MUTARES

Charting New Horizons: A Year of Resilience and Growth

ANNUAL REPORT 2024

Leading Global Private Equity Special Situations Investor

MUTARES IN FIGURES

HOLDING

REVENUES

EUR **109.8** million

HOLDING NET INCOME

EUR **108.3** million

GROUP

REVENUES

EUR **5,261.6** million

EBITDA

EUR **117.1** million

ADJUSTED EBITDA

EUR **–85.4** million

EMPLOYEES (12/31/2024)

HOLDING[1]

> 250

GROUP

> 29,000

PORTFOLIO COMPANIES (12/31/2024)

32

DIVIDEND

EUR **2.25**

FOR FY 2023

GUIDANCE

EUR **10** billion

GROUP REVENUES BY 2028

EXITS

7

TARGET ROIC[2]

7–10x

ON AVERAGE

ACQUISITIONS

+19

THEREOF 13 CLOSED IN FY 2024

WE SUPPORT

Cover motif: Adobe Stock/zhao dongfang

[1] incl. Mutares subsidiaries
[2] Return on Invested Capital

The document is interactive. Click on the tables of contents, chapter overviews and symbols to navigate through the report.

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01

ABOUT MUTARES

Mutares is specialized on the acquisition of companies in special situations. Mutares pursues the aim of leading the acquired companies onto a stable path of profitable growth through intensive operational cooperation. Our transaction teams at twelve locations worldwide identify suitable companies. After the acquisition, our own operational team, together with the management of the portfolio companies, develops a comprehensive improvement program along the entire value chain and supports its implementation. Our objective is to return the company to sustainable and long-term success and to support its value. This can also be done through add-on acquisitions.

Extensive operational industry and turnaround experience, combined with transactional and operational support, build the foundation for mastering the challenges involved in developing our portfolio companies.

MUTARES SE & CO. KGAA
Founded in 2008, Mutares acquires mid-sized companies to develop them long-term-oriented and sustainably.

MUTARES GROUP
As at December 31, 2024, the Mutares Group comprised 37 operating companies.

PORTFOLIO COMPANIES
The portfolio companies operate independently and are managed on their own reporting responsibility. They are integrated into the Mutares Group reporting.

OUR MANAGEMENT BOARD

The Mutares Management Board consists of four members, who have years of interna-tional experience in various industries.

More information on the careers can be found at:

www.mutares.com/en/team#executiveboard

From left to right:

CFO
MARK FRIEDRICH
born in 1978, has been with Mutares since 2012. In 2015, he took over the CFO position. He is responsible for the finance sector of the Mutares Group, as well as HR and compliance.

COO
DR. LENNART SCHLEY
born in 1980, has been with Mutares since 2011. He was appointed a member of the Management Board in July 2024. As Chief Operat-ing Officer (COO), he is responsible for operations, consulting and portfolio development.

CEO
ROBIN LAIK
born in 1972, is founder, CEO and main shareholder of Mutares. He is responsible for strateg and business development.

CIO
JOHANNES LAUMANN
born in 1983, joined Mutares in 2016. In 2019, he was appointed CIO. He is responsible for M&A and Investor Relations.

DEAR SHAREHOLDERS, LADIES AND GENTLEMEN,

EUR million
108.3
Mutares Holding net income in FY 2024

EUR million
5,262
Mutares Group revenues in FY 2024

We can look back on an economically challenging but, from Mutares' perspective, successful fiscal year 2024. Mutares has shown – once again: We deliver what we promise. We have successfully implemented numerous transactions on both the buy and sell side and have also made some important decisions to drive Mutares' forward from the level it has already achieved.

Key financial figures for the fiscal year 2024

The revenues of **Mutares Holding** (Mutares SE & Co. KGaA), resulting from consulting services to our affiliated companies and management fees, increased by 6% to EUR 109.8 million in the fiscal year 2024 (previous year: EUR 103.6 million). The increase is a consequence of the enlarged portfolio resulting from the high level of acquisition activity in the past, which was followed by an expansion of operational consulting capacities. Mutares Holding's net profit under commercial law could be increased to EUR 108.3 million for the fiscal year 2024, compared with EUR 102.5 million in the previous year. The closing of the successful sale of Frigoscandia in the first quarter of 2024 and the profit in connection with the listing of Steyr Motors AG and the contribution of shares in Steyr Motors AG in the fourth quarter of 2024 made a significant contribution to this. The exits in the fiscal year 2024 and the listing of Steyr Motors AG resulted in a cash inflow for Mutares Holding of approximately EUR 70 million and income at the level of the annual financial statements of ca. EUR 112 million.

The **Mutares Group** generated revenues of EUR 5,261.6 million in the fiscal year 2024 (previous year: EUR 4,689.1 million). Consolidated EBITDA (earnings before interest, taxes, depreciation and amortization) in accordance with IFRS amounted to EUR 117.1 million in the fiscal year 2024 (previous year: EUR 756.9 million), boosted by gains from bargain purchases in the amount of EUR 268.9 million (previous year: EUR 727.2 million) and the net positive contributions from exits in the fiscal year of EUR 70.4 million (previous year: EUR 104.9 million). Adjusted EBITDA, adjusted in particular for the effects of regular changes in the composition of the portfolio, amounted to EUR –85.4 million for the fiscal year 2024 (previous year: EUR +3.5 million). This reflects opposing effects from the successfully implemented operational restructuring programs in the portfolio and the high level of transaction activity involving acquisitions of naturally significantly loss-making investments as well as the overall weak macroeconomic development, particularly in the Automotive & Mobility segment, in the fiscal year 2024.

Internationalization bears fruit

With 13 acquisitions completed and six further agreements signed in the fiscal year 2024, we have further developed the Mutares portfolio in all four segments. We have a broadly diversified portfolio of 37 companies in four segments with annualized revenues of more than EUR 7 billion. The acquisitions in the fiscal year 2024 already included the first transactions from the new locations in the USA and China. We have already acted on the ambitions we communicated last year to expand our successful business model to markets such as the US, China and India as part of our internationalization strategy.

We were also successful on the sell side with seven exits (and further partial exits) in the fiscal year 2024, not least due to the maturity of our portfolio. Particularly noteworthy here are the exit of Frigoscandia in the first quarter of 2024 and the successful listing of our defense subsidiary Steyr Motors. Steyr Motors is a prime example of the value creation potential of Mutares' business model. Following the acquisition in the fourth quarter of 2022 for a symbolic purchase price, Mutares achieved a rapid transformation and turnaround with a return to revenue growth and sustainable profitability. Steyr Motors was valued at EUR 71.8 million on the stock exchange as at the 2024 balance sheet date. We expect further demonstrable successes on the exit side in the fiscal year 2025, having initiated sales processes for several portfolio companies from all four segments. We expect these to generate gross proceeds of more than EUR 200 million in cash in the current year.

Increase of the 2023/2027 bond and issue of a new bond

In 2024, we also laid the financial foundations to take maximum advantage of the opportunities associated with the internationalization of our business. In January 2024, we increased our 2023/2027 bond by EUR 100 million to the maximum nominal volume of EUR 250 million as part of the tap option. In September 2024, we issued another bond (2024/2029) with an initial volume of EUR 135 million, which can be increased to a volume of EUR 300 million. With the Mutares bond 2024/2029, we have optimized our financing structure and secured a more favourable interest rate. Both issues met with high demand from investors, which also reflects the capital market's confidence in Mutares. We are grateful for that and see it as an incentive for the future. After a – thoroughly capital-intensive – development and growth phase, during which we have grown from EUR 1.6 billion to annualized Group revenues of more than EUR 7.0 billion since 2020, we are now in a position to continue growing with lower investment requirements. This was already evident in the acquisitions made in the fiscal year 2024, which required a lower average investment than in previous years. As our portfolio is also mature enough to enable a steady stream of exits, the Management Board expects Mutares' financing requirements to be lower in the future.

Proposed dividend of EUR 2.00 per share

In 2024, we once again fulfilled our aim of allowing our shareholders to participate substantially in Mutares' success. We paid out EUR 2.25 per share for the previous fiscal year, consisting of the minimum dividend of EUR 2.00 newly communicated in 2023 plus a bonus dividend of EUR 0.25. For the fiscal year 2024, the Management Board and Supervisory Board will propose the distribution of a dividend totaling EUR 2.00 per share at the Annual General Meeting to be held on July 2, 2025.

Outlook

We are sticking to the communicated short and medium-term targets. Looking ahead to the fiscal year 2025, the Management Board expects Mutares Group revenue to increase to between EUR 6.5 billion and EUR 7.5 billion, based on the transactions completed and signed in the current fiscal year 2025, assumptions regarding further planned transactions in the course of the year and the plans for the individual portfolio companies. For Mutares Holding, net income for the fiscal year 2025 is expected to be in the range of EUR 130 million to EUR 160 million. All sources from which the net income of Mutares SE & Co. KGaA is generally derived, namely revenues from the advisory business on the one hand and dividends from portfolio companies and, in particular, exit proceeds from the sale of investments on the other, are expected to contribute to this.

As previously announced, we aim to achieve consolidated revenue of EUR 10.0 billion and net income for Mutares Holding of EUR 200 million in the fiscal year 2028. We have already successfully laid the groundwork for achieving this goal by successfully internationalising our business in Asia, the USA and India, as well as by increasing the 2023/2027 bond and placing the 2024/2029 bond.

On behalf of the Management Board, we would like to thank our employees as well as our investors, partners, suppliers and other stakeholders for their commitment and trust. We are ready and have created a solid foundation to seize the opportunities ahead of us and, together with your support, to continue Mutares' success story.

Sincerely,
The Management Board of Mutares Management SE,
General Partner of Mutares SE & Co. KGaA

OUR IDENTITY

Mutares creates value by transforming risks and opportunities into sustainable business success.

VISION

To be the undisputed international leader for mid-market special situations, driven by our sustainable investment principles

VALUES

Entrepreneurship,
integrative Management, Sustainability,
personal Integrity

MISSION

Transform distressed companies and their ownership into sustainable, lasting and value-enhancing opportunities for shareholders

GOAL

Industry-leading, risk-optimized returns and direct performance contribution for each shareholder, through sustainable and increasing dividends

OUR BUSINESS MODEL

Taking calculated risks and turning losses into opportunities, ultimately creating successful turnarounds.

01 ACQUISITION

Taking calculated risks of loss-making companies

After the acquisition, Mutares initiates an extensive operational improvement program within the portfolio companies. The projects jointly defined with the company are implemented by Mutares consultants in close cooperation with the employees on site.

02 REALIGNMENT

Requesting cash financing from the seller

Mutares develops their companies in a successful and strategic way until the long-term reorganization is achieved. On completion of the improvement program, the company will have reestablished itself as an independent, profitable company in its respective market.

03 OPTIMIZATION

Investing in a successful turnaround

Mutares pursues an active investment management that reviews the company for further business opportunities and strengthens it in the growth phase through focused, strategic acquisitions (buy-and-build approach). For these add-on acquisitions, the strategic fit is decisive.

04 HARVESTING

Turnaround & profit from a profitable company

The objective of Mutares is to actively promote the company's value potential, by establishing the basis for a profitable sale of the company to ensure the sustainable development of the portfolio in the long term.

Learn more about the Mutares business model:
www.mutares.com/en/company

FISCAL YEAR 2024 AT A GLANCE

19 acquisitions of which 13 completed transactions in 2024

01 JANUARY

Mutares **compensates CO_2-emissions of all travels** of the past fiscal year. The climate protection contribution benefits the organization EcoNetix, which thereby promotes the production of carbon sinks.

Mutares is awarded for the **fourth year in a row the label "Company of the Year 2025"** by Focus Money in the category holding companies.

Mutares **completes the acquisition of PRINZ Kinematics** from AL-KO. The company is a leading global automotive supplier of high-quality kinematic systems for OEMs and strengthens the HILO Group as a new add-on investment.

Mutares **sells its portfolio company VALTI** to the company's management.

Mutares **places second tap issue of its bond issued in March 2023** with a volume of EUR 100 million.

Mutares **positions newly formed HILO Group** as a global system supplier for high-quality automotive technology with 1,500 employees and revenues of approx. EUR 350 million. The company acts as new holding company for KICO, ISH, PRINZ Kinematics and High Precision Components.

03 MARCH

Mutares **completes the acquisition of Temakinho** from Cigierre, controlled by BC Partners. The company is a well-known restaurant chain offering Japanese-Brazilian cuisine and strengthens the Retail & Food segment.

Mutares **sells its portfolio company Frigoscandia** to Dachser.

Mutares **signs an agreement to acquire Magirus** from Iveco Group.

04 APRIL

Veröffentlichung Geschäftsbericht 2023: **Net income of Mutares Holding rises to record level of EUR 102.5 million in 2023 – further increase of EUR 108 million to EUR 132 million expected for 2024**.

Mutares **completes the acquisition of Greenview Group** from Cordovan Capital Management and the current management. The company is a provider of mechanical, electrical, heating and sustainable energy solutions in the UK and Ireland and strengthens the Goods & Services segment as a new platform.

Mutares **completes the acquisition of a majority stake in Sofinter Group**. The company is a leading global supplier of industrial and utility boilers with a strong position in the heat recovery steam generator segment and strengthens the Engineering & Technology segment.

Office opening in Shanghai as part of international expansion.

05 MAY

Mutares **sells its portfolio company iinovis Group** to Accursia Capital.

Office opening in Mumbai as part of international expansion.

06 JUNE

Mutares **completes the acquisition of FSL Ladenbau**. The company is a leading shopfitting provider and strengthens the Ganter Group as an add-on investment.

The Annual General Meeting of Mutares SE & Co. KGaA approves a **dividend of EUR 2.25 per share**. This consists of a **minimum dividend of EUR 2.00 per share and a bonus dividend of EUR 0.25 per share and confirms the attractive and long-term dividend strategy**.

Mutares **completes the acquisition of Alterga** from Eltel. The company is a leading provider of engineering and construction services for electrical energy in Poland and strengthens the Goods & Services segment.

Mutares **sells Balcke-Dürr Nuklear Services** to Cyclife Germany, a company of the EDF Group.

Office opening in Chicago as part of international expansion.

Mutares **the acquisition of Cikautxo Rubber & Plastic Components** from CIKAUTXO. The company strengthens the SFC Group, part of Amaneos, as a new add-on investment.

Mutares **expands the Company's Management Board** to four members with Johannes Laumann (CIO) and Dr. Lennart Schley (COO).

07 JULY

Mutares **completes the acquisition of Hirschvogel Incorporated** from Hirschvogel Holding GmbH. The company is a specialist in the forging and machining of steel parts for OEMs and strengthens the FerrAl United Group as a new add-on investment.

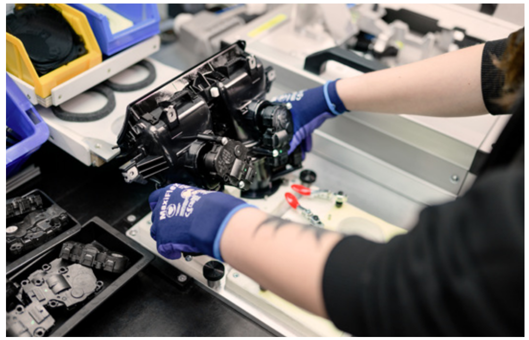
Mutares **completes the acquisition of KmB Technologie** from EMAG Industrial and Scherer Holding. The company is a manufacturer of high-quality components for the automotive and mechanical engineering sector and strengthens the FerrAl United Group as a new add-on investment.

Mutares **completes the acquisition of Wilda Transport och Entreprenad and NU Entreprenad** from Wilton Invest. The company is providers of construction goods transportation, winter and summer operations, small construction works, and traffic safety services in Sweden and strengthens Terranor AB as a new add-on investment.

Mutares **sells Repartim Group** to an institutional investor.

08 AUGUST

Mutares **completes the acquisition of Matikon** from fischerwerke. The company is an auto-motive supplier of kinematic components and high-quality



system solutions for vehicle interiors and exteriors and strengthens the Automotive & Mobility segment.

09 SEPTEMBER

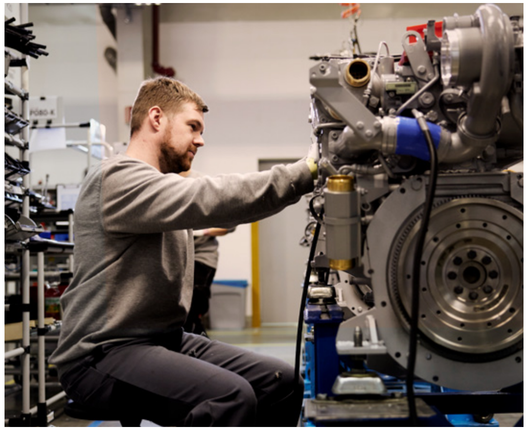
Mutares **successfully places a new secured bond with a volume of EUR 135 million**.

10 OCTOBER

Mutares **finalises the sale of MobiLitas** to Saniva.

Mutares **signs an agreement to acquire the business of Buderus Edelstahl** from voestalpine. The company is a renowned German manufacturer of high-quality special steels and strengthens the Engineering & Technology segment.

Mutares **signs an agreement to acquire the assets of S.M.A. Metalltechnik and its subsidiaries**. The company is a leading manu-facturer of highly impermeable aluminium pipes and strengthens the SFC Group, part of Amaneos, as a new add-on investment.



Mutares **successfully takes Steyr Motors public**.

11 NOVEMBER

Mutares signs an **agreement on the acquisition of VR Logistics Business** from VR Group.

12 DECEMBER

Mutares **completes the acquisition of Alcura France** from Alliance Healthcare Group France. The company is a key player in the distribution of home care solutions in France and strengthens the Goods & Services segment.

Mutares **signs an agreement to acquire GDL Anläggning & Miljö** from GDL Transport Holding. The company is a Swedish provider of services in environmental and recycling, transport and ballast, and machine rental services and strengthens the Goods & Services segment.

Mutares **signs an agreement to acquire Nervión Industries, Engineering and Services**, from Amper. The company is a leading Iberian industrial services operator and strengthens the Goods & Services segment.

Mutares **completes the acquisition of Natura** from Pelion. The company is one of the leading beauty retailers in Poland and strengthens the Retail & Food segment.

02

PORTFOLIO AS OF DECEMBER 31, 2024

Our portfolio companies operate in a wide range of industries all over the world. We have investments in the Automotive & Mobility, Engineering & Technology, Goods & Services and Retail & Food segments. Joining our Group gives them the opportunity to develop autonomously, independently and sustainably.

