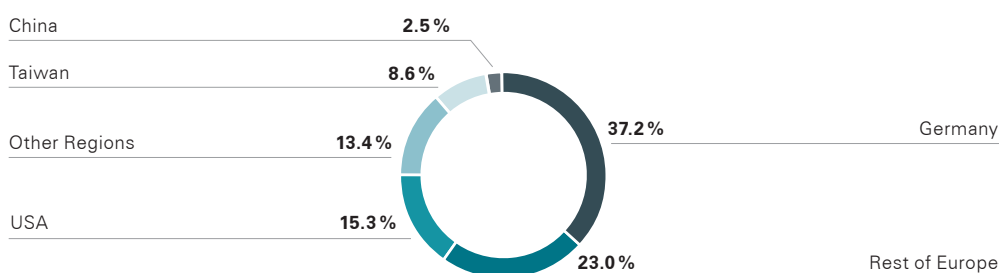
In the field of semiconductor manufacturing, the chip packaging process Fan-Out Panel Level Packaging (FOPLP) plays an important role due to miniaturization in the electronics industry. For the realization of the FOPLP along with the simultaneous coating of the microchips with an additional metal layer (redistribution layer) to optimize the performance parameters, Manz serves as a turnkey production line provider. The market for FOPLP is expected to grow to 175 million US dollars in 2023 from 88 million US dollars in the previous year, according to Yole Group.

## Analysis of the earnings, asset and liquidity position of the group

### Earnings position

Revenues in the first six months of 2023 amounted to EUR 142.1 million compared to EUR 126.7 million for the same period in the previous year. The 12.2% year-on-year increase is attributable to the expansion of business in both segments. Sales in the Mobility & Battery Solutions segment increased by 18.0% year-on-year, significantly more than in the Industry Solutions segment at 8.4%. Overall, Manz AG's operating business showed slightly negative development over the course of the first half of 2023: revenues in the second quarter amounted to EUR 65.7 million (previous year: EUR 65.8 million), compared to EUR 76.4 million in the first three months of 2023 (previous year: EUR 60.9 million).

### Revenue Distribution by Region January 1 to June 30, 2023



With inventory changes of finished and unfinished products of EUR –1.5 million (previous year: EUR 3.3 million) and own work capitalized of EUR 10.6 million (previous year: EUR 7.8 million), the operating performance for the first half of 2023 amounted to EUR 151.2 million (previous year: EUR 137.8 million).

At EUR 9.3 million, other operating income was on a par with the previous year's figure of EUR 9.4 million. This includes income of EUR 5.7 million in the first half of 2023, which arose in connection with a share swap. In the transaction, 40% of the shares in Customcells Tübingen GmbH were exchanged for a roughly 5% stake in Customcells Holding GmbH. Also included are currency gains of EUR 1.6 million (previous year: EUR 5.7 million).

The cost of materials in the first six months of 2023 amounted to EUR 79.6 million (previous year: EUR 85.2 million), and the cost of materials ratio of 52.6% was significantly below the level of the previous year (previous year: 61.8%). The reason for the decline in the ratio is the reduction in purchased external services and an optimization of material costs for some projects. Personnel expenses increased to EUR 43.0 million (previous year: EUR 40.9 million). The reasons for this were salary increases and the recruitment of new employees for the further development of the battery technology. Due to the higher total operating performance, the personnel expense ratio nevertheless fell from 29.7% in the previous year to 28.4%.

At EUR 20.9 million, other operating expenses were on a par with the previous year's figure of EUR 20.6 million. This includes currency losses of EUR 1.9 million (previous year: EUR 2.7 million), IFRS valuation allowances of EUR 1.2 million (previous year: EUR 0.2 million) and EUR 0.8 million in provisions for anticipated losses on projects (previous year: EUR 0.0 million).

The share of profit/loss of companies accounted for using the equity method decreased to EUR -0.9 million (previous year: EUR -0.4 million).

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to EUR 16.1 million, considerable above the previous year's figure (previous year: EUR 0.1 million). The EBITDA margin increased to 10.7% from 0.1% in the previous year. At EUR 5.8 million, depreciation and amortization were on a par with the previous year's figure of EUR 5.8 million. As a result, earnings before interest and taxes (EBIT) amounted to EUR 10.3 million, compared with the previous year's figure of EUR -5.7 million. The EBIT margin increased to 6.8% (previous year: -4.2%).

In the first half of 2023, there was low financial income of EUR 0.2 million (previous year: EUR 0.0 million) with financial expenses of EUR -1.3 million (previous year: EUR -0.7 million). Earnings before taxes (EBT) were at EUR 9.2 million (previous year: EUR -6.5 million). After deducting income taxes of EUR 1.6 million (previous year: EUR 2.0 million), Manz AG's consolidated result in the first half of 2023 amounted to EUR 7.6 million (previous year: EUR -8.4 million). Based on a weighted average of 8,540,667 shares, this results in undiluted earnings per share of EUR 0.89 (previous year: EUR -1.09).

### **Asset position of the Group**

Total assets as of June 30, 2023 declined from EUR 344.8 million to EUR 316.0 million compared to December 31, 2022.

On the assets side, non-current assets at EUR 112.8 million as of June 30, 2023 were above the level of the 2022 balance sheet date (December 31, 2022: 105.2 million). A major contribution to the increase was made by the share swap, in which the 40% shares in Customcells Tübingen GmbH were exchanged for around 5% in Customcells Holding GmbH. In addition, capitalized development costs increased as part of the IPCEI project.

Overall, as of June 30, 2023, current assets, standing at EUR 203.2 million, were below the value at the end of 2022 (EUR 239.6 million). Inventories increased slightly to EUR 57.6 million (December 31, 2022: EUR 56.2 million).

Trade receivables decreased to EUR 44.1 million as of the reporting date (December 31, 2022: EUR 47.6 million). In addition, contract assets also decreased to EUR 67.2 million (December 31, 2022: EUR 73.7 million). Cash and cash equivalents amounted to EUR 7.6 million as of June 30, 2023 (December 31, 2022: EUR 33.6 million). As of June 30, 2023, other current assets included EUR 25.4 million (December 31, 2022: EUR 26.6 million).

On the equity and liability side, equity of EUR 108.5 million was above the level of the previous year (December 31, 2022: EUR 102.3 million). The reason for the increase was the positive Group earnings in the 1st half of 2023. The equity ratio at June 30, 2023 was 34.3% (December 31, 2022: 29.7%).

Non-current liabilities decreased slightly from EUR 29.1 million as of December 31, 2022 to EUR 28.1 million as of June 30, 2023. Current liabilities decreased to EUR 179.5 million as of June 30, 2023 (December 31, 2022: EUR 213.5 million). Current financial liabilities increased to EUR 50.0 million as of June 30, 2023 (December 31, 2022: EUR 37.5 million) due to the increasing utilization of credit lines. At EUR 59.3 million, trade payables as of June 30, 2023, were below the level as of the 2022 balance sheet date (December 31, 2022: EUR 73.6 million) due to lower purchases of materials for projects, primarily from the Asian subsidiaries. The company has contract liabilities of EUR 41.8 million as of June 30, 2023 (December 31, 2022: EUR 74.2 million). The decrease is due to the progressive processing of the order backlog with a simultaneous reduction in order intake in the current fiscal year.

### **Liquidity position of the Group**

The cash flow from operating activities is based on consolidated net profit of EUR 7.6 million (previous year: EUR –8.4 million). As a result of the change in inventories, trade receivables, contract assets, and other assets, Manz recorded a cash inflow of EUR 7.2 million, compared to EUR –21.1 million in the same period of the previous year. Due to the decrease in trade payables, contract liabilities, and other liabilities, there was a cash outflow of EUR 43.2 million during the reporting period (previous year: EUR 35.2 million). Cash flow from operating activities, therefore, amounted to EUR –28.3 million in the first half of 2023 (previous year: EUR 11.4 million).

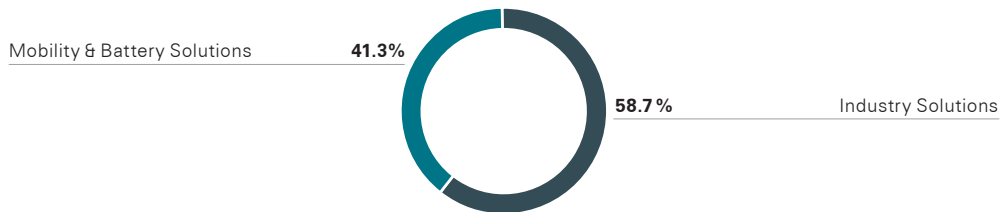
Cash flow from investment activities amounted to EUR –7.3 million in the 2023 reporting period (previous year's period: EUR –8.7 million). The cash outflow mainly results from capitalized development costs and investments in property, plant and equipment in connection with the IPCEI project.

Cash flow from financing activities in the first half of 2023 amounted to EUR 10.0 million (previous year: EUR 1.5 million).

Unused credit lines with banks amounted to EUR 17.1 million as of June 30, 2023 (December 31, 2022: EUR 22.5 million). With bank balances of EUR 7.6 million (December 31, 2022: EUR 40.7 million), net debt increased significantly to EUR 48.6 million compared to the previous year's figure of EUR 10.7 million.

