

Quarterly Statement Q1 | 2023



Table of Contents

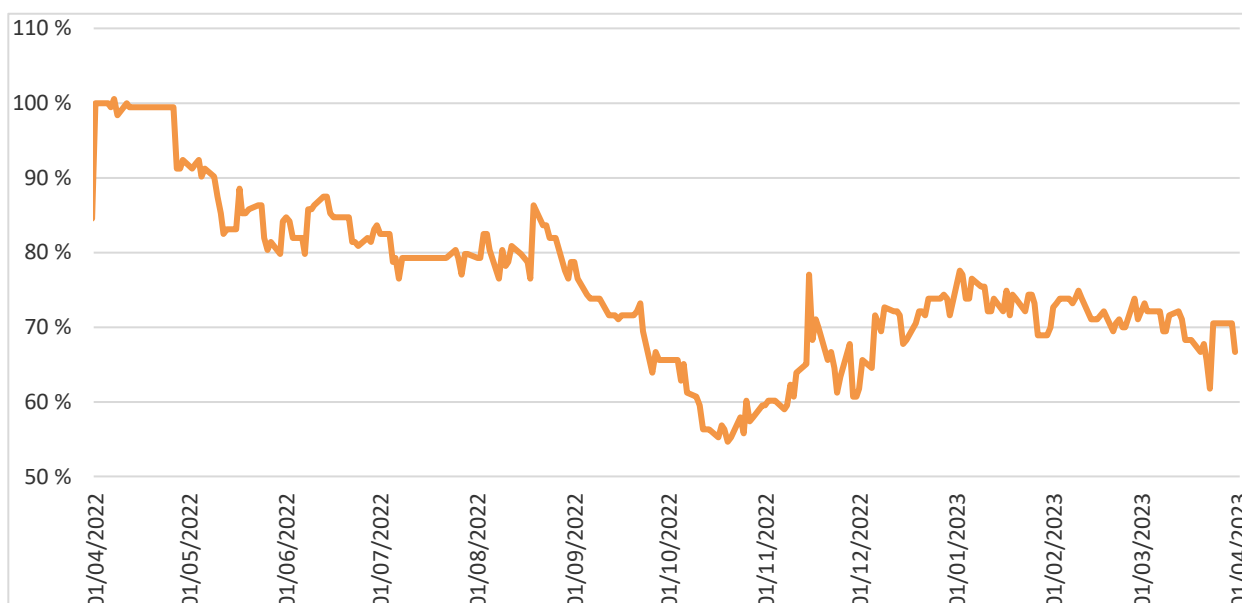
Endor shares	3
Business performance in the first quarter of 2023	5
Forecast 2023	6
Income statement.....	7
Imprint Financial Calendar	8

Endor shares

The Endor AG share reached its highest price in the three-month period 2023 on 2 January, at EUR 14.20, and from then on developed in a sideways trend. The lowest value of the quarter of EUR 11.30 was on 23 March 2023. The closing price of the share on 31 March 2023 was EUR 12.20, down 6.9% compared to the end of 2022 (31 December 2022: EUR 13.10).

The market capitalization of Endor AG as of 31 March 2023, based on the bearer shares outstanding at that date, was approximately EUR 189.1 million (31 March 2022: EUR 283.6 million with a share price of EUR 18.30).

Share price development* for the period 01.04.2022 - 31.03.2023



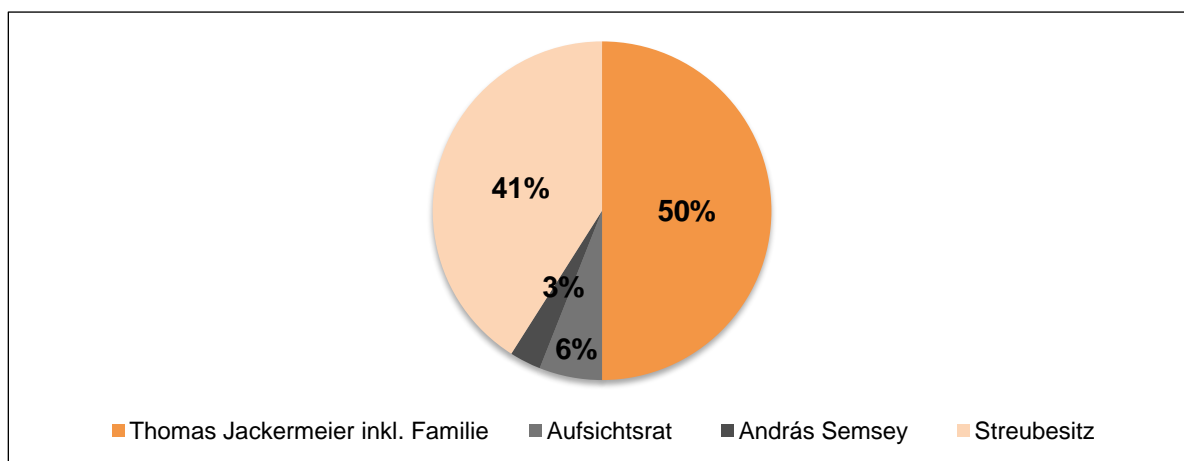
Key data for Endor shares¹

WKN (German securities ID)	549166
ISIN	DE0005491666
Stock exchanges	Munich, Hamburg, Stuttgart
Type of shares	Bearer shares (common shares)
Segment	OTC, Munich Stock Exchange
Number of shares as of 31 March 2023	15,497,584
Market capitalization on 31 March 2023	EUR 189.1 million
Share price in EUR on 31 March 2023	12.20
High for period (Jan. – March 2023) in EUR	14.20
Low for period (Jan. – March 2023) in EUR	11.30