Automotive & Mobility

Engineering & Technology

Goods & Services

Retail & Food

Our Portfolio Companies

AUTOMOTIVE & MOBILITY

Peugeot

AUTOMOTIVE & MOBILITY

Our portfolio companies in the Automotive & Mobility segment – our **early-cyclical business** – operate worldwide, supplying prominent international original equipment manufacturers (OEMs) for commercial vehicles and passenger cars.

EUR **2.4** billion
expected annual revenue [1]

amaneos

Global partner for plastic-based systems for the automotive industry

Revenues EUR million[1]	Acquisition	Phase
940	2020, 2021, 2022, 2024	Optimization

FERRAL UNITED

Multinational supplier for multi-material machined solutions and systems

Revenues EUR million[1]	Acquisition	Phase
930	2020, 2022, 2023, 2024	Optimization

HILO GROUP

System supplier of high-quality automotive technology

Revenues EUR million[1]	Acquisition	Phase
250	2019, 2021, 2023, 2024	Optimization

MATIKON

Global partner for kinematic systems in automotive interiors and exteriors

Revenues EUR million[1]	Acquisition	Phase
200	2024	Acquisition

PEUGEOT MOTOCYCLES

Manufacturer of two and three-wheeler scooters and motorcycles

Revenues EUR million[1]	Acquisition	Phase
120	2023	Realignment

[1] expected annual revenue

Our Portfolio Companies

ENGINEERING & TECHNOLOGY

Efacec

ENGINEERING & TECHNOLOGY

Our portfolio companies in the Engineering & Technology segment – our **late-cyclical business** – serve customers from various sectors, including the energy and chemical industries, public infrastructure and the rail sector, in particular in the area of plant and mechanical engineering.

EUR **1.6** billion expected annual revenue [1]

BYLDIS
Designer, manufacturer and installer of pre-fabricated concrete components for mid and high-rise buildings

Revenues EUR million[1]	Acquisition	Phase
65	2023	Realignment

CLECIM
Supplier of high-end steel processing line solutions

Revenues EUR million[1]	Acquisition	Phase
50	2021	Harvesting

DONGES GROUP
Full-service provider for building envelopes and steel structures

Revenues EUR million[1]	Acquisition	Phase
200	2017	Harvesting

efacec
Provider of energy, engineering and mobility solutions

Revenues EUR million[1]	Acquisition	Phase
300	2023	Realignment

Gemini Rail Group / ADComms
Industrial, technological and infrastructure service provider for the rail industry

Revenues EUR million[1]	Acquisition	Phase
100	2018, 2021	Optimization

Guascor Energy
Manufacturer of gas and diesel engines

Revenues EUR million[1]	Acquisition	Phase
70	2022	Optimization

La Rochette Cartonboard
Producer of folding boxboard

Revenues EUR million[1]	Acquisition	Phase
95	2021	Harvesting

NEM / Balcke Dürr
Supplier and service provider of heat recovery steam generators, heat exchangers and reactors

Revenues EUR million[1]	Acquisition	Phase
310	2016, 2022	Optimization

Sofinter group
Provider of industrial and utility boilers

Revenues EUR million[1]	Acquisition	Phase
300	2024	Realignment

STEYR MOTORS
Manufacturer of diesel engines and auxiliary electric drives for special applications

Revenues EUR million[1]	Acquisition	Phase
70	2022	Harvesting

[1] expected annual revenue

Our Portfolio Companies

GOODS & SERVICES

Greenview

GOODS & SERVICES

Our portfolio companies in the Goods & Services segment – our **non-cyclical business** – offer specialized products and services for customers in various sectors.

EUR **1.1** billion expected annual revenue[1]

Alcura – Au service du patient
Leading player in the distribution of home care solutions

Revenues EUR million[1]	Acquisition	Phase
60	2024	Realignment

ALTERGA
Service provider in the high voltage energy infrastructure sector

Revenues EUR million[1]	Acquisition	Phase
50	2024	Realignment

Conexus
Service provider in the telecommunications and energy infrastructure industries

Revenues EUR million[1]	Acquisition	Phase
80	2021	Optimization

GANTER
General contractor in interior design and store fitting

Revenues EUR million[1]	Acquisition	Phase
70	2021, 2024	Optimization

GoCollective ReloBus
Public transport operator

Revenues EUR million[1]	Acquisition	Phase
260	2023	Optimization

Greenview – Working better together
Provider of building services to the public and private sectors

Revenues EUR million[1]	Acquisition	Phase
50	2024	Realignment

palmia
Differentiated service providers in the Nordics

Revenues EUR million[1]	Acquisition	Phase
180	2023	Optimization

REDO
Building remediation services

Revenues EUR million[1]	Acquisition	Phase
30	2023	Realignment

stuart.
Provider of same-day urban delivery solutions

Revenues EUR million[1]	Acquisition	Phase
35	2023	Realignment

terranor
Provider of road operation and maintenance services

Revenues EUR million[1]	Acquisition	Phase
310	2020, 2024	Harvesting

[1] expected annual revenue in 2024

Our Portfolio Companies

RETAIL & FOOD

Prénatal

RETAIL & FOOD

Our portfolio companies in the Retail & Food segment – our **cyclical business** – are manufacturer and distributor in various sectors, including home equipment, household products and food processing.

EUR **1.1** billion
expected annual revenue[1]

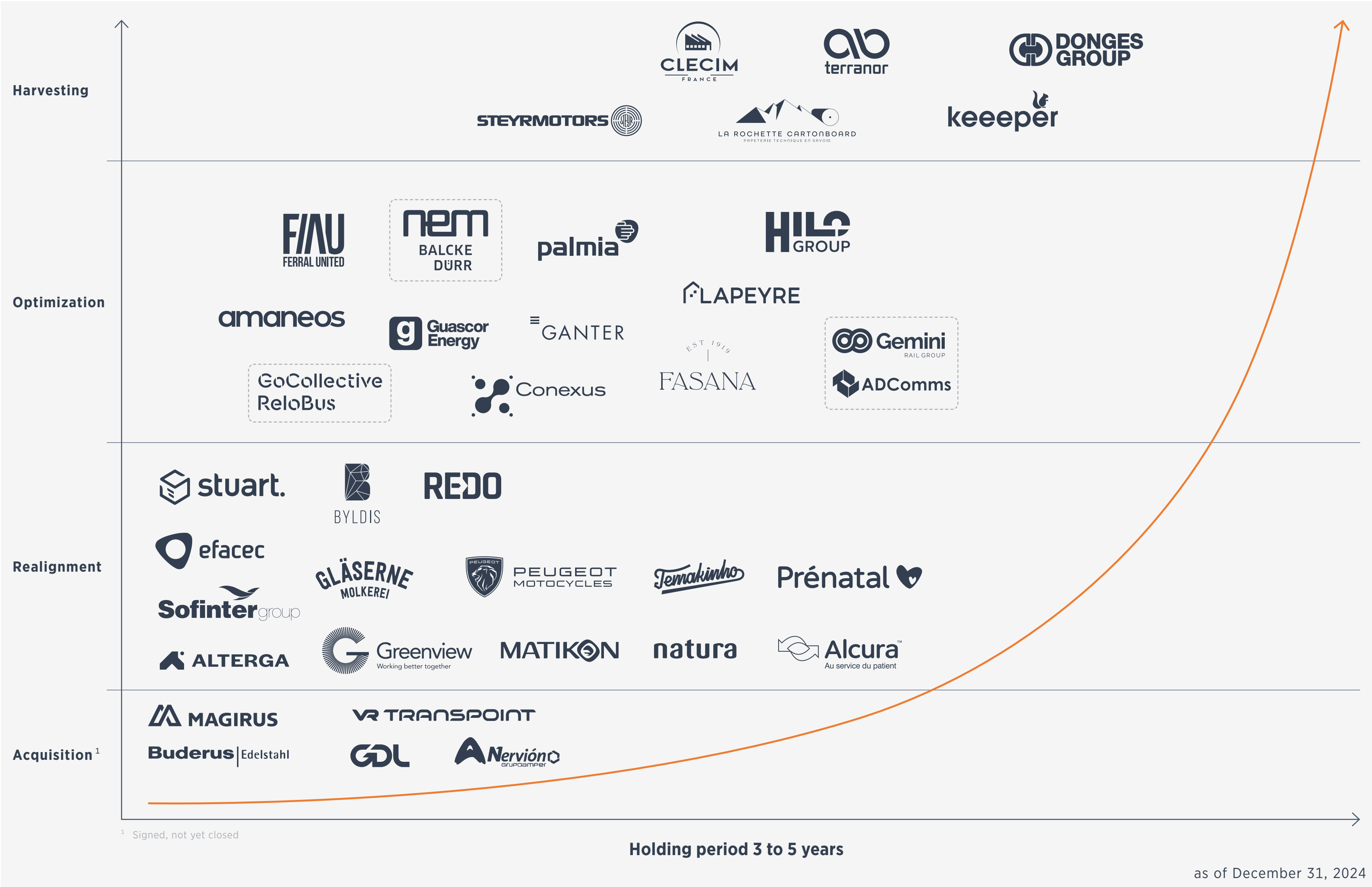
Company	Description	Revenues EUR million[1]	Acquisition	Phase
FASANA	Manufacturer of innovative and high-quality paper napkins	60	2020	Optimization
GLÄSERNE MOLKEREI	Manufacturer of high quality organic dairy products	80	2023	Realignment
keeeper	Manufacturer of household products	90	2019	Harvesting
LAPEYRE	Manufacturer and distributor of home equipment products	610	2021	Optimization
natura	Beauty retailer	100	2024	Realignment
Prénatal	Retailer in baby, toddler, and maternity wear, hard goods and toys	100	2023	Realignment
Temakinho	Casual dining chain offering Japanese-Brazilian cuisine	15	2024	Realignment

[1] expected annual revenue

MUTARES PORTFOLIO ACROSS LIFECYCLE STAGES

Attractive exit opportunities increase with the maturity – the actual holding period in years.

ROIC target of 7–10x over the entire lifecycle.



03 TO OUR SHAREHOLDERS

- **Successful increase** of the 2023/2027 bond and **issue** of the 2024/2029 bond
- Distribution of a **dividend** of **EUR 2.25** per share for fiscal year 2023
- Analyst ratings **recommend buy** with price target of up to **EUR 50.00**

“

2024 was a year of setting the course: through internationalization, targeted investments, and a strong portfolio, we have laid the foundation for sustainable value creation in the interests of our investors while remaining committed to our long-term growth targets.”

Robin Laik, Chief Executive Officer

MUTARES ON THE CAPITAL MARKET

Stock markets on record course amid high fluctuations

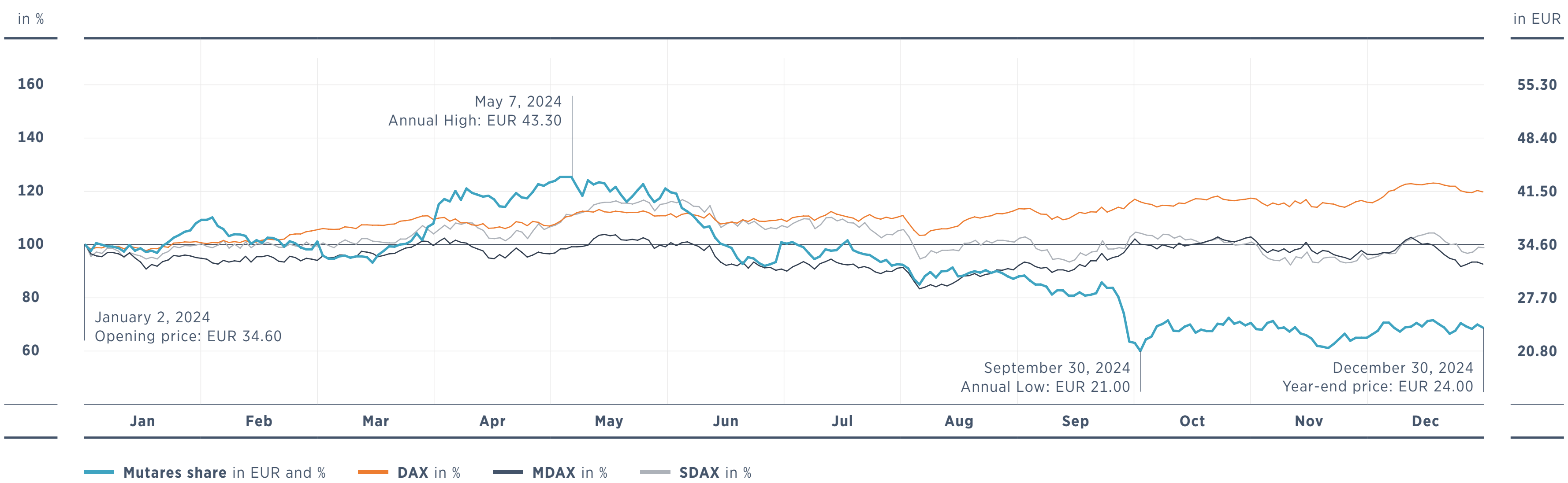
The stock market year 2024 was characterized by inconsistent and volatile performance, but proved successful overall. Geopolitical conflicts, particularly in Ukraine and the Middle East, caused uncertainty on the markets. The global stock markets faced considerable economic challenges: Weak consumption and stagnating industrial production, particularly in the eurozone, heightened fears of recession. These were accompanied by only slowly falling inflation.

In the second half of 2024, the markets began to price in the expected interest rate turnaround by the central banks. At the same time, the high inflation eased noticeably over the course of the half-year. Interest rate cuts, first by the US Federal Reserve and later by the European Central Bank (ECB), raised hopes of economic stabilization.

Monetary easing, the robust US economy and optimism surrounding the commercialization of artificial intelligence led to new record highs on many stock markets. The US markets in particular posted strong gains: the Dow Jones and the S&P 500 rose by 12.9% and 23.8% respectively in 2024, while the Nasdaq 100 recorded a gain of 24.9%. Germany's leading index, the DAX, also impressed with an increase of 18.8% and stood out as the leader among the major European stock exchanges.

By contrast, the second-tier MDAX and SDAX companies, which are more dependent on the performance of the German and European economies, were weaker. The MDAX lost 5.7% over the course of the year, and the SDAX also posted a negative performance of just under 1.8%. This development reflects the overall reluctance of institutional and private investors to invest in small and mid-cap shares in 2024. At the same time, the index performance in the blue-chip segments was based on the share price performance of a small number of mostly technology-oriented companies.

PRICE PERFORMANCE INCLUDING BENCHMARK INDICES



EUR 2.25
dividend for FY 2023

6.4 %
dividend yield

Price performance including indices

Mutares shares closed the fiscal year 2024 at a Xetra closing price of EUR 24.00, down 32.2% on the previous year's closing price (EUR 35.40). Taking into account the dividend distribution of EUR 2.25 per share, the total return improves to –25.8%. The negative share price performance reflects in particular the manipulative short attack carried out against Mutares and its investors in September 2024, the allegations of which the Management Board has already rejected in a detailed statement. The average daily trading volume of Mutares shares on the Xetra electronic trading platform amounted to 38,222 shares in fiscal year 2024 (previous year: 29,157 shares).

KEY FIGURES OF THE MUTARES SHARE

		2024	2023	2022	2021
Number of shares	million units	21.3	21.1	20.6	20.6
Market capitalization	million EUR	512.4	745.5	371.5	469.5
Closing price [1]	EUR	24.00	35.40	18.00	22.75
Highest price [1]	EUR	43.30	35.80	24.60	30.00
Lowest price [1]	EUR	21.00	17.22	14.28	15.04
Trading volume (daily average) [1]	Piece	38,222	29,157	31,736	35,230

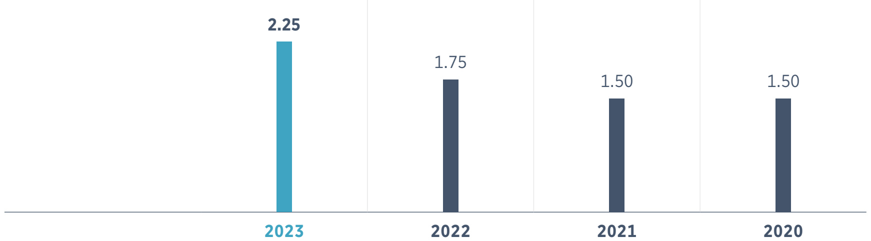
[1] All figures correspond to Xetra prices. XETRA trading volume.

Directors Dealings

In the reporting period, members of the Management Board or persons closely related to the Management Board acquired 50,900 shares on the open market with a value of EUR 1,324,939. In addition, one member of the Management Board acquired debt instruments with a nominal value of EUR 300,000. The Management Board is thus reaffirming its confidence in Mutares' strategy and growth potential. As part of the 2019 share option plan, members of the Management Board also acquired 135,000 shares, of which 28,000 shares were sold to cover the costs associated with exercising the options. One member of the Supervisory Board sold a total of 11,000 shares with an equivalent value of EUR 464,600 in the reporting period.

DEVELOPMENT OF DIVIDEND PER SHARE

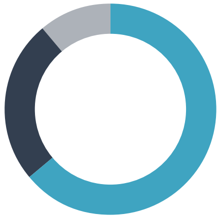
in EUR



	2023	2022	2021	2020
Total dividend payout for the fiscal year in EUR million	47.4	36.1	30.9	23.1
Dividend yield at closing price of the fiscal year	6.4 %	9.7 %	6.6 %	9.6 %

minimum dividend of
EUR 2.00
per share

SHAREHOLDINGS BY INVESTOR



- ~64% Free Float
- ~25% CEO Robin Laik
- ~11% Management

Balanced shareholder structure

Robin Laik, CEO and founder of Mutares, remains the main shareholder with around 25%. Members of the Management Board and Supervisory Board hold a further 11% of the shares. Around 64% of the shares are in free float (as defined by Deutsche Börse), including shares held by institutional investors, family offices, large individual shareholders and asset managers as well as private investors.

At the end of the reporting period, around 18,500 shareholders were entered in the share register (previous year: 15,700 shareholders).

At around 64%, the largest proportion of outstanding shares in free float is held by German investors, followed by investors from Switzerland and Ireland with around 4%. Investors from Austria, the UK and the USA each account for around 1.0% of the shareholdings. The shareholder structure is to be further internationalized in the current fiscal year, reflecting the global orientation of Mutares' strategy. In addition to active capital market activities, meeting the high transparency requirements of the Prime Standard helps to broaden the shareholder base.