## Segment reporting

### Revenues by Business Segment January 1 to June 30, 2023



### Order intake

(in EUR million)

|                              | Jan. 1 to June 30, 2023 | Jan. 1 to June 30, 2023 | Change in %  |
|------------------------------|-------------------------|-------------------------|--------------|
| Mobility & Battery Solutions | 42.3                    | 52.6                    | -19.6        |
| Industry Solutions           | 42.0                    | 143.4                   | -70.7        |
| <b>Total Group</b>           | <b>84.2</b>             | <b>196.0</b>            | <b>-57.0</b> |

### Order backlog

(in EUR million)

|                              | Jan. 1 to June 30, 2023 | Jan. 1 to June 30, 2023 | Change in %  |
|------------------------------|-------------------------|-------------------------|--------------|
| Mobility & Battery Solutions | 118.6                   | 172.5                   | -31.2        |
| Industry Solutions           | 102.7                   | 126.9                   | -19.0        |
| <b>Total Group</b>           | <b>221.3</b>            | <b>299.3</b>            | <b>-26.1</b> |

### **Mobility & Battery Solutions**

In the Mobility & Battery Solutions segment, Manz AG plays an important role in the further development of lithium-ion battery technology with its technology portfolio for the manufacture of all common cell formats and geometries, and currently has a particular focus on electro-mobility. Here, Manz AG offers both individual machines, for example, for laboratory production, equipment for pilot and small series production, as well as complete assembly lines and turnkey solutions for the manufacture of lithium-ion battery cells and modules.

Despite a decline in order intake, the segment achieved a significant increase in sales compared with the same period of the previous year. The reason for this was the progressive processing of the order backlog. The weak development in order intake was due to postponements of investment decisions by customers. However, in view of the continued positive market outlook and Manz AG's positioning as an innovation driver in the field of electric mobility, the Managing Board is confident that this trend will turn around during the second half of the year.

The Mobility & Battery Solutions segment recorded sales growth of 18.0% to EUR 58.6 million (previous year: EUR 49.7 million). The contribution of sales to consolidated net income rose to 41.3%, compared to 39.2% in the previous year. The segment's EBIT improved compared to the previous year and, at EUR 5.6 million, was significantly higher than the previous year's figure of EUR -9.0 million. The half-year result for 2023 includes extraordinary income of EUR 5.7 million, which arose in connection with a share swap.

### **Industry Solutions**

In the Industry Solutions segment, Manz AG combines the activities of the two business areas: Electronics (semiconductor back-end production, fan-out panel level packaging and display technologies) and Industrial Automation (industrial assembly solutions for the manufacture of consumer electronics, power electronics and other components of the electrical drive train).

The Industry Solutions segment shows slightly increasing sales in the first half of 2023 compared to the previous year 2022 due to the progressive processing of the order backlog. The significant reduction in the materials ratio had a positive impact on earnings and ultimately ensured a positive earnings situation.

The segment's order intake decreased in the first half, affecting both business areas. The Asian market in the electronics sector, in particular, is currently going through a trough in its economic cycle.



At EUR 83.4 million, sales in the Industry Solutions segment in the first half of 2023 were above the previous year's figure of EUR 77.0 million. The share of Group sales decreased to 58.7% (previous year: 60.8%). Segment EBIT rose to EUR 4.7 million (previous year: EUR 3.2 million) due to an improved materials ratio and increased sales.

## Report on Opportunities and Risks

There have been no significant changes compared with the opportunities and risks presented in the Annual Report 2022, with the exception of the project risks in the Power by Britishvolt Ltd. case mentioned there. For this project, the advance payment made for a partial contract was recognized as revenue in 2023. The basis for this was that, after assessing all current information, the risks in connection with the advance payment received from the customer were not confirmed.

## Forecast Report

The forecast explained in the 2022 Annual Report remains unchanged: Due to the overall positive industry outlook in the markets addressed by Manz AG, the Managing Board furthermore assumes that Manz AG will grow profitably in 2023. The extent to which the consequences of the war in Ukraine, the current inflation trend, and the interest rate policy of the central banks will have an impact in 2023 cannot be conclusively assessed. The Managing Board expects an increase in revenues in the lower double-digit percentage range compared to 2022, an EBITDA margin in the mid positive single-digit percentage range and an EBIT margin in the low positive single-digit percentage range. The equity ratio is expected to be around 30%; with regard to gearing, the Management Board anticipates a figure in the lower double-digit percentage range.

At a segment level, the Managing Board expects revenue for Mobility & Battery Solutions to increase in the mid double-digit percentage range compared with the previous year and an EBIT margin in the low positive single-digit percentage range. For Industry Solutions, the Managing Board forecasts an increase in revenue in the lower double-digit percentage range with an EBIT margin in the low positive single-digit percentage range. The Managing Board's goal is to further develop the comprehensive technology portfolio, on the one hand, and to strengthen and expand Manz AG's solid market position in both segments, on the other. With its technologies, Manz AG will continue to focus, in particular, on the automotive and e-mobility, battery manufacturing, electronics, energy, and medical technology industries

## Forward-looking statements

This report contains forward-looking statements, which are based on the current assumptions and forecasts of Manz AG's Managing Board. Such statements are subject to both risks and uncertainties. These and other factors could cause the actual results, financial position, developments or performance of the company to differ materially from the estimates given here. Our company assumes no obligation to update these forward-looking statements or adapt them to future events or developments.

Reutlingen, August 3, 2023

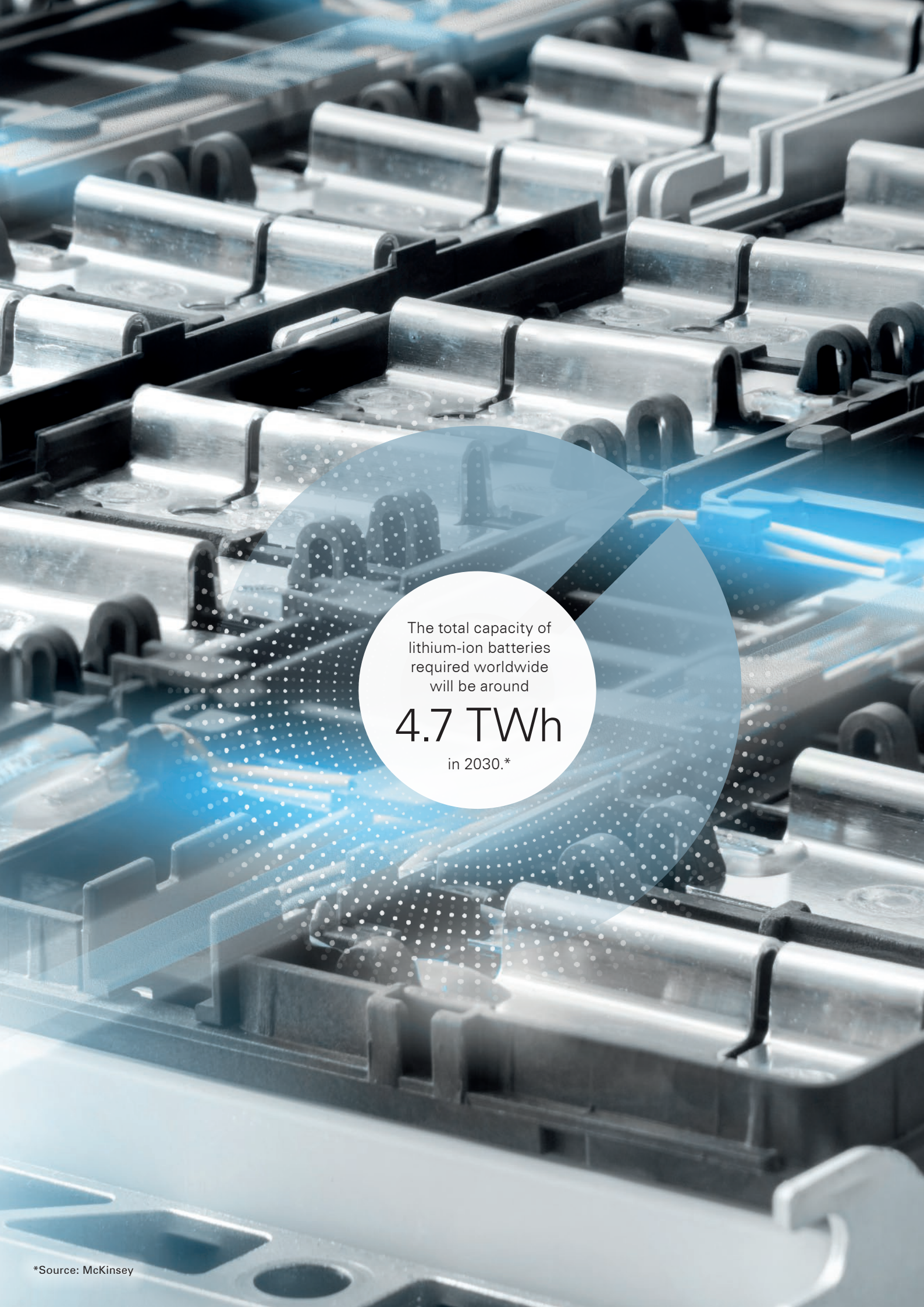
The Managing Board



Martin Drasch



Manfred Hochleitner



The total capacity of  
lithium-ion batteries  
required worldwide  
will be around

**4.7 TWh**

in 2030.\*

# Energy transformation, e-mobility, electronic products – nothing moves without batteries

Energy storage is one of the main growth fields for the future. With its novel technology portfolio for the production of lithium-ion battery cells, modules and systems, as well as capacitors, Manz is setting new standards worldwide.