* Stock exchange Munich

Shareholder structure

According to the latest information available to the Company, Thomas Jackermeier including his family holds approx. 50%, the Supervisory Board 6% and András Semsey 3% of Endor AG. The free float thus totals 41%



Business performance in the first quarter of 2023

In the first quarter of 2023, the weakened momentum of the end of 2022 continued, which was still partly due to the lack of product availability of the wheelbases due to chip bottlenecks. Accordingly, revenues in the first three months of 2023 were EUR 17.3 million, down from EUR 46.5 million in the same period of the previous year (-62.8%), with the extremely strong sales of the previous year positively impacted in particular by GT-DD products in connection with SONY's "GT7" game launch. Consolidated revenues achieved in the first quarter of 2023 were in line with the budget.

From a three-month perspective, the cost of materials amounted to EUR 8.8 million, compared to EUR 20.4 million in the previous year. The gross profit margin was 49%, compared with 56% in the first quarter of 2022. In particular, planned expenses for air freight to guarantee rapid availability of goods weighed on the margin.

Personnel expenses amounted to EUR 3.1 million, compared with EUR 2.6 million in the same period of the previous year. Compared to the previous year, the number of employees increased from 178 to 191 persons. The personnel cost ratio increased disproportionately strongly from 6% to 18% due to the significant decline in sales.

Other operating expenses amounted to EUR 7.6 million in the first three months of 2023, compared with EUR 12.8 million in the same quarter of 2022. In addition to freight costs, they also include marketing and selling expenses as well as research and development costs of EUR 0.7 million (previous year: EUR 0.6 million).

In the reporting period, the Endor Group generated earnings before interest, taxes, depreciation and amortization (EBITDA) of EUR -1.9 million (previous year: EUR 12.7 million), equivalent to an EBITDA margin (measured against consolidated revenues) of -11% (previous year: 27%). The operating result (EBIT) in the first quarter of 2023 was EUR -2.6 million, compared with EUR 12.1 million in the prior-year quarter. The EBIT margin (measured against consolidated revenues) was -15% (previous year: 26%). At the bottom line, profit after tax totaled EUR -2.8 million, compared to EUR 8.2 million in the same period of 2022.

Total assets amounted to EUR 120.9 million as of 31 March 2023*, compared with EUR 82.1 million as of 31 March 2022*. Inventories amounted to EUR 68.8 million (31 March 2022*: EUR 36.5 million). Cash flow from operating activities amounted to EUR -7.5 million (previous year: EUR 8.0 million). Cash flow from investing activities amounted to EUR -3.7 million (previous year: EUR -0.7 million) and cash flow from financing activities was EUR 0.5 million (previous year: EUR 0.2 million).

* The comparative figures relate to 31 March 2022/2023, as the audited consolidated financial statements as of 31 December 2022 were not yet available at the time of publication of this quarterly statement

Forecast 2023

The Endor Group is active in growing markets with the products of the FANATEC brand. A key growth driver is the booming eSports sector. Simracing, i.e. virtual racing, is becoming increasingly popular. This trend should also continue at an increased pace in 2023. In the context of the long-term growth trend of the overall market with double-digit growth rates, ENDOR – after the positive outlier due to the GT DD launch in 2022 – will "return to the normal original growth track" in 2023.

Based on this premise, the Executive Board expects consolidated revenues for fiscal 2023 to be roughly on a par with the previous year, as well as an EBIT margin in the lower double digits. Endor AG is also expected to develop similarly, with its absolute amounts averaging around 10% below those of the Group.

A very large factor of uncertainty for the forecast and the further development of the company remains the current political and economic developments and their consequences (e.g. loss of purchasing power), which are currently difficult to assess. In the worst case, a further deterioration could have a negative impact on the forecast for the Endor Group and Endor AG.

For the non-financial indicator of headcount, the Executive Board assumes a constant overall level, supplemented by targeted project-related deployments to restructure and update the IT infrastructure.

Income statement

Endor Group P&L (in EUR million)	Q1 2022	Q1 2023
Turnover	46,5	17,3
Own work capitalized	0,3	0,2
Other income	1,7	0,1
= Total output	48,5	17,7
Cost of materials	-20,4	-8,8
= Gross profit	28,1	8,8
<i>Gross profit margin*</i>	56%	49%
Personnel costs	-2,6	-3,1
<i>Personnel costs ratio</i>	6%	18%
Other operating expenses	-12,8	-7,6
= EBITDA	12,7	-1,9
<i>EBITDA margin</i>	27%	-11%
Depreciation	-0,7	-0,7
= EBIT	12,1	-2,6
<i>% EBIT margin</i>	26%	-15%

*excl. own work capitalized and other income

Landshut, 5th May 2023

The Management Board

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Imprint | Financial Calendar

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Financial calendar 2023

Date	Event
July 2023	Virtual annual meeting 2023
August 2023	Publication of first-half data
November 2023	Publication of Q3 statement

Disclaimer: This Quarterly Statement contains forward-looking statements. These statements are based on present experience, assumptions and expectations, as well as the information currently available to the Management Board. Forward-looking statements should not be understood as guarantees of the future development and results mentioned therein. Rather, future developments and results depend on a large number of factors. They are associated with various risks and uncertainties and are based on assumptions which may prove incorrect. We are under no obligation to update the forward-looking statements made in this report.



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