SHARE MASTER DATA

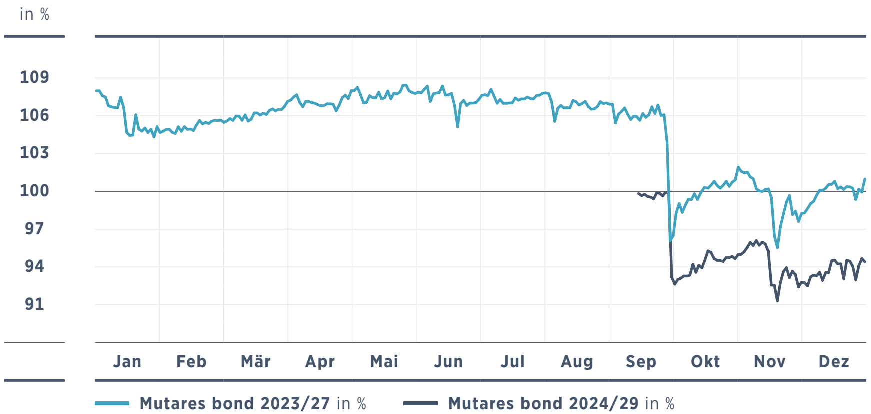
Icon	MUX
WKN	A2NB65
ISIN	DE000A2NB650
Transparency level	Prime Standard
Market segment	Regulated market
Stock exchanges	Xetra, Frankfurt, Berlin, Düsseldorf, Munich, Stuttgart, Tradegate
Sector	Shareholdings
Number of shares	21,348,256
Class of shares	Registered shares
Designated Sponsor	Hauck & Aufhäuser Lampe Privatbankiers Aktiengesellschaft

Successful increase of the bond

In January 2024, Mutares SE & Co. KGaA successfully placed a further increase of EUR 100 million under the increase option of the new senior secured floating rate bond 2023/2027 with a four-year term under Norwegian law. The maximum nominal volume of EUR 250 million was therefore fully utilized. The 2023/2027 bond bears interest at the 3-month EURIBOR plus a margin of 8.5% p.a. and is traded on the OTC market of the Frankfurt Stock Exchange and on the Nordic ABM segment of the Oslo Stock Exchange (Oslo Børs) under ISIN NO0012530965/WKN A30V9T.

In September 2024, Mutares SE & Co. KGaA also successfully issued a second, senior secured and floating rate bond 2024/2029 with an initial volume of EUR 135 million and a term of 5 years. The 2004/2029 bond bears interest at a rate equal to the EURIBOR (three months) plus a margin of 6.25% p.a. and can be increased to a total volume of up to EUR 300 million. The new bond is also listed under ISIN NO0013325407 on the OTC market of the Frankfurt Stock Exchange and the Nordic ABM of the Oslo Stock Exchange (Oslo Børs).

MUTARES SE & CO. KGAA 2023/2027 – DEVELOPMENT JANUARY 2024 TO DECEMBER 2024[1]



[1] The chart shows the development of the bond on the German Stock Exchange.

Mutares share with target price of up to EUR 50.00

BOND 2023/2027 MASTER DATA

GSIN	A30V9T
ISIN	NO0012530965
Market segment	Regulated unofficial market
Stock exchanges	Frankfurt Stock Exchange, Regulated Unofficial Market; Oslo Stock Exchange, Nordic ABM
Denomination	1,000
Nominal volume	250,000,000
Nominal volume outstanding (12/31/2024)	250,000,000
Issue date	March 31, 2023
Maturity	March 31, 2027
Interest rate	3-month EURIBOR plus 850 basis points
Interest dates	Quarterly

BOND 2024/2029 MASTER DATA

GSIN	A383QZ
ISIN	NO0013325407
Market segment	Regulated unofficial market
Stock exchanges	Frankfurt Stock Exchange, Regulated Unofficial Market; Oslo Stock Exchange, Nordic ABM
Denomination	1,000
Nominal volume	300,000,000
Nominal volume outstanding (12/31/2024)	135,000,000
Issue date	September 19, 2024
Maturity	September 19, 2029
Interest rate	3-month EURIBOR plus 625 basis points
Interest dates	Quarterly

Analysts see price potential of up to 90 %

The Mutares share was analyzed and rated by four investment banks and a specialist for second-line stocks in the fiscal year 2024. All four analyst firms gave Mutares shares a buy or outperform rating. This reflects the confidence in the business model, the positive development and the management of Mutares. The price targets for the Mutares share range from EUR 37.00 to EUR 50.00. The average price target is EUR 45.63.

Further information is available in the financial analysis section at www. ir.mutares.com/en.

REASONS TO INVEST IN THE MUTARES SHARE

Our goal is to create value for our investors by sustainably implementing our strategy, delivering results and transparently communicating our performance.

01

ATTRACTIVE ACCESS TO THE PRIVATE EQUITY MARKET

The Mutares share offers easy and convenient access to the private equity market.

02

FAMILY AND OWNER MANAGED COMPANY

Around 36% of the shares are owned by the founding family and management. This commitment is a clear commitment.

03

SUCCESSFUL TRACK RECORD

The team has a high level of industry and functional expertise and can point to a correspondingly successful track record.

04

FOCUS ON GROWTH

Mutares is pursuing ambitious growth targets. The international M&A approach ensures a constant deal flow.

05

ATTRACTIVE DIVIDEND POLICY

Thanks to a high level of deal activity, Mutares is able to draw continuous returns from the portfolio companies, which are in different stages of maturity.

06

HIGH TRANSPARENCY

Strict disclosure requirements and transparency standards ensure a high level of information security for investors and partners. Active, personal and transparent capital market communication creates additional trust.

WE CREATE SUSTAINABLE VALUE

Sustainability in practice goes beyond ecologically sensible measures and also includes social aspects and principles of good corporate governance.

07

SUSTAINABILITY ORIENTED

Mutares sees sustainable action and management as an integral part of its corporate philosophy. The three sustainability-related areas of responsibility Environmental, Social, Governance (ESG) provide the guidelines.

E

ENVIRONMENTAL

With the aim of minimizing our environmental impact, we implement continuous measures to consolidate the reduction of our CO_2-footprint.

S

SOCIAL

As an international player, we are aware of our social responsibility and pay attention to the impact of our business activities.

G

GOVERNANCE

Mutares is committed to acting in compliance with the law and with integrity according to nationally and internationally recognized standards.

More information on the topic of sustainability can be found in our seperately published Nonfinancial Group Report
www.mutares.com/en/compliance-esg

04

CORPORATE GOVERNANCE

Good Corporate Governance is deeply rooted in the corporate culture of Mutares. It has been an integral part of Mutares' business practice for many years. The Management Board and the Supervisory Board of Mutares SE & Co. KGaA are committed to the principles of a modern Corporate Governance. An active, open and transparent communication, a responsible risk management as well as an intensive and continuous dialog between Management Board and Supervisory Board are a substantial matter for us as private equity master of special situations.

"

As an international private equity investor with an entrepreneurial approach, we consistently drive forward our more than 30 portfolio companies – with focus, responsibility and a clear attitude. For us, excellent corporate governance is not just a buzzword, but a standard we live by – at all levels and in an open dialogue with our stakeholders."

Volker Rofalski, Chairman of the Supervisory Board

REPORT OF THE SUPERVISORY BOARD

Dear shareholders of Mutares SE & Co. KGaA,

As an internationally active and listed private equity investor that focuses on special situations, Mutares SE & Co. KGaA, Munich, (hereinafter referred to as "the Company" or "Mutares") actively and systematically seeks out companies in transitional situations as part of its business model in order to sell them at a profit following successful restructuring or transformation. The persistently very uncertain economic conditions pose operational challenges for the portfolio companies but also open up opportunities for the acquisition of suitable candidates, a situation which the Company was again able to exploit successfully in 2024.

Personnel and structure

There were no changes to the Company's Supervisory Board in 2024. All existing members of the Supervisory Board were re-elected at the Company's Annual General Meeting held on June 4, 2024.

The term of office of the four incumbent Supervisory Board members, Volker Rofalski (Chairman of the Supervisory Board), Dr. Axel Müller (Deputy Chairman of the Supervisory Board), Raffaela Rein and Dr. Lothar Koniarski, expires at the end of the Annual General Meeting at which a resolution is passed to ratify the actions of the Supervisory Board in 2027.

The Audit Committee of the Company's Supervisory Board consisted of two members Dr. Axel Müller (Chairman) and Volker Rofalski in 2024 up until the Annual General Meeting on June 4, 2024. Following the Annual General Meeting on June 4, 2024, Raffaela Rein additionally joined the Committee and Volker Rofalski assumed the position of Deputy Chairman.

On April 12, 2025, Dr. Axel Müller resigned from his positions as Deputy Chairman of the Supervisory Board and Chairman of the Audit Committee with immediate effect, which was accepted by Supervisory Board Chairman Volker Rofalski, also with immediate effect. The Supervisory Board regrets Dr. Axel Müller's decision and would like to express its deepest gratitude and sincere appreciation for his many years of loyal service on the Supervisory Board and his valuable work on the Audit Committee.

The general partner of Mutares SE & Co. KGaA, Mutares Management SE, represented by its Management Board consisting of Robin Laik (Chairman), Mark Friedrich, Johannes Laumann and Dr. Lennart Schley (hereinafter referred to as the "Management Board"), managed and represented the Company in 2024. Johannes Laumann and Dr. Lennart Schley were appointed to the Management Board of Mutares Management SE for three and three and a half years, respectively, in a resolution passed by the Supervisory Board of Mutares Management SE with effect from July 1, 2024. In a resolution of the Supervisory Board of Mutares Management SE passed on September 27, 2024, the Chairman of the Management Board Robin Laik was reappointed from January 1, 2025 for a period of five years until December 31, 2029.

Activity report for 2024

The Supervisory Board performed the duties incumbent upon it in accordance with the law, the Articles of Association and the rules of procedure. It held five meetings that were attended by all members of the Supervisory Board (in some cases via video conference) and at least one member of the Management Board; the Supervisory Board also met regularly in the absence of the Management Board. Transactions requiring the Supervisory Board's approval were submitted in good time; they were carefully reviewed and discussed with the Management Board prior to approval being granted.

Composition of the Supervisory Board – individualized disclosure of meeting attendance

The attendance rate of the members at the meetings of the Supervisory Board was 100% for five meetings, while the attendance rate for its committees was also 100%.

In order to implement modern, more sustainable meeting formats, the meetings of the Supervisory Board and its committees were held not only in physical form in 2024, but also as online meetings via video conference or as hybrid physical/online meetings. The attendance of the members at the meetings of the Supervisory Board and the committees is disclosed below in individualized form.

Meetings of the Supervisory Board of Mutares SE & Co. KGaA and its committees
The following table provides an overview of the plenary and committee meetings as well as the individual attendance of the members in 2024:

Member	Term	Supervisory Board SB	in %	Audit Committee AC	in %	Shareholders Committee SC	in %
Volker Rofalski Chairman SB, Chairman SC	until 2028	5/5	100	12/12	100	2/2	100
Dr. Axel Müller Deputy Chairman SB Chairman AC, Deputy Chairman SC	until 2028	5/5	100	12/12	100	2/2	100
Dr. Lothar Koniarski	until 2028	5/5	100			2/2	100
Raffaela Rein	until 2028	5/5	100	7/7		2/2	100

In 2024, the Supervisory Board oversaw the Management Board with regard to the Mutares Group's operational development as well as all significant operational decisions relating to the portfolio on the basis of a timely exchange of information, dealing regularly and in detail with the situation of the Company and the Group.

To this end, it received regular reports from the Management Board on current developments within the Company and the Group as well as with respect to the net assets, financial position and results of operations and discussed this information in detail with the Management Board. This also included information on deviations in actual performance from previously reported targets as well as budget deviations in actual business performance.

In addition, the Management Board provided regular and comprehensive information on all relevant matters relating to operational management, including significant developments at individual portfolio companies and their economic results. In 2024, this included an intene, continuous exchange of information regarding the operational performance of the portfolio companies and the measures taken to develop them, the impact of the geopolitical crises on the business performance of the Company and the portfolio companies, the results of the acquisition and disposal of portfolio companies and the Company's liquidity, as well as operational matters of particular relevance for business success, such as the IT structure, human resources, compliance, risk management, significant legal disputes, internal auditing and investor relations activities. The Supervisory Board was also kept fully informed of the topics discussed on the Audit Committee via regular reports and in the committee minutes.

The Corporate Sustainability Reporting Directive ("CSRD") has not yet been transposed into German law. The Company has complied with the requirement to disclose non-financial information for 2024 in accordance with Sections 315b and 315c in conjunction with Sections 289b to 289e of the German Commercial Code (HGB) by preparing a separate non-financial Group report. This report also contains information under the mandatory disclosure requirements specified by the EU Taxonomy Regulation 2020/852, the delegated Acts supplementing Regulation (EU) 2020/852 and the associated delegated Regulations (EU) 2021/2139 (criteria for environmental targets) and (EU) 2023/2486 (climate-related targets) as well as delegated Regulation (EU) 2021/2178 (disclosure requirements pursuant to Article 8 (4) of the EU Taxonomy Regulation). The Supervisory Board complied with its duty to have the content of the separate non-financial Group report audited by continuously monitoring its preparation – particularly through the Audit Committee – and also sought external advice. From the outset, it was involved in identifying Mutares' material impact on the environment and society as well as the impact of external sustainability factors on the Group and the goals set by Mutares itself, the related challenges, the commitment made and the progress achieved. The responsible Mutares project team regularly reported on the progress made in the preparation of the separate non-financial Group report at meetings of the Audit Committee and presented material information. The Supervisory Board was directly involved in the management concepts and the selection of the non-financial key performance indicators in order to ensure congruence with the Company's long-term orientation.

Outside of the meetings, the Management Board also reported to the Supervisory Board regularly and promptly on the current state of business, the latest financial figures and matters of particular importance. The Management Board submitted without delay all documents that the Supervisory Board wished to inspect in the performance of its statutory duties and answered all questions in this context to the full satisfaction of the Supervisory Board.

The Supervisory Board has established an Audit Committee. Other than this, there is no need for any additional committees or other efficiency-enhancing measures in view of the size of the Supervisory Board.

Each member of the Supervisory Board discloses any conflicts of interest to the Chairman of the Supervisory Board in accordance with the recommendations of the German Corporate Governance Code ("the Code"). In the year under review, there were no indications or reports of any conflicts of interest on the part of the members of the Supervisory Board. The same applies to conflicts of interest of the members of the Management Board.

The members of the Supervisory Board are responsible for their own training and further education and are supported in this by the Company. In 2024, the members of the Supervisory Board took part in various internal and external events to maintain and expand their expertise. At a meeting, the Supervisory Board dealt in detail with recent regulatory developments in the areas of compliance and corporate governance as well as the German Corporate Governance Code ("the Code").

Report on the work of the Audit Committee

The Audit Committee of the Supervisory Board of Mutares SE & Co. KGaA held a total of 12 meetings as well as several informal discussions in 2024. All the meetings of the Audit Committee were attended by all of its members and at least one member of the Management Board.

Among other things, the Audit Committee dealt with the preparation of the audit and the approval of the annual financial statements, reviewed the preparation process for the Company's annual financial statements and consolidated financial statements for 2023 together with the auditor and representatives of the Company's finance department and received an update on the preparation of the audits and the determination of key audit areas for 2024. The Audit Committee closely monitored the process for preparing the Company's non-financial Group report for 2023 with the involvement of external experts in order to gain a direct impression of the quality of this process sufficient for an audit of the report prepared by the Management Board, on which the Supervisory Board could then base its final audit opinion. Finally, it dealt with the preparation of the Company's non-financial Group report for 2024.

The Audit Committee also regularly discussed the Company's business performance and the resulting liquidity situation, as well as the quarterly risk reports submitted by the Management Board of Mutares Management SE. Other key items of the agenda at individual meetings of the Audit Committee included compliance, internal auditing, the IT structure and IT security, the impact of the German Supply Chain Due Diligence Act on the Company and the perception of Mutares on the capital market.

The Audit Committee also regularly made use of the authorization granted to it by the Supervisory Board to review and approve in advance the planned engagement of the Company's auditor after it had satisfied itself that the auditor's independence was not impaired by the nature and scope of the engagement.

Corporate governance, responsibility and sustainability

The Company's shares are admitted to trading in the Prime Standard segment of the Regulated Market of the Frankfurt Stock Exchange. The Company has thus opted for the stock exchange's highest level of transparency in terms of corporate governance. The Supervisory Board continuously monitors the development of corporate governance practices. The Management Board, together with the Supervisory Board, reports in detail on the Company's corporate governance in the corporate governance statement. The Management Board and the Supervisory Board last issued their annual declaration of conformity in December 2024 on the basis of the German Corporate Governance Code as amended on April 28, 2022 (Section 161 of the German Corporate Governance Code); the Company makes this declaration permanently available to the public on its website ir.mutares.com/en/corporate-governance.

Mutares is committed to sustainable and responsible corporate governance and development and has therefore undertaken since 2021 to comply with the ten principles of the United Nations Global Compact. The Supervisory Board welcomes this voluntary commitment and its regular fulfillment as an important signal of long-term, sustainable corporate management.

The Management Board and the Supervisory Board of Mutares SE & Co. KGaA have complied with the obligation to issue a non-financial Group statement in accordance with Sections 315b and 315c of the German Commercial Code by publishing a separate non-financial Group report on the Company's website at ir.mutares.com/en/corporate-governance within the requisite period.

Audit of the annual and consolidated financial statements for 2024

Deloitte GmbH Wirtschaftsprüfungsgesellschaft has audited the annual financial statements of Mutares SE & Co. KGaA (prepared in accordance with the German Commercial Code (HGB)) and the consolidated financial statements of Mutares SE & Co. KGaA (prepared in accordance with the International Financial Reporting Standards, "IFRS") together with the combined management report for the year from January 1 to December 31, 2024, prepared by the general partner Mutares Management SE as the managing company. The annual financial statements and the consolidated financial statements were issued with an unqualified audit opinion.

At its meeting on May 19, 2025, which was also held in an online format, the Supervisory Board discussed and examined in detail the annual financial statements and the consolidated financial statements together with the combined management report for the year from January 1 to December 31, 2024; the relevant auditor's reports were submitted to the Supervisory Board. Both the Management Board of Mutares Management SE and the auditors from Deloitte GmbH Wirtschaftsprüfungsgesellschaft who signed the audit opinion were present at the meeting. They were thus available to explain both sets of financial statements in detail and answered all of the Supervisory Board's questions to its complete satisfaction. The auditors reported on the scope, focus and key findings of the audits, particularly the key audit priorities and the approach taken. No material shortfalls in the internal risk management system were reported.