The production of battery cells places high demands on precision and productivity. Every single process step, e.g. coating, cutting, stacking or winding, affects the battery's performance parameters.

With its highly-efficient and fully-integrated production solutions, Manz covers the entire value chain for the production of battery cells --from wound button cells and prismatic cells to stacked pouch cells – and ensures that they can be produced in an efficient manner.

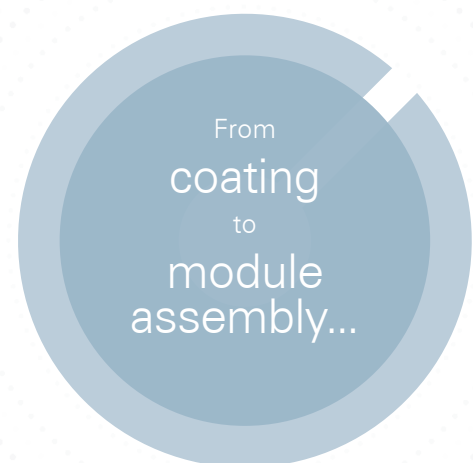
## From individual cells to entire battery systems

The energy transformation and e-mobility require powerful all-in-one battery systems. In addition to our extensive know-how in process control, automation and laser technology, we offer our customers mature production solutions for all processes that are required for the assembly of battery modules.


With our solutions, we support our customers from the initial idea to the finished production process:

- Individual machines for e.g. laboratory production
- Equipment for pilot and small series production
- Turnkey production solutions for battery cell and module production.

**Our mission:**  
**Maximum  
precision with  
maximum  
production speed**



... we cover all process steps for the production of Li-Ion batteries together with strong partners.



# Consolidated Interim Financial Statement

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## Consolidated Income Statement

|                                                   | 1st Half Year (in TEUR)       |                                | 2nd Quarter (in TEUR)       |                             |
|---------------------------------------------------|-------------------------------|--------------------------------|-----------------------------|-----------------------------|
|                                                   | January 1 to<br>June 30, 2023 | January 1 to<br>June 30, 2022* | April 1 to<br>June 30, 2023 | April 1 to<br>June 30, 2022 |
| Revenues                                          | 142,068                       | 126,673                        | 65,660                      | 65,809                      |
| Inventory changes, finished and unfinished goods  | -1,502                        | 3,312                          | -3,812                      | 1,928                       |
| Work performed by the entity and capitalized      | 10,638                        | 7,830                          | 4,981                       | 4,715                       |
| <b>Total operating performance</b>                | <b>151,204</b>                | <b>137,815</b>                 | <b>66,829</b>               | <b>72,453</b>               |
| Other operating income                            | 9,285                         | 9,358                          | 1,720                       | 4,483                       |
| Material expenses                                 | -79,596                       | -85,181                        | -31,018                     | -41,966                     |
| Personnel expenses                                | -42,958                       | -40,890                        | -20,868                     | -20,427                     |
| Other operating expenses                          | -20,917                       | -20,629                        | -8,846                      | -12,330                     |
| Result from investments using the equity method   | -879                          | -382                           | -27                         | -172                        |
| <b>EBITDA</b>                                     | <b>16,139</b>                 | <b>91</b>                      | <b>7,790</b>                | <b>2,041</b>                |
| Amortization/depreciation                         | -5,826                        | -5,834                         | -2,850                      | -2,965                      |
| <b>EBIT</b>                                       | <b>10,313</b>                 | <b>-5,744</b>                  | <b>4,940</b>                | <b>-923</b>                 |
| Finance income                                    | 214                           | 25                             | 95                          | 18                          |
| Finance costs                                     | -1,297                        | -738                           | -746                        | -381                        |
| <b>Earnings before taxes (EBT)</b>                | <b>9,229</b>                  | <b>-6,456</b>                  | <b>4,289</b>                | <b>-1,287</b>               |
| Income taxes                                      | -1,622                        | -1,979                         | -1,158                      | -1,641                      |
| <b>Consolidated net profit</b>                    | <b>7,607</b>                  | <b>-8,435</b>                  | <b>3,131</b>                | <b>-2,928</b>               |
| thereof attributable to non-controlling interests | 10                            | -11                            | 10                          | -5                          |
| thereof attributable to shareholders of Manz AG   | 7,597                         | -8,424                         | 3,121                       | -2,923                      |
| Weighted average number of shares (undiluted)     | 8,540,667                     | 7,756,804                      | 8,541,049                   | 7,756,804                   |
| Earnings per share undiluted in EUR per share     | 0.89                          | -1.09                          | 0.37                        | -0.38                       |
| Earnings per share diluted in EUR per share       | 0.85                          | -1.09                          | 0.35                        | -0.38                       |

\*Adjustment after restatement due to impairment of prepayments made for inventories in 2021.



# Consolidated Statement of Comprehensive Income

|                                                                                                                          | 1st Half Year (in TEUR)       |                                | 2nd Quarter (in TEUR)       |                             |
|--------------------------------------------------------------------------------------------------------------------------|-------------------------------|--------------------------------|-----------------------------|-----------------------------|
|                                                                                                                          | January 1 to<br>June 30, 2023 | January 1 to<br>June 30, 2022* | April 1 to<br>June 30, 2023 | April 1 to<br>June 30, 2022 |
| <b>Consolidated profit or loss</b>                                                                                       | <b>7,607</b>                  | <b>-8,435</b>                  | <b>3,131</b>                | <b>-2,928</b>               |
| Difference resulting from currency translation                                                                           | -1,898                        | -1,203                         | -1,759                      | 431                         |
| Cash flow hedges                                                                                                         | 0                             | 419                            | 0                           | 850                         |
| Tax effect resulting from components not recognized in profit/loss                                                       | 0                             | -122                           | 0                           | -248                        |
| <b>Total of expenditures and income recorded directly in equity capital with future reclassification with tax effect</b> | <b>-1,898</b>                 | <b>-906</b>                    | <b>-1,759</b>               | <b>1,034</b>                |
| Financial assets measured at fair value through other comprehensive income (FVOCI)                                       | 0                             | 0                              | 0                           | 0                           |
| Revaluation of defined benefit pension plans                                                                             | 24                            | -9                             | 17                          | -21                         |
| Share of other comprehensive income from investments using the equity method                                             | 0                             | 0                              | 0                           | 0                           |
| Tax effect resulting from components recognized directly in equity without future reclassification                       | -5                            | 2                              | -3                          | 5                           |
| <b>Total of expenditures and income recorded directly in equity without future reclassification with tax effect</b>      | <b>19</b>                     | <b>-7</b>                      | <b>13</b>                   | <b>-16</b>                  |
| <b>Group comprehensive income</b>                                                                                        | <b>5,728</b>                  | <b>-9,349</b>                  | <b>1,385</b>                | <b>-1,910</b>               |
| thereof non-controlling interests                                                                                        | -5                            | -2                             | -2                          | -3                          |
| thereof shareholders Manz AG                                                                                             | 5,732                         | -9,347                         | 1,387                       | -1,907                      |

\*Adjustment after restatement due to impairment of prepayments made for inventories in 2021.

## Consolidated Balance Sheet

### ASSETS (in TEUR)

|                                                   | June 30, 2023  | Dec. 31, 2022  |
|---------------------------------------------------|----------------|----------------|
| <b>Non-current assets</b>                         |                |                |
| Intangible assets                                 | 46,839         | 43,885         |
| Property, plant and equipment                     | 42,821         | 44,314         |
| Investments accounted for using the equity method | 2,169          | 7,632          |
| Financial assets                                  | 14,179         | 3,829          |
| Other non-current assets                          | 3,374          | 2,681          |
| Deferred tax assets                               | 3,406          | 2,878          |
|                                                   | <b>112,788</b> | <b>105,220</b> |
| <b>Current assets</b>                             |                |                |
| Inventories                                       | 57,633         | 56,200         |
| Trade receivables                                 | 44,058         | 47,588         |
| Contract assets                                   | 67,217         | 73,696         |
| Current income tax receivables                    | 600            | 403            |
| Derivative financial instruments                  | 700            | 1,513          |
| Other current assets                              | 25,409         | 26,607         |
| Cash and cash equivalents                         | 7,604          | 33,604         |
|                                                   | <b>203,222</b> | <b>239,611</b> |
| <b>Total assets</b>                               | <b>316,010</b> | <b>344,830</b> |