On the basis of its own final review, the Supervisory Board adopted the unanimous proposal of the Audit Committee submitted at its meeting on May 19, 2025 and declared that it had no objections to the annual and consolidated financial statements or the combined management report. Following the unanimous proposal of the Audit Committee at its meeting on May 19, 2025, the Supervisory Board subsequently approved both the annual financial statements and the consolidated financial statements as well as the combined management report of the Company. In agreement with the Management Board of Mutares Management SE, it also passed a resolution to submit to the Annual General Meeting of the Company a motion that the annual financial statements of the Company for 2024 be adopted in accordance with Section 286 (1) Sentence 1 of the German Stock Corporation Act as prepared by the general partner.

Furthermore, the Supervisory Board examined the separate non-financial Group report at its meeting on April 28, 2025 in a review prepared at the meeting of the Audit Committee on April 28, 2025 and after close monitoring by the Audit Committee of the preparation of the separate non-financial Group report. It did not raise any objections.

Remuneration report for 2024

The general partner and the Supervisory Board jointly prepared the remuneration report for 2024. Deloitte GmbH Wirtschaftsprüfungsgesellschaft audited the content of the remuneration report and satisfied itself that it complies in all material respects with the accounting provisions of Section 162 of the German Stock Corporation Act.

Evaluation of 2024

The Supervisory Board believes that the business model pursued by Mutares as a listed private equity firm specializing in restructuring again proved to be both resilient and promising in a persistently challenging environment in 2024.

Mutares' traditional core region is Europe; in addition to its home market of Germany, it has numerous local offices in countries such as France, Italy, Sweden and Spain. Expansion in Asia continued in 2024, with a second Asian location after China opened in Mumbai (India). In addition, local offices were established in the United States and Dubai in 2024.

In a persistently challenging environment, particularly in the automotive and mobility segment, Mutares' various portfolio companies initiated comprehensive operational enhancement, transformation and restructuring programs over the course of the year, some of which made positive or very positive progress, while others fell short of expectations.

The market opportunities available to restructuring specialists such as Mutares in economic crises were actively exploited: 2024 was again characterized by a high level of transaction activity, the core of the Mutares business model. All four segments were strengthened, with a total of 13 acquisitions completed in 2024. In addition, agreements were signed for a further six acquisitions, none of which had yet closed as of the reporting date. On the exit side, Mutares completed eight disposals of portfolio companies in 2024. This generated a liquidity inflow for the Company of around EUR 70 million and income of EUR 112.8 million that was recognized in the annual financial statements.

The following important decisions regarding the funding of the Company were made in 2024: In January 2024, the Company increased the existing senior secured bond with a nominal of EUR 150 million and a term expiring on March 31, 2027 ("Bond 2023/2027") by EUR 100 million to the maximum nominal of EUR 250 million. In September 2024, it also issued a senior secured bond with a nominal of EUR 135 million and a term expiring in September 2029 ("Bond 2024/2029").

The revenues reported in the Company's single-entity financial statements were again derived from the Group's internal consulting business, i.e. consulting services to affiliated companies and management fees. The increase to EUR 109.8 million in 2024 (previous year: EUR 103.6 million) is a consequence of the larger portfolio resulting from the high level of acquisition activity in the past, which was followed by an expansion of operational consulting capacities. In addition to earnings from this consulting business, the Company's net profit as shown in the single-entity financial statements prepared in accordance with the German Commercial Code is regularly driven by the dividends distributed by portfolio companies and exit proceeds from the disposal of investments, increasing to EUR 108.3 million in 2024 (previous year: EUR 102.5 million).

The Supervisory Board concurs with the assessment of the Management Board of Mutares Management SE, which manages the Company's business, and is generally satisfied with its business performance in the year under review against the backdrop of the challenging environment. This applies to the Company and its performance as well as to the Mutares Group.

A promising business model alone does not guarantee such outstanding economic successes in times of unforeseeable crises this is largely due to the great commitment and drive with which the challenges of the fiscal year 2024 were tackled. The Supervisory Board would like to thank the Management Board of Mutares Management SE for the continued close and trusting cooperation in the fiscal year 2024. Our thanks and appreciation also go to all employees of the Mutares Group for their continued excellent performance and great commitment.

Proposed appropriation of profits

In accordance with the German Stock Corporation Act, the dividend payable to shareholders is based on the unappropriated surplus reported in the annual financial statements of Mutares SE & Co. KGaA prepared in accordance with German commercial law.

The Supervisory Board concurs with the profit appropriation proposed by the general partner Mutares Management SE and has in turn also passed a resolution to submit a motion for approval at the Annual General Meeting of the Company for a dividend of EUR 2 per dividend-entitled share to be distributed to the shareholders from the Company's unappropriated surplus of EUR 245.1 million as of December 31, 2024. This corresponds to a total of EUR 42.7 million in relation to the no-par value dividend-entitled shares (excluding treasury shares). The balance of EUR 202.4 million is to be carried forward.

As a listed private equity company, Mutares thus very directly and continuously gives its shareholders a share in the profits derived from its successful restructuring-oriented business model, subject to a corresponding resolution by the Annual General Meeting.

Outlook

The Supervisory Board is optimistic that, despite the ongoing challenging economic and geopolitical conditions, the key factors driving the Mutares Group's success – a promising business model, a well-positioned portfolio, a corporate culture aligned with performance and growth, excellent management and highly committed employees – will continue to have a positive impact in 2025 and beyond. With this assessment, the Supervisory Board assumes that Mutares SE & Co. KGaA and the Mutares Group will continue their success story in 2025.

Munich, May 2025
The Supervisory Board of Mutares SE & Co KGaA,

Volker Rofalski
Chairman of the Supervisory Board

REPORT OF THE SHAREHOLDER COMMITTEE

Personnel and structure

There were no changes to the composition of the Company's Shareholder Committee in 2024. All existing members were re-elected at the Company's Annual General Meeting on June 4, 2024. The term of office of the four current members, Raffaela Rein, Dr. Lothar Koniarski, Dr. Axel Müller (Deputy Chairman) and Volker Rofalski (Chairman) expires at the end of the Annual General Meeting at which a resolution is passed to ratify the Committee's activities for 2027.

On April 12, 2025, Dr. Axel Müller resigned from his position as a member of the Shareholders' Committee with immediate effect, a decision that was accepted by the Chairman of the Shareholders' Committee, Volker Rofalski, with immediate effect. The Shareholders' Committee regrets Dr. Axel Müller's decision and would like to express its deepest gratitude and sincere appreciation for his many years of loyal service on the Shareholders' Committee.

Report on the activities of the Shareholder Committee

The Shareholder Committee of Mutares SE & Co. KGaA met twice in 2024 and also passed several circulatory resolutions. All members attended both meetings of the Shareholder Committee and voted on all resolutions in 2024.

The Shareholder Committee performed the duties assigned to it by the Annual General Meeting or under the Articles of Association in 2024. It exercised all rights arising from or in connection with the shares held by the Company in the general partner, in particular the exercise of voting rights at the general partner's Annual General Meeting and the transactions involving the shares in the general partner.

Munich, May 2025
The Shareholder Committee of Mutares SE & Co KGaA,

Volker Rofalski
Chairman of the Shareholder Committee

OUR SUPERVISORY BOARD IN FISCAL YEAR 2024

From right to left:

CHAIRMAN OF
THE SUPERVISORY BOARD

VOLKER ROFALSKI
born in 1970,
has been a member of the Supervisory Board of Mutares SE & Co. KGaA since 2008.

MEMBER OF
THE SUPERVISORY BOARD

RAFFAELA REIN
born in 1986, has been elected as a member of the Supervisory Board of Mutares SE & Co. KGaA in May 2022.

MEMBER OF
THE SUPERVISORY BOARD

DR. LOTHAR KONIARSKI
born in 1955,
has been a member of the Supervisory Board of Mutares SE & Co. KGaA since 2018.

VICE CHAIRMAN OF
THE SUPERVISORY BOARD

DR. AXEL MÜLLER
born in 1957,
Member of the Supervisory Board of Mutares SE & Co. KGaA from 2018 to April 12, 2025.

More information on the careers can be found at:

mutares.com/en/team

REMUNERATION REPORT

Preliminary Remark

The Remuneration Report summarizes the principles used to determine the remuneration of the members of the Supervisory Board and the Shareholders' Committee of Mutares SE & Co. KGaA, domiciled in Munich, entered in the Commercial Register of the Local Court of Munich under HRB 250347 **("Company")**, as well as the members of the Management Board and the Supervisory Board of Mutares Management SE, domiciled in Munich, entered in the Commercial Register of the Local Court of Munich under HRB 242375 **("Mutares Management SE")**. Mutares Management SE is the managing general partner of the Company. The Remuneration Report presents and explains the remuneration granted and owed to the current and former members of the Supervisory Board of the Company, the Shareholders' Committee of the Company, the Management Board of Mutares Management SE **("Management Board")** and the Supervisory Board of Mutares Management SE in fiscal year 2024. The report complies with the requirements of Section 162 of the German Stock Corporation Act (AktG). The Remuneration Report explains the amount and structure of the remuneration of the members of the Management Board, the Supervisory Board and Shareholders' Committee of the Company and the Supervisory Board of Mutares Management SE. It also reports on the remuneration of Mutares Management SE as the general partner of the Company.

According to the intention of the legislator, the Remuneration Report pursuant to Section 162 of the German Stock Corporation Act (AktG) is intended in particular to enable shareholders to review whether the remuneration of the members of the management body has been set within the requirements of the Remuneration System approved by the Annual General Meeting pursuant to Sections 87a, 120a AktG. After a thorough review, the Supervisory Board of Mutares Management SE, the Shareholders' Committee and the Supervisory Board of the Company have come to the conclusion that the regulations on the Remuneration System for the Management Board pursuant to Sections 87a, 120a AktG do not apply to the Company in the legal form of a partnership limited by shares (KGaA). The regulations in Sections 87a and 120a AktG presuppose that the Supervisory Board of a company has the authority to remunerate the Management Board, which the Supervisory Board of a KGaA does not have. Furthermore, in accordance with Section 26j para. 1 sentence 3 EGAktG and the reasoning of the GCGC, the previous remuneration structure applicable at the time the respective contract was concluded continues to apply to existing Management Board employment contracts anyway. This must be taken into account in this Remuneration Report.

The Company's Annual General Meeting on June 4, 2024 approved the Remuneration Report for fiscal year 2023 by 98.17% of the votes validly cast. Due to this high approval rate, the Supervisory Board and the Management Board saw no reason to question the reporting or implementation.

Main features of the Remuneration of the Management Board in fiscal year 2024

The total remuneration of the Management Board is made up of

- a fixed salary,
- for Management Board employment contracts valid from or after January 1, 2024, of variable remuneration with partial deferred payment,
- for Management Board employment contracts in force before January 1, 2024, of an one-year variable remuneration and
- fringe benefits.

The benchmark for the appropriateness of the remuneration is, in particular, the tasks of the respective Management Board member, their personal performance and the economic situation, success and future prospects of the Company. On the one hand, the remuneration structures and remuneration levels that are customary in the private equity business and are required to attract and retain qualified managers are taken into account. On the other hand, the remuneration structures and levels of comparable listed companies and an individual peer group are taken into account. To ensure the appropriateness of the remuneration, the Supervisory Board of Mutares Management SE regularly carries out a horizontal and vertical remuneration comparison.

Management Board employment contracts are generally concluded for a term of three to five years. The Supervisory Board of Mutares Management SE may deviate from this in individual justified cases. Payments to members of the Management Board in the event of premature termination of the Management Board employment contract are limited to the remuneration for the remaining term of the Management Board contract that would have been owed without the premature termination. Unless agreed otherwise between the departing Management Board member and the Company in individual cases, the outstanding variable remuneration components attributable to the period up to the termination of the contract made in accordance with the originally agreed targets or comparison parameters and at the agreed due dates, are to be paid even in the event of termination of the contract.

The monthly basic remuneration and fringe benefits form the non-performance-related components of total remuneration. The **monthly basic remuneration** ensures an appropriate basic income to attract and retain highly qualified Management Board members and also serves to prevent Management Board members from taking inappropriate risks. The monthly basic remuneration thus contributes to the long-term development of the Company. The monthly basic remuneration also reflects the role of the individual Management Board member and their area of responsibility on the Management Board.

1 Regulations for Management Board employment contracts valid from or after January 1, 2024

The provisions described in I. apply to Management Board employment contracts valid from or after January 1, 2024. This applies in particular to the Management Board employment contracts of the Management Board members Mark Friedrich and the new Management Board employment contracts of Johannes Laumann and Dr. Lennart Schley valid since July 1, 2024.

Mid-term bonus

The variable remuneration is a combined variable remuneration with a partially deferred payment ("mid-term bonus"). The mid-term bonus is 90% based on business performance ("financial performance target") and 10% on the achievement of sustainability targets ("ESG component"). The mid-term bonus is calculated separately for each of the two criteria in the respective fiscal year. The amount of the mid-term bonus is determined as follows:

- If the Management Board, on behalf of Mutares Management SE in its capacity as general partner of the Company, submits a proposal to the Annual General Meeting of the Company, which resolves on the appropriation of profits for the respective fiscal year, for the appropriation of the net profit for the respective fiscal year, which provides for a total amount to be distributed to the shareholders ("dividend proposal") that exceeds 50% of the net profit actually generated by the Company in the respective fiscal year ("profit generated"), the mid-term bonus for the respective fiscal year amounts to a certain percentage of the profit generated determined for the respective Management Board member.
- If the Management Board, on behalf of Mutares Management SE in its capacity as general partner of the Company, submits a dividend proposal for the respective fiscal year to the Annual General Meeting of the Company, which resolves on the appropriation of profits for the respective fiscal year that does not exceed 50% of the profit generated, the mid-term bonus for the respective fiscal year amounts to a certain percentage of the dividend proposal determined for the respective Management Board member.

If a Management Board service contract begins during the year, the Management Board member in question receives the mid-term bonus for the respective fiscal year pro rata temporis.

Financial performance target

The financial performance target is based on the company's medium-term planning horizon for the fiscal years 2024 to 2028 inclusive and is determined by the ratio between the individual annual result of the company planned in the planning horizon for the respective fiscal year ("target value") and the result achieved. The financial performance target is 100% achieved in the fiscal year 2024 if the result achieved amounts to EUR 127.5 million. The lower threshold value of the financial performance target is met if the achieved result amounts to 67% of the respective target value and the Management Board, on behalf of Mutares Management SE, submits a dividend proposal of at least EUR 2.00 per dividend-bearing share for the fiscal year 2024 to the Annual General Meeting of the company, which resolves on the appropriation of profits for the fiscal year 2024. If one of the two criteria is not met, the mid-term bonus for this fiscal year is forfeited in full. The upper limit for the financial performance target is 150% of the result achieved. If the dividend proposal is below 50% of the net profit for the fiscal year , the mid-term bonus for the respective fiscal year is a certain percentage of the dividend proposal determined for the respective Management Board member.

In line with the medium-term planning horizon, the financial performance target is intended to incentivize the ongoing implementation of a high net profit for the year and adequate shareholder participation in the Company's business success. This is an expression of the Company's performance and at the same time promotes the Company's dividend strategy.

The following target figures and target achievements result for the financial performance target for fiscal year 2024:

Performance criterion	Minimum target	Target figure for 100% target achievement	Maximum target	Result achieved in 2024	Target achievement	Proposed dividend of at least EUR 2.00 per dividend-bearing share
Annual surplus	EUR 85.4 million	EUR 127.5 million	EUR 191.3 million	EUR 108.3 million	84.9%	Yes

ESG component

During the first quarter of each fiscal year, the Management Board as a whole proposes qualitative and quantitative targets for the ESG component for the respective fiscal year and Management Board member, and the Supervisory Board of Mutares Management SE determines these at its reasonable discretion. The individual ESG criteria defined apply additively and are weighted in relation to each other. The achievement of the qualitative and quantitative targets for the ESG component is based on a qualitative assessment of the results by the Supervisory Board of Mutares Management SE. If all defined ESG criteria are 100% fulfilled, the ESG component is paid out at 100%. If an ESG criterion is achieved by less than 80%, the bonus is not paid for this ESG criterion. The ESG component is only paid out if the financial performance target for the respective fiscal year has been achieved. The upper limit for the ESG component is 100% achievement of the respective ESG criterion. The ESG component is also capped if the result achieved is 150% of the target value. In line with the Company's sustainability strategy, this is intended to incentivize the Management Board to integrate sustainability aspects into the Company strategy in a binding manner and to integrate the sustainability performance of the Management Board into the remuneration policy.

There are no cross-divisional sustainability-related key figures that are included in the remuneration policy of the entire Management Board to assess the Company's performance. In fiscal year 2024, no climate-related targets were part of the remuneration policy or incentive systems of the Management Board.

The Supervisory Board of Mutares Management SE has set the following sustainability targets for fiscal year 2024 for each of the Management Board members Mark Friedrich, Johannes Laumann and Dr. Lennart Schley:

Sustainability goal	Weighting	Fulfillment
Establishment of CSRD-compliant reporting, embedded in Mutares' sustainability strategy, in order to integrate sustainability into the Company strategy in a binding manner.	1/3	100%
Reduction of occupational accidents per employee in the Company and in the portfolio companies by 3% each year (to a level that can no longer be reduced); applies to companies acquired before the end of the third quarter of a year.	1/3	100%
Appointment/creation of an ESG officer for at least 80% of the portfolio companies	1/3	100%

Payment modalities

The payment of the mid-term bonus is partially deferred. The portion of the mid-term bonus paid out over time ("deferral") is fixed for the fiscal years 2024 to 2027 (including). The portion of the mid-term bonus to be paid out after approval of the Annual Financial Statements and the invitation to the Company's Annual General Meeting by the Supervisory Board of Mutares Management SE ("paid mid-term bonus") amounts to 78% of the mid-term bonus for fiscal year 2024. The deferral is therefore 22%. The deferral for the fiscal years 2024 to 2027 is to be paid out in total after a retention period of up to four years following the approval of the Annual Financial Statements for the fiscal year 2028 by the Supervisory Board of Mutares Management SE.

Summary of the mid-term bonus

For fiscal year 2024, this results in the following summarized amounts for the mid-term bonus for the members of the Management Board

	Minimum target			100 % target			Maximum target			Actual remuneration			
EUR thousand	Financial performance target	ESG component	Total [1]	Financial performance target	ESG component	Total [1]	Financial performance target	ESG component	Total [1]	Financial performance target	ESG component	Total [1]	Deferral
Mark Friedrich	922	97	**1,019**	2,754	306	**3,060**	4,131	459	**4,590**	922	102	**1,025**	225
Johannes Laumann [2]	231	24	**255**	689	77	**765**	1,033	115	**1,148**	231	26	**256**	56
Dr. Lennart Schley [2]	231	24	**255**	689	77	**765**	1,033	115	**1,148**	231	26	**256**	56
Total										**1,383**	**154**	**1,537**	**338**

[1] Due to rounding, these figures may not be exactly the sum of the figures from financial performance target and ESG component.
[2] Pro rata for the six months of Management Board activity from July 1, 2024, to December 31, 2024

Malus / Clawback

The Supervisory Board of Mutares Management SE may refuse to pay the mid-term bonus in full or in part and withhold it if it was granted for a fiscal year in which the Management Board member committed a sufficiently serious breach of duty (malus).

A mid-term bonus already paid out must be repaid at the request of the Supervisory Board of Mutares Management SE if the Management Board member was significantly involved in or responsible for conduct that led to significant losses or a significant regulatory sanction for the Company, a Group company or other companies affiliated with the Company and/or relevant external or internal regulations relating to conduct have been seriously breached.

The Supervisory Board of Mutares Management SE decides at its reasonable discretion, on a case-by-case basis and depending on the severity of a breach of duty, the amount of the mid-term bonus to be refused or withheld.

No variable remuneration components were withheld due to a malus or reclaimed due to a clawback in fiscal year 2024.

Share Ownership Guidelines

The members of the Management Board are obliged to acquire shares in the Company amounting to a certain percentage of their annual basic remuneration over the term of their contract and to hold them during their appointment. Existing share packages are taken into account. This is intended to align the interests of the members of the Management Board even more closely with those of the shareholders and to promote a focus on a sustainable and long-term development of the Company.

2 Regulations for Management Board employment contracts valid before January 1, 2024

The provisions listed under this section II apply exclusively to Management Board employment contracts already in force before January 1, 2024. This applies in particular to the employment contract of the Chairman of the Management Board, Robin Laik. The Management Board member Johannes Laumann only received a fixed salary in the reporting year under his old Management Board employment contract, which was terminated on March 31, 2024.

Bonus

The one-year variable remuneration **("bonus")** is based on the Company's business performance in the reference period, which in this report comprises the financial/reporting year 2024. The bonus is exclusively (100%) dependent on the Company's net profit for the year. The basis for calculating the bonus is the audited Annual Financial Statements of the Company in accordance with the German Commercial Code (HGB) and the German Stock Corporation Act (AktG).

The individual figures of the bonus for the Chairman of the Management Board, Robin Laik, were contractually determined depending on the Company's net profit for the year calculated in accordance with German commercial law. The bonus for the Chairman of the Management Board Robin Laik is EUR 1.0 million for a net profit of EUR 20.0 million, EUR 1.8 million for a net profit of EUR 30.0 million with linear interpolation up to a net profit of EUR 50.0 million and a bonus of EUR 3.0 million. For a net profit of EUR 100.0 million, the bonus is EUR 4.5 million.

The maximum payment amount ("cap") of the bonus for the CEO Robin Laik is EUR 4.5 million (corresponds to a net profit for the year of EUR 100.0 million). The Management Board does not receive a bonus if the Company's net profit for the year does not exceed EUR 17.5 million. In line with the business strategy, the bonus is intended to incentivize the ongoing implementation of a high net profit for the year. A high net profit for the year is an expression of the Company's performance and at the same time promotes the Company's dividend strategy.

The bonus is paid each year in April for the previous year. If a Management Board employment contract begins during the year, the Management Board member in question receives the bonus for the respective fiscal year pro rata temporis.

Information on the calculation of the bonus in calendar year 2024 with the sole performance criterion "net profit of the Company" (weighting: 100%):

	Information on the performance criterion		Calculation of the bonus	
	a) Minimum target b) Remuneration	a) Maximum target b) Remuneration	a) Minimum figure b) Maximum figure c) Intermediate figures	a) Fixed parameter figure b) Actual remuneration
Robin Laik	a) Net profit for the year of EUR 17.5 million b) EUR 0.0	a) Net profit for the year of EUR 100.0 million b) EUR 4.5 million	a) EUR 0.0 (with net profit for the year of EUR 17.5 million) b) EUR 4.5 million (with net profit for the year of EUR 100.0 million) c) The bonus is determined as a function of the annual surplus. The figures between the above-mentioned individual contractually defined figures of the bonus are interpolated linearly.	a) Net profit for the year of EUR 108.3 million b) EUR 4.5 million

3 Comments on all existing Management Board employment contracts

The following statements apply to all existing Management Board employment contracts and all Management Board members in office in fiscal year 2024.

Comments on stock option plans

In the fiscal years prior to fiscal year 2024, the members of the Management Board were granted (virtual) stock options, the exercise of which is linked to the achievement of a performance target (share price increase), as long-term variable remuneration. To date, the Company's Annual General Meetings have approved three stock option programs, two of which are still active:

1. the 2019 Stock Option Program **("SOP 2019")** from the Annual General Meeting on May 23, 2019, and

2. the Stock Option Program 2021 **("SOP 2021")** by the Annual General Meeting on May 20, 2021.

In addition, the virtual stock option program 2023 **("SOP 2023")** was resolved with the approval of the Company's Supervisory Board.

No (virtual) stock options were allocated to the members of the Management Board in fiscal year 2024.

In the 2019 and 2021 stock option programs, a stock option allocated to the respective Management Board member entitles the holder to subscribe to one share at a price **("exercise price")** corresponding to 70% of the average, volume-weighted closing price of the Company's share in XETRA trading during the last 20 trading days prior to the issue date of the stock options. The stock options granted under SOP 2019 and SOP 2021 can only be exercised if the average, volume-weighted share price of the Company during the last 20 trading days prior to the start of the respective exercise period **("settlement price")** exceeds the exercise price by at least 85.7% **("performance target")**.

All stock option programs with compensation in shares contain a clause protecting against dilution in the event of capital increases from Company funds or other capital measures with a comparable effect. They also provide for a corresponding adjustment of the exercise price if, after the issue date and before the stock option is effectively exercised by the member of the Management Board, the Company pays, distributes, or grants a cash or non-cash dividend to its shareholders.

There is a waiting period of four years for the exercise of each tranche of options granted. The stock options can generally be exercised for the first time on the day after the waiting period expires, provided that the exercise conditions, in particular the achievement of the performance target described above, have been met. The exercise period following the waiting period is two years. If the stock options are not exercised without compensation, they expire without replacement six years after the issue date.

The SOP 2023 virtually replicates the aforementioned parameters and performance criteria. The main difference is that the Management Board members were not allocated any real stock options backed by conditional capital within the meaning of Section 192 para. 2 no. 3 AktG, but these are only virtually replicated. If the performance target is achieved, the difference between the exercise price and the settlement price is generally paid out in cash by the Company to the members of the Management Board (cash settlement). The Company can also choose to service the remuneration entitlements of the members of the Management Board with treasury shares or from authorized capital once the performance targets have been achieved

The share subscription as part of the multi-year variable remuneration enabled the members of the Management Board to participate in the development of the share price. This aligned the objectives of the Management Board and the shareholders and promoted the strategy of sustainably increasing shareholder value. The vesting period and the subsequent exercise period incentivize the members of the Management Board to sustainably increase the value of the Company in the long term.

The following table shows the development of the stock options from the 2019 SOP, the 2021 SOP and the 2023 SOP in fiscal year 2024:

	Portfolio at the beginning of FY 2024	Allocated in FY 2024	Exercisable in FY 2024	Exercised in FY 2024	Expires in FY 2024	Portfolio at the end of FY 2024
Robin Laik	360,000	0	90,000	90,000	0	**270,000**
Mark Friedrich	180,000	0	45,000	45,000	0	**135,000**
Johannes Laumann	45,000	0	0	0	0	**45,000**
Dr. Lennart Schley	9,000	0	4,000	4,000	0	**5,000**
TOTAL	**594,000**	**0**	**139,000**	**139,000**	**0**	**455,000**

Other Information

There is no pension commitment between the Company and the members of the Management Board. The members of the Management Board are therefore not entitled to a Company pension.

Fringe benefits

The members of the Management Board are granted the following **fringe benefits**:

- Company car, which may also be used privately,
- Smartphone that can also be used privately,
- Contributions to statutory or private health and long-term care insurance,
- D&O insurance of the Company (without the corresponding deductible).

The fringe benefits granted consist mainly of contributions to statutory or private health insurance and D&O insurance as well as the use of a Company car. The Company's D&O insurance (pecuniary loss liability insurance) contains a deductible clause for the members of the Management Board in accordance with the statutory requirements (Section 93 (2) sentence 3 AktG), which they bear themselves accordingly. No advances or loans were granted to the members of the Management Board.

Appropriateness of Management Board remuneration

In accordance with the Remuneration System, the Supervisory Board of Mutares Management SE reviews the market appropriateness of the Management Board's remuneration regularly on the basis of a horizontal and vertical comparison. The horizontal review of the appropriateness of the remuneration is based on a comparison with other listed or traded portfolio companies in the private equity sector and comparable industries. The peer group comprises the four companies AUR Portfolio III SE & Co. KGaA (formerly: AURELIUS Equity Opportunities SE & Co. KGaA), Deutsche Beteiligungs AG, INDUS Holding AG and MBB SE. A high variable remuneration component is typical for the industry.

When determining the remuneration for the members of the Management Board, the Supervisory Board of Mutares Management SE also takes into account in particular that there is global competition in the private equity industry for key personnel with industry experience, who are considered the main success factor in this industry. Non-competitive remuneration for highly successful managers, both at the Management Board level and at other management levels, as evidenced by the business results, would pose a risk of key personnel leaving the Company and thus a significant risk to the Company's success.

Remuneration granted and owed in fiscal year 2024

The following tables show the individual remuneration granted and owed in accordance with Section 162 para. 1 sentence 1 AktG to the members of the Management Board in office in fiscal year 2024. This relates to the fixed remuneration and fringe benefits granted in fiscal year 2024 as well as the mid-term bonus and the bonus for fiscal year 2024. Former and reinstated member of the Management Board Johannes Laumann received remuneration in the fiscal year, including as a former member. No remuneration was paid or owed to other former members of the Management Board in fiscal year 2024.

Remuneration is deemed to have been granted within the meaning of Section 162 para. 1 sentence 1 AktG if it actually accrues to the board member – irrespective of whether it has been credited to an account of the board member or has otherwise become their economic or legal property. In the following table, remuneration is also considered to have been granted within the meaning of Section 162 para. 1 sentence 1 AktG if the underlying one-year or multi-year activity has been performed in full by the end of the fiscal year and the remuneration is only transferred to the recipient's account at a later date. The amounts reported for the bonus and the mid-term bonus (paid mid-term bonus and deferral) correspond to the payments for fiscal year 2024, as the underlying service was performed in full by the end of the fiscal year on December 31, 2024, and the bonus or mid-term bonus was therefore earned in full (performance period: January to December 2024, payment of bonus and paid mid-term bonus expected in April 2025 and of the deferral expected in April 2029). The bonus and the entire mid-term bonus for fiscal year 2024 are therefore regarded as remuneration granted within the meaning of Section 162 para. 1 sentence 1 AktG.

Remuneration is deemed to be owed within the meaning of Section 162 para. 1 sentence 1 AktG if the Company has a legally existing obligation to a member of a governing body that is due but has not yet been fulfilled.

REMUNERATION GRANTED AND OWED

	Robin Laik, CEO				Mark Friedrich, CFO				Johannes Laumann, CIO				Dr. Lennart Schley, COO			
	2024		2023		2024		2023		2024		2023		2024		2023	
	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%
Fixed remuneration																
Basic remuneration	1,000	18%	1,000	16%	600	35%	500	16%	250	13%	430	88%	250	45%		
Ancillary services[1]	90	2%	73	1%	95	5%	83	3%	1,353[3]	73%	61	12%	42	8%		
Total fixed remuneration	**1,090**	**20%**	**1,073**	**17%**	**695**	**40%**	**578**	**18%**	**1,603**	**86%**	**491**	**100%**	**292**	**53%**		
Variable remuneration																
Short-term variable remuneration																
Bonus	4,500	80%	4,500	72%			2,250	71%								
Mid-term bonus					1,025	60%			256	14%			256	47%		
Mid-term bonus paid					800	47%			200	11%			200	37%		
Deferral					225	13%			56	3%			56	10%		
Long-term variable remuneration																
SOP 2023			716	11%			358	11%								
Total variable remuneration	**4,500**	**80%**	**5,216**	**83%**	**1,025**	**60%**	**2,608**	**82%**	**256**	**14%**			**256**	**47%**		
Other																
Total[2] (Total remuneration within the meaning of Section 162 (1) AktG)	**5,590**	**100%**	**6,289**	**100%**	**1,720**	**100%**	**3,186**	**100%**	**1,859**	**100%**	**491**	**100%**	**548**	**100%**		

[1] The Company maintains directors' and officers' liability insurance (D&O insurance). The pro rata premium attributable to the individual members of the Management Board is included in the fringe benefits.
[2] Due to rounding, the individual percentages may not add up to 100%.
[3] Including three of three tranches of the sign-on bonus of EUR 435 thousand each. The Management Board member is obliged to invest the net amount of one tranche of the sign-on bonus of EUR 435 thousand in shares of the Company, shares of Steyr Motors AG or bonds of the Company.

Services in connection with the interim departure of a member of the Management Board

In the period from January 1 to June 30, 2024, Johannes Laumann received a monthly salary of EUR 41.66 thousand for the months of January to March and severance pay for a post-contractual non-competition clause in the amount of EUR 375 thousand for the period from April to June following his departure from the Management Board.

Supervisory Board remuneration and remuneration of the Shareholders' Committee

Remuneration of the members of the Supervisory Board of Mutares SE & Co. KGaA
The current remuneration of the members of the Company's Supervisory Board was determined with effect from January 1, 2022, by resolution of the Company's Annual General Meeting on May 17, 2022. The members of the Company's Supervisory Board receive a fixed basic remuneration of EUR 20 thousand for the respective fiscal year of the Company. The Chairman of the Supervisory Board receives a fixed basic remuneration of EUR 45 thousand and his deputy receives a fixed basic remuneration of EUR 30 thousand

for the respective fiscal year of the Company. As the Supervisory Board consisted of a Chairman, a Deputy Chairman and two other members in fiscal year 2024, the total basic remuneration of the Company's Supervisory Board members amounted to EUR 115 thousand in fiscal year 2024. For their work on the Audit Committee of the Supervisory Board, the Chairman of the committee also receives EUR 15 thousand and each other member of the committee receives EUR 5 thousand for the respective fiscal year of the Company. The Company has an Audit Committee, which is chaired by Dr. Axel Müller and includes Volker Rofalski and Raffaela Rein. For their work on other Supervisory Board committees, the Chairman of the committee receives an additional EUR 10 thousand and each other member of the committee an additional EUR 5 thousand for the respective fiscal year of the Company. In addition to the aforementioned remuneration, the members of the Supervisory Board are reimbursed for expenses incurred in the performance of their duties, including VAT. Due to the lack of variable remuneration components, no key figures for assessing the Company's sustainability-related performance were included in the Supervisory Board's remuneration policy in fiscal year 2024.

The remuneration is payable after the end of the respective fiscal year. Supervisory Board members who only belong to the Supervisory Board or a committee of the Supervisory Board for part of the full fiscal year or who hold the office of Chairman or Deputy Chairman receive pro rata remuneration.

The remuneration for the individual members of the Company's Supervisory Board in office in fiscal year 2024 was as follows in accordance with Section 162 para. 1 sentence 1 AktG for fiscal year 2024, whereby the remuneration of the Supervisory Board members included therein represents the "remuneration granted and owed" in accordance with Section 162 para. 1 sentence 1 AktG as shown above under "Remuneration granted and owed in fiscal year 2024". No remuneration was granted or owed to former members of the Company's Supervisory Board in fiscal year 2024. No advances or loans were granted to members of the Supervisory Board.

MEMBERS OF THE SUPERVISORY BOARD OF MUTARES SE & CO. KGAA

	Volker Rofalski (Chairman of the Supervisory Board and member of the Audit Committee)				Dr. Axel Müller (Deputy Chairman of the Supervisory Board and Chairman of the Audit Committee)				Dr. Lothar Koniarski			
	2024		2023		2024		2023		2024		2023	
	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%
Basic remuneration	45.0	90 %	45.0	90 %	30.0	67 %	30.0	67 %	20.0	100 %	20.0	100 %
Additional remuneration for committee activities	5.0	10 %	5.0	10 %	15.0	33 %	15.0	33 %	0.0	0 %	0.0	0 %
Total remuneration within the meaning of Section 162 (1) AktG	**50.0**	**100 %**	**50.0**	**100 %**	**45.0**	**100 %**	**45.0**	**100 %**	**20.0**	**100 %**	**20.0**	**100 %**

	Raffaela Rein (Member of the Audit Committee)				TOTAL REMUNERATION	
	2024		2023		2024	2023
	EUR thousand	%	EUR thousand	%	EUR thousand	EUR thousand
Basic remuneration	20.0	87 %	20.0	100 %	115.0	115.0
Additional remuneration for committee activities	2.9 [1]	13 %	0.0	0 %	22.9	20.0
Total remuneration within the meaning of Section 162 (1) AktG	**22.9**	**100 %**	**20.0**	**100 %**	**137.9**	**135.0**

[1] Includes pro rata remuneration for membership of the Audit Committee since June 4, 2024.

The Company also maintains directors' and officers' liability insurance (D&O insurance). Of the D&O insurance premium paid in fiscal year 2024, EUR 76 thousand is attributable pro rata to each member of the Company's Supervisory Board.

Remuneration of the Shareholder Committee

The members of the Company's Shareholder Committee received remuneration for the first time in fiscal year 2024. The current remuneration of the members of the Company's Shareholder Committee was determined with effect from January 1, 2024, by resolution of the Company's Annual General Meeting on June 4, 2024. The members of the Company's Shareholder Committee receive fixed remuneration of EUR 10 thousand for the respective fiscal year of the Company. As the Shareholder Committee consisted of four members in fiscal year 2024, the total remuneration of the members of the Company's Shareholder Committee in fiscal year 2024 amounted to EUR 40 thousand. In addition to the aforementioned remuneration, the members of the Company's Shareholder Committee are reimbursed for expenses incurred in the performance of their duties, including any VAT incurred. Due to the lack of variable remuneration components, no key figures for assessing the Company's sustainability-related performance were included in the remuneration policy of the Shareholder Committee in fiscal year 2024.

The remuneration is payable after the end of the respective fiscal year. Members of the Shareholder Committee who only belong to the Shareholder Committee for part of the full fiscal year receive pro rata remuneration.