**SHAREHOLDERS' EQUITY AND LIABILITIES (in TEUR)**

|                                               | June 30, 2023  | Dec. 31, 2022  |
|-----------------------------------------------|----------------|----------------|
| <b>Equity</b>                                 |                |                |
| Issued capital                                | 8,543          | 8,540          |
| Capital reserves                              | 20,550         | 20,088         |
| Retained earnings                             | 80,685         | 73,087         |
| Accumulated other comprehensive income        | -1,524         | 342            |
| Shareholders of Manz AG                       | <b>108,254</b> | <b>102,057</b> |
| Non-controlling interests                     | 210            | 215            |
|                                               | <b>108,464</b> | <b>102,272</b> |
| <b>Non-current liabilities</b>                |                |                |
| Non-current financial liabilities             | 6,250          | 6,738          |
| Non-current financial liabilities from leases | 8,897          | 9,921          |
| Pension provisions                            | 4,297          | 4,603          |
| Other non-current provisions                  | 2,226          | 2,463          |
| Other non-current liabilities                 | 107            | 119            |
| Deferred tax liabilities                      | 6,296          | 5,234          |
|                                               | <b>28,074</b>  | <b>29,077</b>  |
| <b>Current liabilities</b>                    |                |                |
| Current financial liabilities                 | 49,977         | 37,541         |
| Current financial liabilities from leases     | 3,937          | 4,095          |
| Trade payables                                | 59,310         | 73,641         |
| Contract liabilities                          | 41,818         | 74,243         |
| Current income tax liabilities                | 1,609          | 2,252          |
| Other current provisions                      | 6,780          | 6,148          |
| Derivative financial instruments              | 201            | 202            |
| Other current liabilities                     | 15,839         | 15,359         |
|                                               | <b>179,472</b> | <b>213,481</b> |
| <b>Total liabilities</b>                      | <b>316,010</b> | <b>344,830</b> |

# Consolidated Cash Flow Statement

(in TEUR)

|                                                                                                  | Jan. 1 to<br>June 30, 2023 | Jan. 1 to<br>June 30, 2022* |
|--------------------------------------------------------------------------------------------------|----------------------------|-----------------------------|
| Net profit/loss after taxes                                                                      | 7,607                      | -8,435                      |
| Amortization/depreciation                                                                        | 5,826                      | 5,834                       |
| Increase (+)/decrease (-) of pension provisions<br>and other non-current provisions              | -523                       | -695                        |
| Interest income (-) and expenses (+)                                                             | 1,084                      | 713                         |
| Taxes on income and earnings                                                                     | 1,622                      | 1,979                       |
| Other non-cash income (-) and expenses (+)                                                       | 462                        | 499                         |
| Gains (-)/losses (+) from disposal of assets                                                     | -5,708                     | 31                          |
| Result from investments using the equity method                                                  | 879                        | 382                         |
| Increase (-)/decrease (+) in inventories, trade receivables,<br>contract assets and other assets | 7,178                      | -21,065                     |
| Increase (+)/decrease (-) in trade payables,<br>contract liabilities and other liabilities       | -43,159                    | 35,186                      |
| Received (+)/paid income taxes (-)                                                               | -2,463                     | -2,287                      |
| Interest paid                                                                                    | -1,297                     | -738                        |
| Interest received                                                                                | 214                        | 25                          |
| <b>Cash flow from operating activities</b>                                                       | <b>-28,278</b>             | <b>11,428</b>               |
| Cash receipts from the sale of fixed assets                                                      | 1                          | 1,536                       |
| Cash payments for the investments in intangible assets<br>and property, plant and equipment      | -12,211                    | -10,276                     |
| Government grants/subsidies received                                                             | 4,823                      | 0                           |
| Cash payments for investments in subsidiaries<br>less liquid funds received                      | 0                          | -25                         |
| Cash receipts for the sale of investments using the equity method<br>less liquid funds withdraw  | 0                          | 0                           |
| Cash payments for investments using the equity method<br>less liquid funds received              | 0                          | -17                         |
| Changes in investments on financial assets                                                       | 137                        | 55                          |
| <b>Cash flow from investing activities</b>                                                       | <b>-7,250</b>              | <b>-8,727</b>               |
| Cash receipts from the assumption of non-current financial liabilities                           | 209                        | 382                         |
| Cash payments for the repayment of non-current financial liabilities                             | -696                       | -614                        |
| Cash receipts from the assumption of current financial liabilities                               | 14,034                     | 8,115                       |
| Cash payments for the repayment of current financial liabilities                                 | -1,598                     | -4,341                      |
| Purchase of treasury shares                                                                      | 0                          | 0                           |
| Cash payment of lease liabilities                                                                | -1,998                     | -2,085                      |
| Cash receipts from equity increase                                                               | 2                          | 0                           |
| <b>Cash flow from financing activities</b>                                                       | <b>9,952</b>               | <b>1,457</b>                |
| <b>Cash and cash equivalents at the end of the period</b>                                        |                            |                             |
| Net change in cash funds (subtotal 1-3)                                                          | -25,576                    | 4,158                       |
| Effect of exchange rate movements on cash and cash equivalents                                   | -438                       | 437                         |
| Credit risk allowance on bank deposit                                                            | 14                         | 6                           |
| Cash and cash equivalents on January 1, 2023                                                     | 33,604                     | 36,086                      |
| <b>Cash and cash equivalents on June 30, 2023</b>                                                | <b>7,604</b>               | <b>40,688</b>               |

\*Adjustment after restatement due to impairment of prepayments made for inventories in 2021.

# Consolidated Statement of Changes to Equity 2022

(in TEUR)

|                                  | Issued capital | Capital reserves | Treasury Shares | Revenue reserves* | Other comprehensive income                             |                                                                        |                                                  |                                                       |                      |              | Other comprehensive income | Equity to shareholders of Manz AG* | Non-controlling interest | Total equity* |
|----------------------------------|----------------|------------------|-----------------|-------------------|--------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------|----------------------|--------------|----------------------------|------------------------------------|--------------------------|---------------|
|                                  |                |                  |                 |                   | Components which are not transferred to profit or loss |                                                                        |                                                  | Components which may be transferred to profit or loss |                      |              |                            |                                    |                          |               |
|                                  |                |                  |                 |                   | Remeasurement of pensions                              | Financial assets measured at fair value through profit or loss (FVOCI) | Investment accounted for using the equity method | Cash flow hedges                                      | Currency translation |              |                            |                                    |                          |               |
| <b>As of Jan. 1, 2022*</b>       | <b>7,757</b>   | <b>19,297</b>    | <b>0</b>        | <b>55,194</b>     | <b>-1,919</b>                                          | <b>-24,245</b>                                                         | <b>0</b>                                         | <b>0</b>                                              | <b>31,605</b>        | <b>5,441</b> | <b>87,688</b>              | <b>262</b>                         | <b>87,950</b>            |               |
| Consolidated net profit          | 0              | 0                | 0               | -8,424            | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0            | -8,424                     | -11                                | -8,435                   |               |
| Other comprehensive income       | 0              | 0                | 0               | 0                 | -7                                                     | 0                                                                      | 0                                                | 297                                                   | -1,213               | -922         | -922                       | 9                                  | -913                     |               |
| Consolidated income statement    | 0              | 0                | 0               | -8,424            | -7                                                     | 0                                                                      | 0                                                | 297                                                   | -1,213               | -922         | -9,347                     | -2                                 | -9,349                   |               |
| Issue of shares                  | 0              | 0                | 0               | 0                 | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0            | 0                          | 0                                  | 0                        |               |
| Purchase of treasury shares      | 0              | 0                | 0               | 0                 | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0            | 0                          | 0                                  | 0                        |               |
| Use of treasury shares           | 0              | 0                | 0               | 0                 | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0            | 0                          | 0                                  | 0                        |               |
| Share-based payment              | 0              | 499              | 0               | 0                 | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0            | 499                        | 0                                  | 499                      |               |
| Change in scope of consolidation | 0              | 0                | 0               | 42                | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0            | 42                         | -42                                | 0                        |               |
| <b>As of June 30, 2022</b>       | <b>7,757</b>   | <b>19,796</b>    | <b>0</b>        | <b>46,812</b>     | <b>-1,926</b>                                          | <b>-24,245</b>                                                         | <b>0</b>                                         | <b>297</b>                                            | <b>30,393</b>        | <b>4,518</b> | <b>78,883</b>              | <b>218</b>                         | <b>79,100</b>            |               |

\*Adjustment after restatement due to impairment of prepayments made for inventories in 2021.

# Consolidated Statement of Changes to Equity 2023

(in TEUR)

|                                  | Issued capital | Capital reserves | Treasury Shares | Revenue reserves | Other comprehensive income                             |                                                                        |                                                  |                                                       |                      |               | Other comprehensive income | Equity to shareholders of Manz AG | Non-controlling interest | Total equity |
|----------------------------------|----------------|------------------|-----------------|------------------|--------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------|----------------------|---------------|----------------------------|-----------------------------------|--------------------------|--------------|
|                                  |                |                  |                 |                  | Components which are not transferred to profit or loss |                                                                        |                                                  | Components which may be transferred to profit or loss |                      |               |                            |                                   |                          |              |
|                                  |                |                  |                 |                  | Remeasurement of pensions                              | Financial assets measured at fair value through profit or loss (FVOCI) | Investment accounted for using the equity method | Cash flow hedges                                      | Currency translation |               |                            |                                   |                          |              |
| <b>As of Jan. 1, 2023</b>        | <b>8,540</b>   | <b>20,088</b>    | <b>0</b>        | <b>73,087</b>    | <b>-1,215</b>                                          | <b>-24,245</b>                                                         | <b>0</b>                                         | <b>0</b>                                              | <b>25,802</b>        | <b>342</b>    | <b>102,057</b>             | <b>215</b>                        | <b>102,272</b>           |              |
| Consolidated net profit          | 0              | 0                | 0               | 7,597            | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0             | 7,597                      | 10                                | 7,607                    |              |
| Other comprehensive income       | 0              | 0                | 0               | 0                | 19                                                     | 0                                                                      | 0                                                | 0                                                     | -1,884               | -1,865        | -1,865                     | -14                               | -1,879                   |              |
| Consolidated income statement    | 0              | 0                | 0               | 7,597            | 19                                                     | 0                                                                      | 0                                                | 0                                                     | -1,884               | -1,865        | 5,732                      | -5                                | 5,728                    |              |
| Issue of shares                  | 2              | 0                | 0               | 0                | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0             | 2                          | 0                                 | 2                        |              |
| Withdrawal from capital reserves | 0              | 0                | 0               | 0                | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0             | 0                          | 0                                 | 0                        |              |
| Purchase of treasury shares      | 0              | 0                | 0               | 0                | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0             | 0                          | 0                                 | 0                        |              |
| Use of treasury shares           | 0              | 0                | 0               | 0                | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0             | 0                          | 0                                 | 0                        |              |
| Share-based payment              | 0              | 462              | 0               | 0                | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0             | 462                        | 0                                 | 462                      |              |
| Change in scope of consolidation | 0              | 0                | 0               | 0                | 0                                                      | 0                                                                      | 0                                                | 0                                                     | 0                    | 0             | 0                          | 0                                 | 0                        |              |
| <b>As of June 30, 2023</b>       | <b>8,543</b>   | <b>20,550</b>    | <b>0</b>        | <b>80,685</b>    | <b>-1,196</b>                                          | <b>-24,245</b>                                                         | <b>0</b>                                         | <b>0</b>                                              | <b>23,918</b>        | <b>-1,524</b> | <b>108,254</b>             | <b>210</b>                        | <b>108,464</b>           |              |

# Notes to the Consolidated Financial Statement (condensed)

## General disclosures

Manz AG ("Manz AG" or "Group") is a stock corporation (Commercial Registration Stuttgart, Registration number 353 989) incorporated in Germany with its registered office at Steigäckerstrasse 5 in 72768 Reutlingen, Germany. Manz AG and its subsidiaries ("Manz Group" or "Manz") have many years of expertise in automation, laser processing, image processing and metrology as well as in wet chemistry and roll-to-roll processes. Manz AG's shares are traded on the regulated market (Prime Standard) of the Frankfurt Stock Exchange.

Pursuant to Section 115 of the Securities Trading Act (WpHG), the interim consolidated financial statements as of June 30, 2023 have been prepared in condensed form in accordance with IAS 34 of the International Financial Reporting Standards (IFRS) – published by the International Accounting Standards Board (IASB), London, which are endorsed by the European Union, and the Interpretations of the IFRS Interpretations Committee in effect on the reporting date. Standards and interpretations that have not yet taken effect have not been applied. The present interim consolidated financial statements and the interim group management report have not been subject to an audit or an audit review in accordance with Section 317 of the Commercial Code.

The interim consolidated financial statements are prepared in EUR. Unless otherwise stated, the information is given in TEUR. All figures shown are rounded.

## Accounting and valuation principles

The accounting policies applied to the condensed consolidated interim financial statements as of June 30, 2023, as well as the calculation methods and input parameters used to measure fair value are essentially the same as those of the consolidated financial statements as of December 31, 2022. A detailed description of these policies was published in the notes to the consolidated financial statements in the 2022 Annual Report.

### **Management estimates and judgments**

The preparation of consolidated interim financial statements requires assumptions and estimates that have an effect on the recognition, measurement and presentation of assets, liabilities, income, and expenses, as well as contingent assets and contingent liabilities. The main circumstances affected by such discretionary judgments and estimates relate to the viability of receivables, the determination of the stage of completion of long-term manufacturing projects, assumptions about future cash flows from cash-generating units and development projects, as well as the recognition and measurement of provisions. The assump-

tions and estimates made are based on available information, which is regularly reviewed to ensure that it is up to date and adjusted promptly if necessary.

Management makes assumptions and estimates based on current events and measures. Nevertheless, actual events may deviate from these assumptions and estimates. Especially in light of the war in Ukraine, significant risks exist, such as potential shortages of energy and raw materials, as well as price increases. Further escalation of this conflict would significantly raise the risk of a global economic downturn. This downturn, combined with the current trends in inflation and interest rates, could lead to a substantial decline in global consumer demand. Due to the dynamic global uncertainties, it cannot be ruled out that the actual results will deviate from the estimates and assumptions made in the 6-month report 2022 or that the estimates and assumptions made will have to be adjusted in future periods and this will have an impact on the financial position, results of operations and cash flows of Manz AG.

In the following areas, the assumptions were subjected to renewed consideration:

#### **Financial assets and contract assets**

In accordance with IFRS 9, an impairment test is performed on financial assets and contract assets regularly. An impairment model is applied that contains current forward-looking information in the macroeconomic environment by region in order to determine potential expected losses. In addition, the default rates are reviewed individually by the responsible management. Factors such as maturity structures of receivables balances, customer creditworthiness or current macroeconomic data are included in the review.

#### **Impairment test**

Intangible assets with indefinite useful lives and goodwill are tested for impairment once a year as of December 31, unless there are specific indications that a cash-generating unit may be impaired. As of June 30, Manz AG also reviews whether there are any concrete indications of impairment. As of June 30, 2023, there were no concrete indications of impairment. Accordingly, no additional impairment test was performed.

## **Corrections of errors in accordance with IAS 8**

As already described in the notes to the consolidated financial statements as of December 31, 2022, in the section "Correction of errors in accordance with IAS 8", prepayments made for inventories in the consolidated financial statements as of December 31, 2021, in connection with the protective shield proceedings of Nice Solar Energy GmbH, which was a supplier to Manz AG for the large-scale CIGS*fab* project, were impaired by EUR 1.2 million retrospectively.

The following tables emerge from those corrections:



**Correction of affected items in the income statement according to IAS 8**

| (in TEUR)                                                          | Jan. 1 to<br>June 30, 2022<br>(published) | Correction of<br>error according<br>to IAS 8 | Jan. 1 to<br>June 30, 2022<br>(adjusted) |
|--------------------------------------------------------------------|-------------------------------------------|----------------------------------------------|------------------------------------------|
| Other operating expenses                                           | 21,830                                    | -1,200                                       | 20,629                                   |
| EBITDA                                                             | -1,110                                    | 1,200                                        | 91                                       |
| EBIT                                                               | -6,944                                    | 1,200                                        | -5,744                                   |
| EBT                                                                | -7,657                                    | 1,200                                        | -6,456                                   |
| Consolidated net profit                                            | -9,636                                    | 1,200                                        | -8,435                                   |
| Consolidated net profit attributable<br>to shareholders of Manz AG | -9,625                                    | 1,200                                        | -8,424                                   |
| Earnings per share undiluted in<br>EUR per share                   | -1.24                                     | 0.15                                         | -1.09                                    |
| Earnings per share diluted in<br>EUR per share                     | -1.24                                     | 0.15                                         | -1.09                                    |

**Correction of affected items in the statement of comprehensive income according to IAS 8**

| (in TEUR)                   | Jan. 1 to<br>June 30, 2022<br>(published) | Correction of<br>error according<br>to IAS 8 | Jan. 1 to<br>June 30, 2022<br>(adjusted) |
|-----------------------------|-------------------------------------------|----------------------------------------------|------------------------------------------|
| Consolidated profit or loss | -9,636                                    | 1,200                                        | -8,435                                   |
| Group comprehensive income  | -10,549                                   | 1,200                                        | -9,349                                   |
| Thereof shareholder Manz AG | -10,547                                   | 1,200                                        | -9,347                                   |

**Correction of affected items in the cash flow statement income according to IAS 8**

| (in TEUR)                                                                                            | Jan. 1 to<br>June 30, 2022<br>(published) | Correction of<br>error according<br>to IAS 8 | Jan. 1 to<br>June 30, 2022<br>(adjusted) |
|------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------------------|------------------------------------------|
| Net profit/loss after taxes                                                                          | -9,636                                    | 1,200                                        | -8,435                                   |
| Increase (-) / decrease (+) in inventories,<br>Trade receivables contract assets and<br>other assets | -19,864                                   | -1,200                                       | -21,065                                  |
| Cashflow from operating activities                                                                   | 11,428                                    | 0                                            | 11,428                                   |

## Consolidated group

Manz AG's consolidated interim financial statements include all the companies whose financial and operating policy can be either directly or indirectly determined by Manz AG ("controlling relationship"). In addition to Manz AG, the group of consolidated companies includes 11 fully consolidated subsidiaries.

On March 14, 2023, Manz AG entered into an agreement to exchange its 40 % interest in Customcells Tübingen GmbH for a 4.97 % interest in Customcells Holding GmbH. Following the execution of the exchange, the shares in Customcells Holding GmbH will be included in the consolidated financial statements at fair value through other comprehensive income (equity instrument FVOCI) as of March 14, 2023 in accordance with IFRS 9. The investment is allocated to the Mobility & Battery Solutions division. Furthermore, as part of the new agreement, there is a call and put option for the transfer of the shares in Customcells Holding GmbH in addition to a drag-along obligation. The income from this transaction is described in more detail in the section "Other operating income".

As of June 14, 2023, a new investor invested in the Associate Q.big 3D GmbH. With this capital increase against the issue of new shares, Manz AG's shareholding decreased from 24.99 % to 16.8 %. Despite a shareholding of less than 20 %, the company continues to be classified as an associated company, as a significant influence can be clearly demonstrated.