The remuneration for the individual members of the Company's Shareholder Committee in office in fiscal year 2024 was as follows in accordance with Section 162 para. 1 sentence 1 AktG for fiscal year 2024, whereby the remuneration of the members of the Shareholder Committee included therein represents the "remuneration granted and owed" in accordance with Section 162 para. 1 sentence 1 AktG as described above under "Remuneration granted and owed in fiscal year 2024". No remuneration was granted or owed to former members of the Company's Shareholder Committee in fiscal year 2024. No advances or loans were granted to the members of the Shareholder Committee.

MEMBERS OF THE SHAREHOLDERS' COMMITTEE OF MUTARES SE & CO. KGAA

	Volker Rofalski				Dr. Axel Müller				Dr. Lothar Koniarski			
	2024		2023		2024		2023		2024		2023	
	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%
Basic remuneration	10.0	100%	0.0	0%	10.0	100%	0.0	0%	10.0	100%	0.0	0%
Total remuneration within the meaning of Section 162 (1) AktG	**10.0**	**100%**	**0.0**	**0%**	**10.0**	**100%**	**0.0**	**0%**	**10.0**	**100%**	**0.0**	**0%**

	Raffaela Rein				TOTAL REMUNERATION	
	2024		2023		2024	2023
	EUR thousand	%	EUR thousand	%	EUR thousand	EUR thousand
Basic remuneration	10.0	100%	0.0	0%	40.0	0.0
Total remuneration within the meaning of Section 162 (1) AktG	10.0	100%	0.0	0%	40.0	0.0

Remuneration of the members of the Supervisory Board of Mutares Management SE

The remuneration of the members of the Supervisory Board of Mutares Management SE was resolved at the Annual General Meeting of Mutares Management SE on July 10, 2023, with effect from January 1, 2023. The members of the Supervisory Board of Mutares Management SE receive a fixed basic remuneration of EUR 75 thousand for the respective fiscal year of the Company. The Chairman of the Supervisory Board receives a fixed basic remuneration of EUR 150 thousand and his deputy receives a fixed basic remuneration of EUR 110 thousand for the respective fiscal year of the Company. As the Supervisory Board currently consists of a Chairman, a Deputy Chairman and two other members, the total fixed basic remuneration of the Supervisory Board members amounted to EUR 410 thousand in fiscal year 2024.

The Supervisory Board of Mutares Management SE has a Personnel Committee. For their work on a committee of the Supervisory Board of Mutares Management SE, the Chairman of the committee receives additional basic remuneration of EUR 15 thousand and all other members of the committee each receive additional basic remuneration of EUR 5 thousand for the respective fiscal year. In the absence of variable remuneration components, no key figures for assessing the Company's sustainability-related performance were included in the remuneration policy of the Supervisory Board of Mutares Management SE in fiscal year 2024.

For the individual members of the Supervisory Board of Mutares Management SE in office in fiscal year 2024, the remuneration pursuant to Section 162 (1) sentence 1 AktG for fiscal year 2024 was as follows, whereby the remuneration of the Supervisory Board members included therein reflects the "remuneration granted and owed" pursuant to Section 162 (1) sentence 1 AktG in the sense of the understanding described above under "Remuneration granted and owed in fiscal year 2024". No remuneration was granted or owed to former members of the Supervisory Board of Mutares Management SE in fiscal year 2024. No advances or loans were granted to the members of the Supervisory Board.

MEMBERS OF THE SUPERVISORY BOARD OF MUTARES MANAGEMENT SE

	Dr.-Ing. Kristian Schleede (Chairman of the Supervisory Board and Chairman of the Personnel Committee)				Dr. Lothar Koniarski (Deputy Chairman)				Dr. Axel Müller			
	2024		2023		2024		2023		2024		2023	
	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%	EUR thousand	%
Basic remuneration	150.0	91%	150.0	91%	110.0	100%	110.0	100%	75.0	100%	75.0	100%
Additional remuneration for committee activity	15.0	9%	15.0	9%	0.0	0%	0.0	0%	0.0	0%	0.0	0%
Total remuneration within the meaning of Section 162 (1) AktG	**165.0**	**100%**	**165.0**	**100%**	**110.0**	**100%**	**110.0**	**100%**	**75.0**	**100%**	**75.0**	**100%**

	Volker Rofalski (Member of the Personnel Committee)				TOTAL REMUNERATION	
	2024		2023		2024	2023
	EUR thousand	%	EUR thousand	%	EUR thousand	EUR thousand
Basic remuneration	75.0	94%	75.0	94%	410.0	410.0
Additional remuneration for committee activity	5.0	6%	5.0	6%	20.0	20.0
Total remuneration within the meaning of Section 162 (1) AktG	**80.0**	**100%**	**80.0**	**100%**	**430.0**	**430.0**

Remuneration of Mutares Management SE as general partner

Mutares Management SE, as general partner, receives annual remuneration of 4% of its share capital, irrespective of profits and losses, plus any value added tax owed, for assuming management of the Company and liability for the Company in accordance with Article 7 (7) of the Company's Articles of Association. In fiscal year 2024, this remuneration amounted to EUR 4,800.00.

Comparative presentation of earnings development and the annual change in remuneration

In accordance with Section 162 para. 1 sentence 2 no. 2 AktG, the following overview shows the relative development of the remuneration granted and owed to the members of the Management Board and Supervisory Board in the respective fiscal year compared to the Company's earnings performance. A comparison of the remuneration of the Management Board with the remuneration of employees on a full-time equivalent basis in accordance with Section 162 para. 1 sentence 2 no. 2 AktG is only provided for the fiscal years 2023/2024, 2022/2023, 2021/2022 and 2020/2021 in accordance with Section 26j para. 2 sentence 2 EGAktG.

The development of earnings is generally presented on the basis of the development of the Company's net profit for the year in accordance with Section 275 (2) no. 17 HGB. As the remuneration of the members of the Management Board is also largely dependent on the development of Group key figures, the development of the IFRS consolidated net income reported in the Consolidated Financial Statements is also presented as the earnings performance of the Mutares Group.

The comparison with the average remuneration of employees is based on the current first management level of the Mutares Group. The employees of the individual operating subsidiaries are not taken into account.

The chart shows the percentage development in the respective year compared to the previous year and includes the incidental costs for D&O insurance.

%	Fiscal year 2024	2023	2022	2021	2020
Development of earnings					
Consolidated net profit for the year (IFRS)	-225 %	1.848 %	-105 %	2.144 %	18 %
Annual result (HGB)	6 %	41 %	44 %	52 %	48 %
Average employee remuneration	**-25 %** [1]	**20 %**	**14 %**	**50 %**	
Remuneration of the Management Board					
Robin Laik	-11 %	12 %	18 %	53 %	58 %
Mark Friedrich	-46 %	12 %	17 %	54 %	57 %
Johannes Laumann (until November 30, 2023 and from July 1, 2024)	279 % [2]	-84 %	27 %	54 %	90 %
Dr. Lennart Schley (from July 1, 2024)					
Dr.-Ing. Kristian Schleede (until December 31, 2021)				63 %	49 %
Remuneration of the Company's Supervisory Board					
Volker Rofalski	9 %	-7 %	4 %	118 %	-39 %
Dr. Axel Müller (since August 2, 2018)	9 %	-7 %	17 %	191 %	-46 %
Dr. Lothar Koniarski (since July 20, 2018)	12 %	-9 %	8 %	148 %	-30 %
Raffaela Rein (since May 17, 2022)	16 %	46 %			
Prof. Dr. Micha Bloching (until May 17, 2022)			-59 %	276 %	-54 %
Remuneration of the members of the Shareholders' Committee of Mutares SE & Co. KGaA					
Volker Rofalski (since July 24, 2019)					
Dr. Axel Müller (since July 24, 2019)					
Dr. Lothar Koniarski (since July 24, 2019)					
Raffaela Rein (since May 17, 2022)					
Prof. Dr. Micha Bloching (until May 17, 2022)					
Remuneration of the Supervisory Board of Mutares Management SE					
Dr.-Ing. Kristian Schleede (since May 17, 2022)	0 %	194 %			
Dr. Lothar Koniarski (since April 9, 2019)	0 %	57 %	17 %	50 %	37 %
Dr. Axel Müller (since July 6, 2020)	0 %	50 %	25 %	74 %	
Volker Rofalski (since April 9, 2019)	0 %	60 %	25 %	-17 %	9 %
Prof. Dr. Micha Bloching (from April 9, 2019, until May 17, 2022)			-58 %	0 %	37 %

[1] Comparability with the previous year is limited, as the relevant reporting level has been comprehensively changed significantly.
[2] This does not include remuneration during the period as a non-executive member of the Management Board from January 1, 2024, to June 30, 2024, for compensation for loss of earnings and basic salary.

Munich, May 19, 2025

For Mutares Management SE

Robin Laik
Chairman of the Management Board

Mark Friedrich
Member of the Management Board

For the Supervisory Board of the Company

Volker Rofalski
Chairman of the Supervisory Board

CORPORATE GOVERNANCE STATEMENT

The actions of the management and supervisory bodies of Mutares SE & Co. KGaA are governed by the principles of responsible and good corporate governance. The Management Board of the general partner of Mutares SE & Co. KGaA, Mutares Management SE, as well as the Shareholder Committee and the Supervisory Board of Mutares SE & Co. KGaA report below on corporate governance in accordance with Principle 23 of the German Corporate Governance Code **("GCGC")** and Sections 289f and 315d of the German Commercial Code (HGB).

1 Statement on the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG)

The Management Board of Mutares Management SE as general partner as well as the Shareholder Committee and the Supervisory Board of Mutares SE & Co. KGaA **("Company")** declare in accordance with Section 161 AktG that the Company has complied with the recommendations of the German Corporate Governance Code (GCGC) in the version dated April 28, 2022 ("GCGC"), which came into force on June 27, 2022, by way of publication in the Federal Gazette, since the last Declaration of Conformity was issued in December 2023. April 2022 ("GCGC") since the last Declaration of Conformity was issued in December 2023 and will continue to comply with them in the future, subject to the special features of the legal form of a partnership limited by shares **("KGaA")** described below and the structure of this legal form in the Articles of Association and with the exception of the deviations listed below.

1.1 Special features specific to the legal form

The GCGC is tailored to companies in the legal form of a stock corporation **("AG")** or a European Company (Societas Europaea, SE) and does not take into account the special features of the legal form of a KGaA. Many of the recommendations of the GCGC can therefore only be applied to the Company in a modified form. Significant particularities arise in particular from the following legal form-specific features.

1.1.1 Management

In a KGaA, the duties of a Management Board of an AG are performed by general partners. The sole general partner of the company is Mutares Management SE, whose Management Board **("Management Board")** is thus responsible for managing the Company's business.

1.1.2 Shareholders' Committee

Unlike the AG, the legal form of the KGaA offers the possibility of creating additional optional bodies. The Shareholders' Committee established at the Company in accordance with the Articles of Association and elected by the Company's Annual General Meeting has power of representation and management authority for the legal relationships between the Company on the one hand and the general partner and/or its board members on the other.

In addition, he exercises all rights in connection with the shares held by the Company in the general partner; in particular, he is responsible for exercising voting rights at the general partner's Annual General Meeting and disposing of the Company's shares in the general partner.

1.1.3 Supervisory Board

Compared to the Supervisory Board of an AG, the rights and responsibilities of the Supervisory Board of a KGaA are limited. In particular, the Supervisory Board of the Company has no personnel competence with regard to the management. The Supervisory Board of the KGaA is therefore not responsible for the appointment or dismissal of the general partner or its Management Board members. It is therefore also not responsible for regulating their contractual conditions, such as remuneration in particular or taking into account the ratio of Management Board remuneration to the remuneration of senior management and the workforce; the Supervisory Board of the KGaA is also not responsible for setting an age limit for Management Board members, the composition of the Management Board, the term of appointment, succession planning, the adoption of Rules of Procedure for the Management Board or the determination of transactions requiring approval. These tasks are performed by the Supervisory Board of Mutares Management SE.

1.1.4 Annual General Meeting

The Annual General Meeting of a KGaA basically has the same rights as the Annual General Meeting of an AG. In addition, it decides on the adoption of the Company's Annual Financial Statements, the discharge of the general partner and the election and discharge of the Shareholder Committee. Numerous resolutions of the Annual General Meeting require the approval of the general partner; including the adoption of the company's Annual Financial Statements.

1.2 Deviations from the recommendations of the GCGC

Recommendation B.3 GCGC
According to recommendation B.3 of the GCGC, the initial appointment of members of the Management Board should be for a maximum of three years. With effect from July 1, 2024, Dr. Lennart Schley was appointed a member of the Management Board until December 31, 2027. His first term of office therefore exceeds the recommended term of office of three years as part of the initial appointment. In the opinion of the Company, the duration of Dr. Lennart Schley's initial appointment is in the best interests of the Company. Due to his many years of service for the Company in a managerial role in the area of operations, the Company is familiar with the skills and knowledge of the new Management Board member. Furthermore, it is in the interests of the Company to have his term of office end with a fiscal year.

Recommendation D.4 GCGC
According to recommendation D.4 GCGC, the Supervisory Board shall form a Nomination Committee composed exclusively of shareholder representatives which nominates qualified candidates to the Supervisory Board for its proposals to the Annual General Meeting for the election of Supervisory Board members. Due to the current size of the Supervisory Board, which consists of four shareholder representatives, the Supervisory Board does not consider it necessary to form a Nomination Committee. The decision on the Supervisory Board's election proposals to the Annual General Meeting can be prepared and made by the full Supervisory Board.

Recommendation F.2 GCGC
According to recommendation F.2 GCGC, the Consolidated Financial Statements and the Group Management Report should be publicly accessible within 90 days of the end of the fiscal year. The Company makes the Consolidated Financial Statements and the Group Management Report publicly accessible within four months of the reporting date of the fiscal year in accordance with the provisions of commercial and stock exchange law (Sections 325 (3), (4) sentence 1 HGB and Sections 51 (2), 50 BörsO of the Frankfurt Stock Exchange). The Company is of the opinion that publication within these deadlines is sufficient for the information interests of shareholders, creditors and other stakeholders as well as the public.

According to recommendation F.2 GCGC, the mandatory interim financial information should be publicly accessible within 45 days of the end of the reporting period. The Company made the Half-year Financial Report for fiscal year 2024 publicly available within 45 days of the end of the reporting period. As there was an inadvertent transcription error when converting the binding financial information into the graphic format for the publication of the Half-year Financial Report 2024, this editorial error was subsequently corrected. As a precautionary measure, it is therefore pointed out that the Half-year Financial Report for fiscal year 2024 was published again in the corrected version within the statutory period on September 30, 2024.

Section G.I GCGC
Recommendations G.1 to G.16 GCGC contain detailed requirements that the Supervisory Board should take into account when determining the remuneration of the Management Board. However, the Supervisory Board of the Company has no authority to determine the remuneration of the Management Board of the general partner, which means that the recommendations on Management Board remuneration do not apply to the Company due to its structure. The remuneration of the Management Board of the general partner is determined by the Supervisory Board of the general partner. The Company only declares a deviation from the aforementioned recommendations as a precautionary measure.

Munich, December 2024

The Management Board of the personally liable partner	The Shareholders' Committee	The Supervisory Board

The Declaration of Conformity is available on the website of Mutares SE & Co. KGaA at ir.mutares.com/en/corporate-governance/#dokumente.

2 Remuneration system for the members of the Supervisory Board and the Shareholder Committee and Remuneration Report

The Remuneration Report for fiscal year 2024 and the Auditor's Report pursuant to Section 162 AktG are made publicly available on the website of Mutares SE & Co. KGaA at ir.mutares.com/en/corporate-governance/#dokumente. The last resolution on the Remuneration Report adopted by the Annual General Meeting on June 4, 2024, is also made publicly available on the website of Mutares SE & Co. KGaA at ir.mutares.com/en/event/annual-general-meeting-2024. The Remuneration System for the members of the Supervisory Board of Mutares SE & Co. KGaA in accordance with Section 113 (3) AktG is available on the Mutares SE & Co. KGaA website at ir.mutares.com/en/event/annual-general-meeting-2022. The Remuneration System for the members of the Shareholders' Committee of Mutares SE & Co. KGaA in accordance with Section 113 (3) AktG is available on the Mutares SE & Co. KGaA website at ir.mutares.com/en/event/annual-general-meeting-2024.

3 Relevant disclosures on corporate governance practices

Mutares SE & Co. KGaA acts as an international investor that actively supports its portfolio companies in defining and implementing comprehensive turnaround and optimization programs. In all its decisions, the Company not only focuses on organic growth and the long-term success of its portfolio companies, but also ensures that ecological, social and corporate values and standards are observed and implemented. Responsible action is anchored in the corporate values of Mutares SE & Co KGaA. For Mutares SE & Co. KGaA, sustainability is more than just an environmental issue. As the parent Company of a group of companies, the Company has a duty of responsibility towards its employees and the general public and is committed to good corporate governance. Mutares SE & Co. KGaA sets itself the three most important sustainability-related areas of responsibility of a company as guidelines: **Environmental, Social and Governance**.

Sustainability plays an important role in society. The UN Global Compact was signed in 2021 and the Company has committed to respecting and implementing the ten sustainable principles set out therein and to promoting sustainable development worldwide. The Company also lives up to this responsibility through Group-wide reporting and monitoring activities relating to environmental, social and governance issues.

Environmental

Mutares SE & Co. KGaA sees environmental protection as a success factor for the future sustainable development of its business activities. In this context, the Company works continuously to identify the key issues and challenges for the Company's business activities. Attention is paid to the implementation of environmentally friendly behavior in internal Company processes, particularly at the subsidiaries. Many of the portfolio companies are therefore certified in accordance with ISO 14001:2015 (environmental management system).

Social

The Company places particularly high importance on its employees. Mutares SE & Co. KGaA is guided by the principles of labor standards and human rights of the United Nations Global Compact. Occupational health and safety are important aspects for the company. Mutares SE & Co. KGaA strives to introduce and maintain a zero-accident safety culture at its portfolio companies. Respect for and compliance with human rights are enshrined in the Company's Code of Conduct and are therefore important components of corporate responsibility. It is also part of the Company's standard to treat everyone equally with respect, trust and dignity. Mutares SE & Co KGaA's goal is to create a working environment that is free from discrimination and harassment of any kind. The Code of Conduct provides guidance for the organization of business activities in accordance with the values of the Company and the applicable laws. The Code of Conduct applies to all employees and business partners of the Company.