## Explanations of Individual Items in the Income Statement

### Revenues

Revenues are presented by business segment, including the target sales region, as follows:

| (in TEUR)                    |                                | Germany       | Rest of Europe | China        | Taiwan        | Rest of Asia  | USA           | Other Regions | Total          |
|------------------------------|--------------------------------|---------------|----------------|--------------|---------------|---------------|---------------|---------------|----------------|
| Mobility & Battery Solutions | <b>Jan. 1 to June 30, 2023</b> | 28,274        | 17,228         | 78           | 3             | 5,285         | 6,958         | 809           | <b>58,635</b>  |
|                              | <b>Jan. 1 to June 30, 2022</b> | 28,458        | 6,337          | 433          | 1             | 3,554         | 10,879        | 18            | <b>49,680</b>  |
| Industry Solutions           | <b>Jan. 1 to June 30, 2023</b> | 24,540        | 15,382         | 3,503        | 12,163        | 9,757         | 14,719        | 3,369         | <b>83,433</b>  |
|                              | <b>Jan. 1 to June 30, 2022</b> | 18,845        | 8,625          | 9,307        | 17,687        | 15,850        | 6,251         | 428           | <b>76,993</b>  |
| <b>Total</b>                 | <b>Jan. 1 to June 30, 2023</b> | <b>52,814</b> | <b>32,610</b>  | <b>3,581</b> | <b>12,166</b> | <b>15,042</b> | <b>21,677</b> | <b>4,178</b>  | <b>142,068</b> |
|                              | <b>Jan. 1 to June 30, 2022</b> | <b>47,303</b> | <b>14,962</b>  | <b>9,740</b> | <b>17,688</b> | <b>19,404</b> | <b>17,130</b> | <b>446</b>    | <b>126,673</b> |

The Mobility & Battery Solutions division in the Rest of Europe region recognized revenues of TEUR 10,684. This Amount corresponds to the difference between down payments received and the work already performed with a customer who entered the insolvency procedure on January 16, 2023.

## Other operating income

| (in TEUR)                                       | June 30, 2023 | June 30, 2022 |
|-------------------------------------------------|---------------|---------------|
| Income from share swap                          | 5,709         | –             |
| Exchange rate gains                             | 1,618         | 5,700         |
| Subsidies                                       | 785           | 855           |
| Lease and rental income                         | 404           | 268           |
| Income from the reversal of provisions          | 205           | 1,099         |
| Reversal of valuation allowances on receivables | 73            | 10            |
| Income from the disposal of fixed assets        | –             | 31            |
| Other operating income                          | 491           | 1,395         |
| <b>Total</b>                                    | <b>9,285</b>  | <b>9,358</b>  |

In the Mobility & Battery Solutions division, the 40 % stake in the associated company Customcells Tübingen GmbH was swapped for a 4.97 % stake in Customcells Holding GmbH. This transaction resulted in a positive earnings effect of TEUR 5,709. The positive effect is due to the significantly higher fair value of the shares in Customcells Holding GmbH compared to the shares in Customcells Tübingen GmbH.

## Material expenses

| (in TEUR)                                                                     | June 30, 2023 | June 30, 2022 |
|-------------------------------------------------------------------------------|---------------|---------------|
| Cost of raw materials, consumables and supplies, and of purchased merchandise | 66,161        | 68,873        |
| Cost of purchased services                                                    | 13,435        | 16,308        |
| <b>Total</b>                                                                  | <b>79,596</b> | <b>85,181</b> |

## Other operating expenses

| (in TEUR)                                                   | June 30, 2023 | June 30, 2022 |
|-------------------------------------------------------------|---------------|---------------|
| Advertising and travel expenses                             | 2,553         | 2,206         |
| IT costs                                                    | 2,251         | 1,779         |
| Exchange rate losses                                        | 1,898         | 2,768         |
| Impairment expenses on financial assets and contract assets | 1,782         | 311           |
| Facility costs                                              | 1,690         | 1,833         |
| Increase of provisions                                      | 1,652         | 777           |
| Legal and consulting fees                                   | 1,631         | 1,444         |
| Other personnel-related expenses                            | 1,256         | 1,344         |
| Bank guarantee                                              | 1,022         | 1,052         |
| Research-related (project-based) other operating expenses   | 909           | 963           |
| Outgoing freight                                            | 830           | 1,496         |
| Insurance                                                   | 650           | 832           |
| Rent and leases                                             | 436           | 574           |
| Other                                                       | 2,357         | 3,250         |
| <b>Total</b>                                                | <b>20,917</b> | <b>20,629</b> |

For more detailed information regarding the adjustment of the values published as of June 30, 2022, please refer to the chapter "corrections of errors in accordance with IAS 8".

## Amortization/Depreciation

| (in TEUR)                                  | June 30, 2023 | June 30, 2022 |
|--------------------------------------------|---------------|---------------|
| Fixed assets                               | 4,176         | 4,257         |
| Right-of-use assets from leases            | 1,650         | 1,506         |
| Non-current costs for obtaining a contract | –             | 40            |
| Current costs for obtaining a contract     | –             | 31            |
| <b>Total</b>                               | <b>5,826</b>  | <b>5,834</b>  |

## Explanations of Individual Items in the Balance Sheet

### Intangible assets

| (in TEUR)                              | June 30, 2023 | Dec. 31, 2022 |
|----------------------------------------|---------------|---------------|
| Licenses, software, and similar rights | 4,703         | 4,726         |
| Capitalized development costs          | 27,145        | 23,518        |
| Goodwill                               | 14,847        | 15,574        |
| Prepayments                            | 144           | 67            |
| <b>Total</b>                           | <b>46,839</b> | <b>43,885</b> |

### Property, plant, and equipment

| (in TEUR)                                       | June 30, 2023 | Dec. 31, 2022 |
|-------------------------------------------------|---------------|---------------|
| Land and buildings                              | 17,144        | 17,772        |
| Technical equipment and machinery               | 5,092         | 4,686         |
| Other equipment, operation and office equipment | 5,172         | 5,490         |
| Right-of-use assets                             | 12,081        | 13,586        |
| Prepayments                                     | 3,332         | 2,780         |
| <b>Total</b>                                    | <b>42,821</b> | <b>44,314</b> |

### Inventories

| (in TEUR)                      | June 30, 2023 | Dec. 31, 2022 |
|--------------------------------|---------------|---------------|
| Materials and supplies         | 27,200        | 29,174        |
| Unfinished goods and products  | 9,815         | 12,023        |
| Finished goods and merchandise | 1,437         | 1,364         |
| Advance payments               | 19,181        | 13,639        |
| <b>Total</b>                   | <b>57,633</b> | <b>56,200</b> |

## Trade receivables

| (in TEUR)                            | June 30, 2023 | Dec. 31, 2022 |
|--------------------------------------|---------------|---------------|
| Trade receivables from third parties | 43,445        | 47,204        |
| Trade receivables from associates    | 613           | 384           |
| <b>Total</b>                         | <b>44,058</b> | <b>47,588</b> |

## Contract assets

| (in TEUR)                                                                   | June 30, 2023 | Dec. 31, 2022 |
|-----------------------------------------------------------------------------|---------------|---------------|
| Manufacturing costs, including profit or loss on the construction contracts | 241,580       | 237,010       |
| Minus advance payments received                                             | -174,363      | -163,314      |
| <b>Total</b>                                                                | <b>67,217</b> | <b>73,696</b> |

## Equity

Capital reserves are comprised primarily of contributions from shareholders pursuant to Section 272(2), No. 1 of the Commercial Code, minus financing costs after taxes. Furthermore, this also includes the value of share-based compensation granted to management (including the Managing Board) as a salary component in the form of equity instruments (Performance Share Plan).

The increase of capital reserves of TEUR 462 in the first six months of 2023 relates to the allocation from share-based compensation (Manz Performance Share Plan).

Under the Performance Share Plan, 2,288 subscription rights were granted by way of a conditional capital increase at the end of May. The subscribed capital increased by EUR 2,288.

## Trade payables

| (in TEUR)                       | June 30, 2023 | Dec. 31, 2022 |
|---------------------------------|---------------|---------------|
| Trade payables to third parties | 59,310        | 73,641        |
| <b>Total</b>                    | <b>59,310</b> | <b>73,641</b> |

## Additional information about financial instruments

The war in Ukraine can have direct and indirect effects on Manz AG's financial risks such as currency risk, interest rate risk, credit risk, liquidity risk and other risks. The course of events and their consequences for Manz AG's risk position are continuously monitored.

Trade receivables, other current assets, cash and cash equivalents, trade payables and the majority of other liabilities within the scope of IFRS 7 have short remaining terms. The book values of these financial instruments are therefore assumed to equate approximately to their fair market values.

The following table shows the reconciliation of balance sheet items to the categories of financial instruments, divided according to the book values and fair values of the financial instruments.



**Assets as of June 30, 2023**

**IFRS 9 –  
Financial Assets**

**Carrying amounts by measurement category**

| (in TEUR)                            | Fair value    | At continued acquisition cost | Fair value through other comprehensive income (equity instruments) | Fair value through profit or loss | Not in the scope of IFRS 7, IFRS 9 | Carrying amount June 30, 2023 |
|--------------------------------------|---------------|-------------------------------|--------------------------------------------------------------------|-----------------------------------|------------------------------------|-------------------------------|
| Investments                          | 14,179        | 0                             | 14,179                                                             | 0                                 | 0                                  | 14,179                        |
| Other non-current assets             | 3,374         | 3,083                         | 0                                                                  | 0                                 | 291                                | 3,374                         |
| Trade receivables from third parties | 43,445        | 43,445                        | 0                                                                  | 0                                 | 0                                  | 43,445                        |
| Trade receivables from associates    | 613           | 613                           | 0                                                                  | 0                                 | 0                                  | 613                           |
| Derivative financial instruments     | 700           | 0                             | 0                                                                  | 700                               | 0                                  | 700                           |
| Other current assets                 | 19,875        | 19,875                        | 0                                                                  | 0                                 | 0                                  | 19,875                        |
| Cash and cash equivalents            | 7,604         | 7,604                         | 0                                                                  | 0                                 | 0                                  | 7,604                         |
| <b>Total</b>                         | <b>89,790</b> | <b>74,620</b>                 | <b>14,179</b>                                                      | <b>700</b>                        | <b>291</b>                         | <b>89,790</b>                 |

**Liabilities as of June 30, 2023**

**IFRS 9 –  
Financial Liabilities**

**Carrying amounts by measurement category**

| (in TEUR)                        | Fair value     | Fair value through profit or loss | At continued acquisition cost | Designated hedge instruments | Not in the scope of IFRS 7, IFRS 9 | Carrying amount June 30, 2023 |
|----------------------------------|----------------|-----------------------------------|-------------------------------|------------------------------|------------------------------------|-------------------------------|
| Financial liabilities            | 56,227         | 0                                 | 56,227                        | 0                            | 0                                  | 56,227                        |
| Trade payables to third parties  | 59,310         | 0                                 | 59,310                        | 0                            | 0                                  | 59,310                        |
| Derivative financial instruments | 201            | 201                               | 0                             | 0                            | 0                                  | 201                           |
| Other liabilities                | 5,431          | 0                                 | 5,431                         | 0                            | 0                                  | 5,431                         |
| <b>Total</b>                     | <b>121,169</b> | <b>201</b>                        | <b>120,968</b>                | <b>0</b>                     | <b>0</b>                           | <b>121,169</b>                |

### Assets as of Dec. 31, 2022

#### IFRS 9 – Financial Assets

#### Carrying amounts by measurement category

| (in TEUR)                            | Fair value     | At continued acquisition cost | Fair value through other comprehensive income (equity instruments) | Fair value through profit or loss | Not in the scope of IFRS 7, IFRS 9 | Carrying amount Dec. 31, 2022 |
|--------------------------------------|----------------|-------------------------------|--------------------------------------------------------------------|-----------------------------------|------------------------------------|-------------------------------|
| Investments                          | 3,829          | 0                             | 3,829                                                              | 0                                 | 0                                  | 3,829                         |
| Other non-current assets             | 2,681          | 2,310                         | 0                                                                  | 0                                 | 371                                | 2,681                         |
| Trade receivables from third parties | 47,204         | 47,204                        | 0                                                                  | 0                                 | 0                                  | 47,204                        |
| Trade receivables from associates    | 384            | 384                           | 0                                                                  | 0                                 | 0                                  | 384                           |
| Derivative financial instruments     | 1,513          | 0                             | 0                                                                  | 1,513                             | 0                                  | 1,513                         |
| Other current assets                 | 21,624         | 21,624                        | 0                                                                  | 0                                 | 0                                  | 21,624                        |
| Cash and cash equivalents            | 33,604         | 33,604                        | 0                                                                  | 0                                 | 0                                  | 33,604                        |
| <b>Total</b>                         | <b>110,839</b> | <b>105,126</b>                | <b>3,829</b>                                                       | <b>1,513</b>                      | <b>371</b>                         | <b>110,839</b>                |

### Liabilities as of Dec. 31, 2022

#### IFRS 9 – Financial Liabilities

#### Carrying amounts by measurement category

| (in TEUR)                        | Fair value     | Fair value through profit or loss | At continued acquisition cost | Designated hedge instruments | Not in the scope of IFRS 7, IFRS 9 | Carrying amount Dec. 31, 2022 |
|----------------------------------|----------------|-----------------------------------|-------------------------------|------------------------------|------------------------------------|-------------------------------|
| Financial liabilities            | 44,279         | 0                                 | 44,279                        | 0                            | 0                                  | 44,279                        |
| Trade payables to third parties  | 73,641         | 0                                 | 73,641                        | 0                            | 0                                  | 73,641                        |
| Derivative financial instruments | 202            | 202                               | 0                             | 0                            | 0                                  | 202                           |
| Other liabilities                | 7,205          | 0                                 | 7,205                         | 0                            | 0                                  | 7,205                         |
| <b>Total</b>                     | <b>125,327</b> | <b>202</b>                        | <b>125,125</b>                | <b>0</b>                     | <b>0</b>                           | <b>125,327</b>                |

## Valuation classes

The Group uses the following hierarchy to determine and present the fair market values of financial instruments for each measurement method:

Level 1: (unadjusted) prices for identical assets or liabilities quoted on active markets.

Level 2: input data that is observable either directly (i.e., as prices) or indirectly (i.e., derived from prices) for the asset or liability and that does not represent any quoted price as described in Level 1.

Level 3: input data that is not based on observable market data for the measurement of the asset or liability (unobservable input data).

The financial assets and liabilities recognized by Manz at fair market value break down as follows in the fair market value hierarchy levels:

| (in TEUR)                                                   | Fair value hierarchy |         |         |         |
|-------------------------------------------------------------|----------------------|---------|---------|---------|
|                                                             | Jun. 30, 2023        | Level 1 | Level 2 | Level 3 |
| <b>Assets at fair value – affecting net income</b>          |                      |         |         |         |
| Derivatives                                                 | 700                  | 0       | 700     | 0       |
| <b>Assets at fair value – not affecting net income</b>      |                      |         |         |         |
| Investments                                                 | 14,179               | 0       | 0       | 14,179  |
| <b>Liabilities at fair value – affecting net income</b>     |                      |         |         |         |
| Derivatives with a balance sheet hedging relationship       | 0                    | 0       | 0       | 0       |
| Derivatives                                                 | 201                  | 0       | 201     | 0       |
| <b>Liabilities at fair value – not affecting net income</b> |                      |         |         |         |
| Derivatives with a balance sheet hedging relationship       | 0                    | 0       | 0       | 0       |

| (in TEUR)                                                   | Fair value hierarchy |         |         |         |
|-------------------------------------------------------------|----------------------|---------|---------|---------|
|                                                             | Dec. 31, 2022        | Level 1 | Level 2 | Level 3 |
| <b>Assets at fair value – affecting net income</b>          |                      |         |         |         |
| Derivatives                                                 | 1,513                | 0       | 1,513   | 0       |
| <b>Assets at fair value – not affecting net income</b>      |                      |         |         |         |
| Investments                                                 | 3,829                | 0       | 0       | 3,829   |
| <b>Liabilities at fair value – affecting net income</b>     |                      |         |         |         |
| Derivatives with a balance sheet hedging relationship       | 29                   | 0       | 29      | 0       |
| Derivatives                                                 | 173                  | 0       | 173     | 0       |
| <b>Liabilities at fair value – not affecting net income</b> |                      |         |         |         |
| Derivatives with on-balance-sheet hedging relationship      | 0                    | 0       | 0       | 0       |

## Contingent Liabilities and Other Financial Obligations

As of June 30, there are partially reinsured total performance guarantees for the CIGS orders of Manz AG in the amount of EUR 21 million to the customer Chongquin Shenhua Thin Film Solar Technology Co. Ltd.

Following the decision of an arbitration court, the customer Chongquin Shenhua Thin Film Solar Technology Co. Ltd. may not submit a payment request from the bank guarantee during the arbitration proceedings taking place due the settlement of the discussions regarding outstanding payments relating to the order between the customer Chongquin Shenhua Thin Film Solar Technology Co. Ltd. and Manz AG.

## Segment Reporting Business Units

as of June 30, 2023

| (in TEUR)                                          | Mobility & Battery<br>Solutions | Industry<br>Solutions | Group          |
|----------------------------------------------------|---------------------------------|-----------------------|----------------|
| Total revenues                                     |                                 |                       |                |
| <b>Jan. 1 to June 30, 2023</b>                     | <b>58,635</b>                   | <b>83,433</b>         | <b>142,068</b> |
| <b>Jan. 1 to June 30, 2022</b>                     | <b>49,681</b>                   | <b>76,993</b>         | <b>126,673</b> |
| Result from investments<br>using the equity method |                                 |                       |                |
| <b>Jan. 1 to June 30, 2023</b>                     | -548                            | -331                  | -879           |
| <b>Jan. 1 to June 30, 2022</b>                     | -135                            | -247                  | -382           |
| EBITDA                                             |                                 |                       |                |
| <b>Jan. 1 to June 30, 2023</b>                     | 8,175                           | 7,964                 | 16,139         |
| <b>Jan. 1 to June 30, 2022</b>                     | -6,568                          | 6,658*                | 91*            |
| Amortization/depreciation                          |                                 |                       |                |
| <b>Jan. 1 to June 30, 2023</b>                     | 2,535                           | 3,291                 | 5,826          |
| <b>Jan. 1 to June 30, 2022</b>                     | 2,403                           | 3,431                 | 5,834          |
| EBIT                                               |                                 |                       |                |
| <b>Jan. 1 to June 30, 2023</b>                     | <b>5,640</b>                    | <b>4,673</b>          | <b>10,313</b>  |
| <b>Jan. 1 to June 30, 2022</b>                     | <b>-8,970</b>                   | <b>3,227*</b>         | <b>-5,744*</b> |
| Financial results                                  |                                 |                       |                |
| <b>Jan. 1 to June 30, 2023</b>                     | -760                            | -324                  | -1,084         |
| <b>Jan. 1 to June 30, 2022</b>                     | -557                            | -156                  | -713           |
| Earnings before taxes (EBT)                        |                                 |                       |                |
| <b>Jan. 1 to June 30, 2023</b>                     | 4,880                           | 4,349                 | 9,229          |
| <b>Jan. 1 to June 30, 2022</b>                     | -9,527                          | 3,071*                | -6,456*        |
| Income taxes                                       |                                 |                       |                |
| <b>Jan. 1 to June 30, 2023</b>                     | -772                            | -850                  | -1,622         |
| <b>Jan. 1 to June 30, 2022</b>                     | -265                            | -1,714                | -1,979         |
| Consolidated net profit                            |                                 |                       |                |
| <b>Jan. 1 to June 30, 2023</b>                     | <b>4,108</b>                    | <b>3,499</b>          | <b>7,607</b>   |
| <b>Jan. 1 to June 30, 2022</b>                     | <b>-9,792</b>                   | <b>1,356*</b>         | <b>-8,435*</b> |