Governance

The Company is committed to acting with integrity and in compliance with the law in accordance with nationally and internationally recognized standards, assumes corporate responsibility and pays attention to the impact of its business activities. All employees, suppliers and third parties who have a business relationship with the Company must comply with all applicable laws. As a globally active Company, the laws and regulations of each location in which the Company conducts business also apply. Failure to comply with these laws could have consequences under civil, criminal and labor law.

Internal control system and risk management, including compliance management system

The internal control and risk management system as part of the accounting process is intended to ensure that all business processes and transactions are recorded promptly, uniformly and correctly in the accounts. The aim of the internal control system for the consolidation of the subsidiaries included in the Consolidated Financial Statements is to ensure that legal standards, accounting regulations and internal accounting instructions are complied with. Changes to these are continuously analyzed with regard to their relevance and impact on the Consolidated Financial Statements and taken into account accordingly. In addition to defined controls, system-based and manual reconciliation processes, the separation of executive and controlling functions and compliance with guidelines and work instructions are key components of the internal control system.

Furthermore, the Company has installed and organizationally anchored a systematic, multi-level risk management system that also identifies, evaluates and communicates sustainability risks. Material risks are identified using a combination of bottom-up and top-down analysis based on defined risk areas. The risks identified in this way are assessed based on their monetary impact on the Company's earnings and/or financial position and their expected probability of occurrence with regard to a one-year observation horizon. The focus of the assessment is always on the most likely risk scenario. The risk assessment also distinguishes between gross and net assessment. The risks identified are then actively managed and controlled by the management responsible for operations.

In addition, the Company has established a compliance management system with a Code of Conduct for all relevant areas. All employees are expected to act responsibly, ethically and with integrity at all levels. This expectation also applies to third parties, such as business partners and suppliers, who contribute to the Company's good image. There are individual guidelines for anti-corruption, capital market compliance, antitrust law, money laundering and terrorist financing as well as data protection, among others. The software implemented to manage guidelines ensures that employees always have access to the applicable guidelines. In addition, the Company has set up a whistleblower portal that enables whistleblowers to report possible violations of the law or breaches of the Company's Code of Conduct anonymously. The Company's Compliance department follows up on all such reports as part of independent investigations.

The Company's Compliance department consists of a Compliance Officer and two other FTEs. The Compliance department has overarching responsibility for implementing and monitoring the compliance management system at the holding level of the Company and its direct subsidiaries.

In addition, as indirect subsidiaries of the Company, the portfolio companies are obliged to set up appropriate compliance management systems as part of their corporate governance, including a specifically defined responsible body. In order to ensure compliance with the common standards, the Company intends to maintain a regular exchange between the compliance functions at the various levels within the Mutares Group.

Further information is available on the website of Mutares SE & Co. KGaA at mutares.com/en/compliance-esg.

4 Partnership limited by shares

Mutares SE & Co. KGaA is a partnership limited by shares (KGaA). A KGaA is a company with its own legal personality (legal entity) in which at least one partner has unlimited liability to the Company's creditors (general partner) and the other partners participate in the share capital divided into shares without being personally liable for the Company's liabilities (limited shareholders, Section 278 (1) AktG).

In terms of its legal structure, a KGaA is a hybrid of a stock corporation (AG) and a limited partnership with a focus on stock corporation law. The main differences to an AG are as follows: At Mutares SE & Co. KGaA, Mutares Management SE – acting through its Management Board – performs the tasks of the Management Board of an AG as the sole general partner.

Compared to the Supervisory Board of an AG, the rights and responsibilities of the Supervisory Board of a KGaA are limited. In particular, the Supervisory Board does not have the authority to appoint personally liable partners and regulate their contractual conditions, issue Rules of Procedure for the management or determine transactions requiring approval. These tasks are performed at the Company by the Supervisory Board of Mutares Management SE.

The Annual General Meeting of a KGaA basically has the same rights as the Annual General Meeting of an AG. This means that, among other tasks, it resolves on the appropriation of profits, the election and discharge of the members of the Supervisory Board, the election of the auditor and amendments to the Articles of Association and capital measures to be implemented by the Management Board. Due to the legal form of the Company, it also resolves on the adoption of the Company's Annual Financial Statements and the discharge of the general partner as well as the election and discharge of the members of the Shareholder Committee established in accordance with the Articles of Association. Resolutions of the Annual General Meeting require the approval of the general partner if they concern matters for which the consent of the general partners and the limited partners is required in the case of a limited partnership (Section 285 (2) AktG), or if they concern the adoption of the Annual Financial Statements (Section 286 (1) AktG).

Mutares SE & Co. KGaA has established a Shareholders' Committee as an additional body, which performs the tasks assigned to it by the Annual General Meeting and the Articles of Association (for details, see section 5.4).

There were no changes to the Group management and supervisory structure in the reporting year.

5 Description of the functioning and composition of the corporate bodies of Mutares SE & Co. KGaA and Mutares Management SE and their committees

5.1 Description of the working methods of Mutares Management SE including its Management Board and Supervisory Board

A basic principle of German stock corporation law is usually a dual management system with a Management Board as the management body and a Supervisory Board as the supervisory body. The special feature of the KGaA legal form is that its business is managed by a general partner. At Mutares SE & Co. KGaA, Mutares Management SE assumes the role of the management body as the general partner in accordance with the Articles of Association. The Supervisory Board of Mutares SE & Co. KGaA monitors the management of the general partner in accordance with the powers assigned to it by law and the Articles of Association. Mutares Management SE is a European Company (SE) with a dualistic structure. The governing bodies of Mutares Management SE are the Annual General Meeting, the Management Board and the Supervisory Board. Mutares Management SE – represented by its Management Board – conducts the business of Mutares SE & Co. KGaA with the diligence of a prudent and conscientious manager and is committed to the interests of Mutares SE & Co. KGaA. It also represents Mutares SE & Co. KGaA externally.

5.1.1 The Management Board of Mutares Management SE

5.1.1.1 Composition of the Management Board

In accordance with the Articles of Association, the Management Board of Mutares Management SE may consist of one or more persons. The Supervisory Board of Mutares Management SE determines the specific number of members of the Management Board. A simple majority of the votes cast by the members of the Supervisory Board is required for their appointment and dismissal. In the event of a tie, the Chairman of the Supervisory Board has the casting vote. The members of the Management Board may be appointed for a maximum period of six years, whereby reappointments are permitted. The Rules of Procedure for the Management Board of Mutares Management SE stipulate that, as a rule, only persons who have not yet reached the age of 65 at the time of appointment should be appointed members of the Management Board. The Management Board of Mutares Management SE currently consists of four members.

As of December 31, 2024, the Management Board of Mutares Management SE consisted of the following members:

Robin Laik (*1972)

- Chairman of the Management Board, CEO
- First appointment (with effect from): February 22, 2019 (previously member of the Management Board of Mutares AG since 2008)
- Appointed until: December 31, 2029
- Memberships of statutory supervisory boards or comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024): none

Mark Friedrich (*1978)

- CFO
- First appointment (with effect from): April 9, 2019 (previously since 2015 member of the Management Board of Mutares AG)
- Appointed until: December 31, 2027
- Memberships of statutory supervisory boards or comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024): none

Johannes Laumann (*1983)
- CIO
- First appointment (with effect from): April 9, 2019
- Appointed until: June 30, 2027
- Memberships of statutory supervisory boards or comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024): none

Dr. Lennart Schley (*1980)
- COO
- First appointment (with effect from): July 1, 2024
- Appointed until: December 31, 2027
- Memberships of statutory supervisory boards or comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024):
  - Lapeyre SAS (Chairman of the Supervisory Board)

The CVs of the members of the Management Board are published on the Mutares SE & Co. KGaA website at mutares.com/en/team/#executive-board. and are updated regularly. Information on the remuneration of the members of the Management Board can be found in the Remuneration Report for the respective fiscal year.

5.1.2 The Supervisory Board of Mutares Management SE

5.1.2.1 Working methods of the Supervisory Board

The Supervisory Board of Mutares Management SE consists of four members. The Chairman of the Supervisory Board of Mutares Management SE is Dr. Kristian Schleede.

5.1.2.2 Composition of the Supervisory Board

In fiscal year 2024, the Supervisory Board of Mutares Management SE consisted of the following members

Dr.-Ing. Kristian Schleede (*1958)
- Chairman of the Supervisory Board
- Member since: End of the Annual General Meeting on May 17, 2022
- Elected until: End of the Annual General Meeting in calendar year 2028
- Main activity: Management consultant, Managing Partner of KSBI GmbH, Zug, Switzerland
- Memberships of statutory supervisory boards or comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024): none

Dr. Lothar Koniarski (*1955)
- Deputy Chairman of the Supervisory Board
- Member since: 2019
- Elected until: End of the Annual General Meeting in calendar year 2028
- Main activity: Managing Director of ELBER GmbH
- Memberships of statutory supervisory boards or comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024):
  - Mutares SE & Co. KGaA, Munich (Member of the Supervisory Board, Member of the Shareholders' Committee)
  - SBF AG, Leipzig (Chairman of the Supervisory Board)
  - DV Immobilien Management GmbH, Regensburg (Deputy Chairman of the Supervisory Board)
  - Regensburg University Foundation, Hans Vielberth University Foundation and Hans Vielberth University Foundation for Real Estate Management (Board of Trustees)

Volker Rofalski (*1970)
- Member since: 2019
- Elected until: End of the Annual General Meeting in calendar year 2028
- Main activity: Managing Partner of Only Natural Munich GmbH, Munich
- Memberships of statutory supervisory boards or comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024):
  - HELIAD AG, Frankfurt/Main (Member of the Supervisory Board)
  - Bio-Gate AG, Nuremberg (Member of the Supervisory Board)
  - Mutares SE & Co. KGaA, Munich (Chairman of the Supervisory Board, Chairman of the Shareholders' Committee)
  - paycentive Group AG, Augsburg (Member of the Supervisory Board)
  - SECANDA AG, Villingen-Schwenningen (Member of the Supervisory Board)

Dr. Axel Müller (*1957)
- Member since: 2020
- Elected until: End of the Annual General Meeting in calendar year 2028
- Main activity: Independent management consultant
- Memberships of statutory supervisory boards or comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024):
  - Mutares SE & Co. KGaA, Munich (Deputy Chairman of the Supervisory Board, Deputy Chairman of the Shareholders' Committee)
  - MIP Pharma Group (Chairman of the Advisory Board (Supervisory Board of Mellifera Sechsunddreißigste Beteiligungsgesellschaft mbH, Berlin, in accordance with the GmbHG))

The CVs of the current members of the Supervisory Board are published on the Mutares SE & Co. KGaA website at mutares.com/en/team/#supervisory-board. and are updated regularly. Information on the remuneration of the members of the Supervisory Board of Mutares Management SE can be found in the Remuneration Report for the respective fiscal year.

5.1.3 Cooperation between the Management Board and Supervisory Board of Mutares Management SE

The Management Board reports to the Supervisory Board of Mutares Management SE in accordance with the statutory provisions, the Articles of Association and the Rules of Procedure of the Supervisory Board and the Management Board, as well as at the request of the Supervisory Board in individual cases. The reports of the Management Board must comply with the principles of conscientious and faithful accountability. Reporting must be carried out in such a way that the Supervisory Board is informed regularly, promptly, comprehensively and generally in text form about all issues relevant to the Company, in particular strategy, planning, business development, the risk situation, risk management and compliance. The Management Board must address any deviations in the course of business from the targets agreed in the plans drawn up, stating the reasons.

In addition, the Chairman of the Supervisory Board must be informed of other important events; a business transaction at an affiliated company of which the Management Board becomes aware and which may have a significant impact on the Company's situation is also to be regarded as an important event.

The Supervisory Board of Mutares Management SE may request a report from the Management Board at any time on the affairs of Mutares Management SE, on its legal and business relationships with affiliated companies and on business transactions at these companies that could have a significant impact on the situation of Mutares Management SE. An individual member may also request a report, but only to the Supervisory Board.

Pursuant to Article 9 (7) of the Articles of Association of Mutares Management SE, the Supervisory Board of Mutares Management SE may, without prejudice to the overall responsibility of the Management Board, allocate the duties of the Management Board to the individual members of the Management Board and, within the framework of the statutory provisions and the Articles of Association, regulate the relationships between the members of the Management Board and with Mutares Management SE and determine that certain transactions or types of transactions may only be carried out with the approval of the Supervisory Board. The Supervisory Board of Mutares Management SE may also grant revocable approval for a certain group of transactions in general, for a limited or unlimited period of time or in advance in the event that the individual transaction meets certain requirements, including to individual members and in particular the Chairman of the Management Board.

5.2 Description of the working methods and composition of the Supervisory Board of Mutares SE & Co. KGaA and its committees

5.2.1 Working methods of the Supervisory Board of Mutares SE & Co. KGaA

The main task of the Supervisory Board of Mutares SE & Co. KGaA is to monitor the management of the Company by Mutares Management SE as the general partner. This is done on the basis of the statutory provisions, taking the recommendations of the GCGC into account – with the exception of the deviations mentioned in the Declaration of Conformity –, the Articles of Association of Mutares SE & Co. KGaA and the Rules of Procedure for the Supervisory Board. The Supervisory Board is authorized to make amendments to the Articles of Association that only affect the wording. In particular, it may also adjust the authorized capital in the Articles of Association in accordance with the respective issue of subscription shares; the same applies in the event that the authorization to issue subscription rights is not exercised. The Rules of Procedure for the Supervisory Board of Mutares SE & Co. KGaA, which contain more detailed provisions on the convening and conduct of Supervisory Board meetings and the formation of committees, can be viewed on the website of Mutares SE & Co. KGaA at ir.mutares.com/en/corporate-governance/#dokumente.

5.2.2 Composition of the Supervisory Board of Mutares SE & Co KGaA

The Supervisory Board of Mutares SE & Co. KGaA consists of:

Volker Rofalski
- (for personal details, see above at 5.1.2.2) as Chairman of the Supervisory Board;

Dr. Axel Müller
- (for personal details, see above at 5.1.2.2) as Deputy Chairman of the Supervisory Board;

Dr. Lothar Koniarski
- (for personal details, see above at 5.1.2.2) as a member of the Supervisory Board; and

Raffaela Rein (*1986)
- as a member of the Supervisory Board:
- Member since: End of the Annual General Meeting on May 17, 2022
- Elected until: End of the Annual General Meeting in calendar year 2028
- Main activity: Managing Director of WildWildVentures GmbH, Berlin
- Memberships of statutory supervisory boards or comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024):
  - IU International University of Applied Sciences, Erfurt (Member of the Advisory Board)
  - Dr. Ing. h. c. F. Porsche AG (Member of the Sustainability Advisory Board)
  - Bundesverband Deutscher Startups e. V. (member of the extended board)

Prior to the change in legal form to a partnership limited by shares (KGaA), the members of the Supervisory Board were members of the Supervisory Board of the Company in the legal form of a stock corporation (mutares AG), i.e. Dr. Lothar Koniarski since 2018, Volker Rofalski since 2008 and Dr. Axel Müller since 2018.

Information on the remuneration of the members of the Supervisory Board of Mutares SE & Co. KGaA can be found in the Remuneration Report for the respective fiscal year.

Age limit

The Rules of Procedure for the Supervisory Board of Mutares SE & Co. KGaA stipulate that, as a rule, only persons who have not yet reached the age of 75 at the time of election should be elected to the Supervisory Board.

Audit Committee

In order to increase the efficiency of its activities, the Supervisory Board of Mutares SE & Co. KGaA has established an Audit Committee. The Audit Committee deals in particular with the audit of the accounting, the monitoring of the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system as well as the audit of the financial statements, in particular the selection and independence of the auditor, the quality of the audit and the additional services provided by the auditor as well as compliance. The Audit Committee discusses the assessment of the audit risk, the audit strategy and audit planning as well as the audit results with the auditor.

The Audit Committee may make recommendations or proposals to ensure the integrity of the accounting process.

The Audit Committee consists of three members. The members of the Audit Committee are Dr. Axel Müller, Volker Rofalski and Raffaela Rein. The Chairman of the Audit Committee is Dr. Axel Müller. Dr. Axel Müller has expertise in the fields of accounting and auditing. In the course of his professional career, Dr. Axel Müller worked for many years at STADA Arzneimittel AG, which was listed on the stock exchange and listed on the MDAX at the time, in numerous management positions, particularly in the areas of strategy and M&A as well as operations, and was most recently responsible for production and development as a member of the Management Board for several years. In this context, he also brings many years of experience in investor relations. After several years as a Senior Advisor at Arthur D. Little, he has been an Associate Partner at Fidelio Healthcare Partners since 2018 and works as an independent management consultant. He therefore brings special knowledge and experience in the application of accounting principles and internal control and risk management systems and has special knowledge and experience in the field of auditing. Dr. Axel Müller regularly undergoes further training in these areas, particularly in the areas of ESG and sustainability reporting and auditing and contributes this expertise to the Audit Committee.

Volker Rofalski has expertise in the field of accounting. In the course of his professional career, Volker Rofalski was co-founder and CEO of the first internet-based capital market platform in Germany, WebStock AG, as well as founder and CFO of a financial services company, TradeCross AG, for many years. From these professional positions, he has special knowledge and experience in the application of accounting principles and internal control and risk management systems. In addition, Volker Rofalski regularly undergoes further training in this area, particularly in the area of ESG and sustainability reporting, and contributes this expertise to the Audit Committee.

Due to her education (CFA (II), Investment Management Certificate), Mrs. Raffaela Rein has relevant expertise in the area of investments and investment management. Due to her many years as an entrepreneur, she is very familiar with a large number of topics relevant to Mutares SE & Co. KGaA. She also has international experience and expertise in the areas of digitalization and sustainability and brings this expertise to the Audit Committee.

Self-assessment

The Supervisory Board of Mutares SE & Co. KGaA regularly assesses for itself how effectively the Supervisory Board as a whole and its committees perform their duties. In addition to qualitative criteria to be determined by the Supervisory Board, the efficiency review focuses in particular on the procedures within the Supervisory Board and the timely and sufficient provision of information to the Supervisory Board. The last self-evaluation took place in December 2024.

Competence profile

According to recommendation C.1 GCGC, the Supervisory Board should specify concrete objectives for its composition and draw up a profile of skills and expertise for the entire Board, taking diversity into account. The competence profile should also include expertise on sustainability issues of importance to the Company. In accordance with recommendation C.1 GCGC, the company's Supervisory Board has drawn up corresponding objectives for its composition and a profile of skills and expertise.