\*Adjustment after restatement due to impairment of prepayments made for inventories in 2021.

## Segment Reporting Regions

as of June 30, 2023

| (in TEUR)                      | Revenues by<br>customer location |
|--------------------------------|----------------------------------|
| Germany                        |                                  |
| <b>Jan. 1 to June 30, 2023</b> | 52,814                           |
| <b>Jan. 1 to June 30, 2022</b> | 47,303                           |
| Rest of Europe                 |                                  |
| <b>Jan. 1 to June 30, 2023</b> | 32,610                           |
| <b>Jan. 1 to June 30, 2022</b> | 14,962                           |
| China                          |                                  |
| <b>Jan. 1 to June 30, 2023</b> | 3,581                            |
| <b>Jan. 1 to June 30, 2022</b> | 9,740                            |
| Taiwan                         |                                  |
| <b>Jan. 1 to June 30, 2023</b> | 12,166                           |
| <b>Jan. 1 to June 30, 2022</b> | 17,688                           |
| Rest of Asia                   |                                  |
| <b>Jan. 1 to June 30, 2023</b> | 15,042                           |
| <b>Jan. 1 to June 30, 2022</b> | 19,404                           |
| USA                            |                                  |
| <b>Jan. 1 to June 30, 2023</b> | 21,677                           |
| <b>Jan. 1 to June 30, 2022</b> | 17,130                           |
| Other Regions                  |                                  |
| <b>Jan. 1 to June 30, 2023</b> | 4,178                            |
| <b>Jan. 1 to June 30, 2022</b> | 446                              |
| Group                          |                                  |
| <b>Jan. 1 to June 30, 2023</b> | 142,068                          |
| <b>Jan. 1 to June 30, 2022</b> | 126,673                          |

The Manz Group has two business segments – Mobility & Battery Solutions and Industry Solutions. This structure corresponds to the business activities of Manz and is therefore the basis of management control by management.

## Related Party Disclosures

IAS 24 requires disclosures of relationships, transactions and outstanding balances (including obligations) with related parties.

Natural related persons include the Supervisory Board and the Managing Board of Manz AG including their family members as related persons. In addition, the Manz family together holds 22.7 % of the shares in Manz AG.

It also includes companies that are controlled by a related party or are under the joint control of a related company or are involved with a related party, to the related company. The companies accounted for using the equity method are also assigned to related companies.

Accordingly, the associated companies Cadis Engineering GmbH, Schwendi, Germany and Q.big 3D GmbH, Aalen, Germany were identified as related party.

Contract assets of TEUR 0 (previous year: TEUR 0) existed with Cadis Engineering GmbH as of the balance sheet date. In addition, Manz AG granted a loan in the amount of TEUR 200 (previous year: TEUR 0). There was a balance of TEUR 1,547 advance payment paid to Cadis Engineering GmbH as of the balance sheet date. This result from the purchase of a machine from Cadis Engineering GmbH, which is required for a customer project. There is an outstanding contribution in kind in the amount of TEUR 1,200, which is to be provided as a service to CADIS Engineering GmbH over a period of 30 months from the date of the investment on February 3, 2021.

Contract assets of TEUR 762 existed with with Q.big 3D GmbH as of the balance sheet date. In fiscal year 2023 there were sales of goods in the amount of TEUR 212 (previous year: TEUR 0). In addition, Manz AG granted a loan in the amount of TEUR 500 (previous year: TEUR 200). As of the balance sheet date, Manz AG received interest of TEUR 15 (previous year: TEUR 0) from this loan. There was an outstanding balance of TEUR 610 trade receivables against Q.big 3D GmbH as of the balance sheet date.

In addition, Manz GmbH Management Consulting and Investment, Schlaitdorf, is a related company. In the 2023 reporting period, consulting services were purchased from this company in the amount of TEUR 0 (previous year TEUR 0). There were no outstanding balances as of the balance sheet date.

## Key Events of Particular Importance Occurring after the End of the Reporting Period

There were no key events of particular importance occurring after the end of the reporting period.

## Further Disclosures

### Employees

As of June 30, 2023, the Manz Group had an average of 1,509 employees (June 30, 2022: 1,489)

### Managing Board

Martin Drasch, Chief Executive Officer  
Manfred Hochleitner, Chief Financial Officer



# Responsibility Statement

To the best of our knowledge, and in accordance with the applicable accounting principles for interim financial reporting, the condensed consolidated interim financial statements give a true and fair view of the Manz Group's financial position, financial performance and cash flows, and the Manz Group's interim management report includes a true and fair view of the trends and performance of the business and the position of the Group, as well as a description of the principal opportunities and risks associated with the Group's expected development in the remaining financial year.

Reutlingen, August 3, 2023

The Managing Board of Manz AG



Martin Drasch



Manfred Hochleitner



With a size of  
well above  
**510 x 515 mm,**  
the largest FOPLP panels  
can be produced on our  
lines.

# Electronics: A necessity for daily life and industry

Electronics have become a fixture of daily life. With our machines and equipment for producing electronic components, as well as performance and consumer electronics devices, we create the conditions for the continuous optimization of end products while also reducing production costs. This makes Manz a sought-after development and technology partner.

The electronics industry is a very dynamic sector. With its integrated and automated production solutions, Manz creates the conditions for rapid time-to-market while also improving the performance characteristics of end products and reducing production costs. Our customers profit from these advantages for the production of

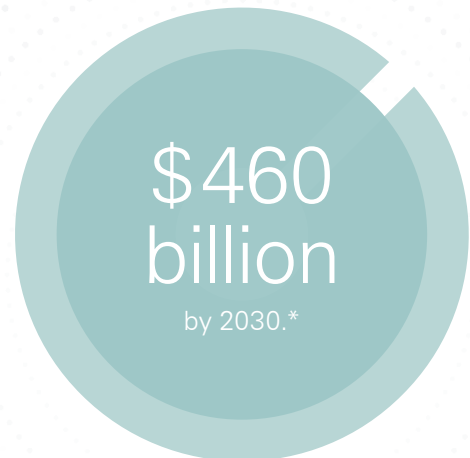
- electronic components such as displays and touch screens, printed circuit boards and semiconductors
- consumer electronics such as smart watches, wearables, laptops, digital cameras or navigation equipment
- performance electronics e.g. inverter modules for solar power equipment, DC or frequency converters

## Ever smaller, lighter – and more powerful

The main requirement for rapid digitization in many areas of our daily life is increased miniaturization, that is, ever smaller and ever more high-performance components. The mega trends of electromobility and autonomous driving, in addition to the driver assistance systems already installed in vehicles today, will cause major leaps in installed chips in the automotive industry.

Our equipment for implementing the innovative packaging method for microchips, fan-out panel level packaging, plays a major role in the realization of this trend. In addition to a significant reduction in volume, thickness, weight and manufacturing cost of the packaging while doubling the number of pins, the process also has significant positive effects on the thermal conductivity and speed of the components.

The market for automotive software and power electronics is expected to grow to ...



**Our claim:**  
**Innovation and quality – from microchip to display**

# Imprint

## **Publisher**

Manz AG  
Steigaeckerstrasse 5  
72768 Reutlingen  
Phone: +49 (0) 7121 9000-0  
info@manz.com  
www.manz.com

## **Editor**

cometis AG  
Unter den Eichen 7/Gebaeude D  
65195 Wiesbaden  
Phone: +49 (0) 611 20 585 5-0  
Fax: +49 (0) 611 20 585 5-66  
www.cometis.de

## **Design**

Art Crash Werbeagentur GmbH  
Weberstrasse 9  
76133 Karlsruhe  
Phone: +49 (0) 721 94009-0  
Fax: +49 (0) 721 94009-99  
info@artcrash.com  
www.artcrash.com

The 6 month report 2023 is also available in an English translation. If there are any discrepancies, the German version of the report shall take precedence over the English translation.



**Manz AG**

Steigaeckerstrasse 5  
72768 Reutlingen  
Tel.: +49 (0) 7121 9000-0  
[info@manz.com](mailto:info@manz.com)  
[www.manz.com](http://www.manz.com)