Overall, the Supervisory Board of Mutares SE & Co. KGaA should have skills that are considered essential in view of the Company's activities. In particular, this includes in-depth experience and knowledge

- in the management of an (international) company;
- in the industrial business and value creation along various value chains;
- in the areas of production, marketing, sales, digitalization and restructuring;
- to the main markets in which the Mutares Group operates;
- in accounting and auditing;
- in controlling and risk management;
- in the area of governance and compliance; and
- in the area of sustainability (environment and social affairs).

At least one member of the Supervisory Board must have expertise in the field of accounting and at least one other member of the Supervisory Board must have expertise in the field of auditing.

Diversity

The Supervisory Board of Mutares SE & Co. KGaA strives for sufficient diversity in terms of personality, gender, internationality, professional background, expertise and experience as well as age distribution.

The gender-related composition of the Supervisory Board of Mutares SE & Co. KGaA corresponds to the target by 2026.

Independence

In the opinion of the Supervisory Board of Mutares SE & Co. KGaA, all of its members are independent. It therefore also has what it considers to be an appropriate number of independent members who are independent of the Company and the Management Board of the general partner and independent of the controlling shareholder.

This also applies to Mr. Volker Rofalski, who has been a member of the Supervisory Board of Mutares SE & Co. KGaA for more than twelve years. The member continues to maintain the necessary distance from the Company, the general partner and the controlling shareholder that is required for the supervision of the management of the Company by Mutares Management SE. His past and present performance in office demonstrates that he continues to be able to advise and monitor the general partner appropriately. The Supervisory Board is convinced that the length of membership of more than twelve years is not suitable in the present case to give rise to conflicts of interest that could jeopardize the independence of the member.

The following qualification matrix shows the status of implementation:

	Volker Rofalski	Dr. Axel Müller	Dr. Lothar Koniarski	Raffaela Rein
Management of an (international) company		✓	✓	✓
Industrial business and along the value chain		✓	✓	
Production, marketing, sales, digitalization, restructuring		✓		✓
Key markets	✓		✓	
Accounting and auditing	✓	✓	✓	
Controlling and risk management	✓	✓	✓	
Governance and compliance	✓	✓	✓	✓
Sustainability (environmental and social)	✓	✓		✓
Independence	✓	✓	✓	✓

5.3 Cooperation between the Supervisory Board of Mutares SE & Co. KGaA and the general partner

The cooperation between the Supervisory Board of Mutares SE & Co. KGaA and the general partner, Mutares Management SE, is based on the principle of the dual management system as prescribed by law for the structure of a KGaA. A key aspect of this is the separation of the management and management tasks assigned to the general partner from the monitoring tasks assigned to the Supervisory Board. The Rules of Procedure, which the responsible bodies have issued taking into account the specific legal form of a KGaA and – with regard to the general partner – a dualistic European stock corporation (Mutares Management SE), form a further basis.

The Supervisory Board is informed by the general partner – acting through its Management Board – regularly, promptly and comprehensively and generally in text form about all issues relevant to the Company, in particular strategy, planning, business development, the risk situation, risk management and compliance. In addition, fundamental issues of corporate planning, in particular financial and personnel planning, must be reported on at least once a year. The Chairman of the Supervisory Board maintains regular contact with the general partner, in particular with the Chairman of the Management Board of the general partner, and discusses the Company's strategy, business development, compliance and risk management with them. The Chairman of the Supervisory Board is informed immediately by the Chairman of the Management Board of assessment of the situation and development as well as for the management of the Company. The Chairman of the Supervisory Board then informs the Supervisory Board and, if necessary, convenes an extraordinary meeting of the Supervisory Board.

5.4 The Shareholders’ Committee of Mutares SE & Co. KGaA

5.4.1 Overview and working methods of the Shareholders’ Committee of Mutares SE & Co. KGaA

In addition to the Supervisory Board, the Articles of Association also provide for a Shareholders’ Committee consisting of four members who are elected by the Annual General Meeting. The term of office is five years, unless specified otherwise at the time of election. The Shareholders’ Committee must hold at least one meeting per calendar year. The Shareholders’ Committee passes its resolutions by a majority of the votes cast, unless the Articles of Association stipulate otherwise. The Shareholders’ Committee has the task of carrying out the matters assigned to it by the Annual General Meeting or by the Articles of Association. It has power of representation and management authority for the legal relationships between the Company on the one hand and the general partner and/or its board members on the other. It exercises all rights arising from or in connection with the shares held by the Company in the general partner; in particular, it is responsible for exercising voting rights at the general partner’s Annual General Meeting and disposing of the shares in the general partner. The Shareholder Committee may also exempt individual, several or all members of the Management Board of the general partner from the prohibition of multiple representation pursuant to Section 181 Alt. 2 BGB, whereby Section 112 AktG remains unaffected.

The Shareholder Committee also has the task and the right to decide on the approval of management measures with related parties that require approval in accordance with Section 111b para. 1 AktG. The Shareholder Committee is also obliged to set up an internal procedure in accordance with Section 111a para. 2 sentence 2 AktG to regularly assess whether transactions are being conducted with related parties in the ordinary course of business and at arm’s length.

The Shareholders’ Committee has adopted Rules of Procedure for further details.

5.4.2 Composition of the Shareholders’ Committee of Mutares SE & Co. KGaA

The Shareholders’ Committee of Mutares SE & Co. KGaA consists of:

Volker Rofalski
- (for personal details, see above at 5.1.2.2) as Chairman of the Shareholders’ Committee;

Dr. Axel Müller
- (for personal details, see above at 5.1.2.2) as Deputy Chairman of the Shareholders’ Committee;

Dr. Lothar Koniarski
- (for personal details, see above at 5.1.2.2) as a member of the Shareholders’ Committee; and

Raffaela Rein
- (for personal details, see above at 5.2.2) as a member of the Shareholders’ Committee.

6 Diversity

6.1 Gender-related composition of the Supervisory Board of MutaresSE & Co. KGaA and the management levels

In accordance with Section 111 (5) AktG, the Supervisory Board of Mutares SE & Co. KGaA set the target for the share of women on the Supervisory Board at 25% on December 16, 2021, and a deadline for achieving the target by December 31, 2026. As of December 31, 2024, the share of women on the Supervisory Board of Mutares SE & Co. KGaA was 25% in line with the target set.

The setting of targets for the composition of the Management Board is expressly not intended for companies that, like Mutares SE & Co. KGaA, have the legal form of an SE & Co. KGaA. Nor is the Supervisory Board of Mutares Management SE obliged to set targets for the Management Board, as Mutares Management SE does not fall within the scope of the relevant statutory provisions. For the same reasons, the minimum shareholding requirement pursuant to Section 76 (3a) AktG does not apply to either Mutares SE & Co. KGaA or Mutares Management SE.

In accordance with Section 76 (4) AktG, on December 16, 2021, the Management Board of the general partner of Mutares SE & Co. KGaA, Mutares Management SE, set the target for the share of women in the first management level of Mutares SE & Co. KGaA below the Management Board to at least 33.33% (this corresponds to three women) and the target for the share of women in the second management level of Mutares SE & Co. KGaA below the Management Board to at least 26.31% (this corresponds to five women) and set a deadline for achieving these targets by December 31, 2026.

6.2 Diversity concept with regard to the composition of the Supervisory Board of Mutares SE & Co. KGaA

There is a diversity concept for the Supervisory Board of Mutares SE & Co. KGaA, which is described below. Diversity is sought with regard to age, gender, education, professional background and international experience.

In accordance with recommendation C.1 GCGC, the Supervisory Board of Mutares SE & Co. KGaA strives for sufficient diversity in terms of personality, gender, internationality, professional background, expertise and experience as well as age distribution. When examining potential candidates for Supervisory Board positions, the aspect of diversity should be given appropriate consideration at an early stage in the selection process. Together with the objectives for the composition and the skills profile for the Supervisory Board, the Supervisory Board of Mutares SE & Co. KGaA should thus be composed in such a way as to ensure qualified monitoring and advice for the Management Board of the general partner by the Supervisory Board.

Age

A mixture of experience and new approaches is required for the work of the Supervisory Board. For this reason, the Supervisory Board of Mutares SE & Co. KGaA should consist of experienced and new members. This not only ensures the transfer of knowledge, but also enables new influences to be gained.

Gender

In principle, the goal is to have a mix of women and men on the Supervisory Board of Mutares SE & Co. KGaA. It will also be examined whether the share of women on the Board can be increased to include qualified female candidates. However, expertise and relevant qualifications are ultimately the decisive criteria for the office of Supervisory Board member.

Education and professional background

Overall, the Supervisory Board of Mutares SE & Co. KGaA should have skills that are considered essential in view of the Company's activities. In particular, this includes in-depth experience and knowledge

- of the management of an (international) company;
- of the industrial business and value creation along various value chains;
- of the areas of production, marketing, sales, digitalization and restructuring;
- of the main markets in which the Mutares Group operates;
- of accounting and auditing;
- of controlling and risk management;
- in the area of governance and compliance; and
- in the area of sustainability (environmental and social).

At least one member of the Supervisory Board must have expertise in the field of accounting and at least one other member of the Supervisory Board must have expertise in the field of auditing; the members as a whole must be familiar with the industry in which the Company operates.

International experience
Mutares SE & Co. KGaA is active as an international investor in various European markets, but also worldwide. An appropriate number of members of the Supervisory Board of Mutares SE & Co. KGaA should have gained experience in internationally active companies as a result of their training or professional activities.

Implementation
The key factor for the decision on filling a specific position on the Supervisory Board of Mutares SE & Co. KGaA is always the interests of the Company, taking all circumstances of the individual case into account.

The Supervisory Board of Mutares SE & Co. KGaA takes into account the objectives for the composition and the requirements set out in the diversity concept as part of the selection process and the nomination of candidates for the Supervisory Board. With the election of a new Supervisory Board member in 2022, the requirements set out in the diversity concept were taken into account. When selecting and nominating the candidate, Mrs. Raffaela Rein, particular attention was paid to her age, gender, education and professional background.

7 Accounting, audit of financial statements

Mutares SE & Co. KGaA prepares its Consolidated Financial Statements and interim financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. After preparation by the general partner, they are audited by the auditor elected by the Annual General Meeting. On the basis of the audit reports and the documents relating to the Consolidated Financial Statements, the Supervisory Board approves the Consolidated Financial Statements after a preliminary review by its Audit Committee, if necessary. The Annual General Meeting of Mutares SE & Co. KGaA is legally responsible for approving the Annual Financial Statements. This resolution requires the approval of Mutares Management SE as the general partner. The general partner discusses interim announcements and half-year reports with the Audit Committee of the Supervisory Board of Mutares SE & Co. KGaA prior to publication.

8 Transparency

Mutares SE & Co. KGaA places great importance on the uniform, comprehensive and timely disclosure of information. Reporting on the business situation and results of Mutares SE & Co. KGaA takes place in the Annual Report, Quarterly Statements, Half-year Reports, at the annual analysts' and investors' conference and through regular conference calls. In addition, information is provided in press releases and ad hoc disclosures as well as other mandatory publications where required by law. Mutares SE & Co KGaA maintains insider lists. The persons concerned have been or will be informed of the statutory obligations and sanctions.

The members of the Management Board, the Supervisory Board and the Shareholders' Committee, as well as related parties, are obliged under Article 19 of the Market Abuse Regulation to disclose their own transactions in shares, debt instruments and related derivatives or other financial instruments. The directors' dealings carried out in the reporting year are published at ir.mutares.com/en/corporate-governance/directors-dealings.

05 FINANCIAL INFORMATION

COMBINED MANAGEMENT AND GROUP MANAGEMENT REPORT FOR FISCAL YEAR FROM JANUARY 1 TO DECEMBER 31, 2024

1 FUNDAMENTALS OF THE COMPANY AND THE GROUP

1.1 Business model and organization

Mutares SE & Co. KGaA, Munich, (hereinafter referred to as "the Company" or also "Mutares") is an international listed private equity investor focused on special situations. Mutares' business model comprises three phases of value creation that portfolio companies[1] usually go through after their acquisition during their affiliation with Mutares: Realignment, Optimization and Harvesting. The initially identified value enhancement potential of a portfolio company is then realized after transformation (restructuring, optimization and repositioning) and/or further development through its sale.

Mutares thus acts like a typical private equity investor for special situations. However, the stock market listing also enables a broad range of investors to participate directly in the business success of a private equity-oriented business model.

When selecting target companies for acquisitions ("targets"), Mutares focuses primarily on the acquisition of parts of large groups (carve-outs) and medium-sized companies in situations of transition. Mutares' investment focus is on companies with high development potential, which already have an established business model – often combined with a strong brand. Against this backdrop, targets with the following characteristics are of particular interest to Mutares for an initial **acquisition** as so-called "platform investments" – i.e. as targets without direct operational links to a company already in the Mutares portfolio

- Economically challenging situation or situation of upheaval (e.g. pending restructuring) and/or spin-offs/carve-outs of groups
- Sales of EUR 100 million to EUR 750 million
- Established market position (products, brand, customer base, technology/know-how)
- Operational improvement potential along the value chain
- Focus of activities in a core region of Mutares

Mutares' traditional core region is the EU; in addition to its domestic market of Germany, Mutares has many local offices in France, Italy, Sweden and Spain, among other countries. In addition, the Company expanded into China by opening an office in Shanghai in fiscal year 2023; further offices were opened in the US, India and Dubai in fiscal year 2024.

Mutares acts as a responsible and entrepreneurial shareholder during the entire time a portfolio company is part of the Mutares Group, actively supporting the upcoming phases of change based on many years of extensive industrial and restructuring experience. The goal is to further develop the portfolio companies, which were unprofitable or unprofitable at the time of acquisition, through organic and inorganic growth and ultimately to sell them at a profit.

The three phases of value creation that follow the acquisition are characterized in particular by the following features:

- **Realignment**
  After acquiring targets through its own acquisition companies, Mutares identifies improvement projects along the entire value chain in the portfolio companies using its own specialists and in close cooperation with the local management, which in total result in a comprehensive optimization or transformation program.

- **Optimization**
  The management and employees of the portfolio company play a key role in managing the change associated with this **operational optimization**. Involving employees and management in the Company's success is an important element of the development strategy for Mutares. Through their close cooperation with Mutares consultants on site, the recovery course of the acquired companies is supported in a targeted manner by bringing in Mutares' extensive restructuring know-how. Even after the successful completion of an initial optimization or transformation program, Mutares continues to actively manage its investments. This includes the continuous improvement of internal processes and the monitoring of further development progress as part of ongoing close support.

[1] The term "shareholding" or "investment" is sometimes used as a synonym in the following.

Already during the operational stabilization of a portfolio company, **measures for growth** are examined, developed and implemented. These include initiatives for organic growth such as the broadening of the product portfolio through the development of innovative products or the development of new markets and sales channels, partly by means of investments in sales and (production) facilities. Mutares systematically looks for opportunities to develop its investments inorganically as well: With strategic additions, so-called "add-on acquisitions", the rapid implementation of the planned growth strategy of a focused buy-and-build approach is aimed at.

The optimization of a portfolio company regularly includes the **integration of sustainability aspects** into day-to-day operations to an economically justifiable extent, e.g. through targeted capital investments to reduce energy consumption at suitable portfolio companies, which, in addition to positive cost effects, can also have a positive impact on the efficiency and sustainability of the respective portfolio company.

- **Harvesting**
  Mutares generally seeks to **sell** a portfolio company to realize its value within three to five years of its acquisition with the goal of achieving an appropriately high return on invested capital over the holding period. Over the entire life cycle (i.e. the period between the acquisition and the sale), the return on invested capital (ROIC) for Mutares should be a multiple of 7–10.

Mutares' organizational form under Company law is that of an SE & Co. KGaA; the Company's business is managed by Mutares Management SE as the General Partner and its Management Board in accordance with the law and the Articles of Association. The interests of Mutares SE & Co. KGaA vis-à-vis Mutares Management SE are represented by the Shareholders' Committee of Mutares SE & Co. KGaA.

Mutares pursues the private equity-typical strategy of allowing shareholders to participate directly and continuously in the Company's success. Against this backdrop, a sustainable and attractive **dividend policy** is one of the main elements of the Mutares business model. The net income of Mutares SE & Co. KGaA relevant for a dividend distribution is essentially derived from three different sources of income: from revenues from the internal consulting business, from dividends from portfolio companies and from exit proceeds from the sale of investments; revenues and dividends (essentially income from investments received in the same period) make up the so-called "portfolio income". Due to this diversified revenue structure, Mutares believes that it is generally in a position to generate a sufficiently high net profit for the year to continue its long-term sustainable dividend policy, even in a difficult year for various investments. Based on this, Mutares has been pursuing a dividend strategy since fiscal year 2023 that provides for an annual minimum dividend of EUR 2.00 per dividend-bearing share; in exceptionally successful fiscal years, the Company also considers in its proposal for the appropriation of profits to what extent the remaining net profit will also be distributed in the form of a possible bonus dividend.

As of December 31, 2024, the portfolio of Mutares SE & Co. KGaA comprises **32 operating investments** or investment groups (previous year: 30), which are divided into the **four segments** Automotive & Mobility, Engineering & Technology, Goods & Services and Retail & Food.

Automotive & Mobility

The portfolio companies in the Automotive & Mobility segment operate worldwide and supply renowned international original equipment manufacturers ("OEMs") for passenger cars and commercial vehicles.

1 Amaneos
2 FerrAl United Group
3 HILO Group
4 Matikon Group
5 Peugeot Motocycles Group

Engineering & Technology

The portfolio companies in the Engineering & Technology segment use their expertise in the field of engineering to serve customers from various sectors, including the energy and chemical industries, public infrastructure and the rail sector.

6 Byldis
7 Clecim
8 Donges Group
9 Efacec Group
10 Gemini Rail Group and ADComms Group
11 Guascor Energy
12 La Rochette Cartonboard
13 NEM Energy Group
14 Sofinter Group
15 Steyr Motors

Goods & Services

The portfolio companies in the Goods & Services segment offer specialized products and services for customers from various industries.

16 Alcura
17 Alterga (formerly: Eltel Networks)
18 Conexus
19 Ganter Group
20 GoCollective and ReloBus Group[2]
21 Greenview
22 Palmia[3]
23 REDO
24 Stuart (SRT Group)
25 Terranor Group

Retail & Food

The portfolio companies in the Retail & Food segment are manufacturers and distributors in various industries, including household products and food processing.

26 FASANA
27 Gläserne Molkerei
28 keeeper Group
29 Lapeyre Group
30 Natura
31 Prénatal
32 Temakinho

1.2 Research and development

Research and development within the Group is pursued exclusively in Mutares' operating portfolio companies; however, this does not generally include basic research. Product-related development activities are conducted in particular in the technology-driven investments of the Mutares Group, especially in the Goods & Services and Automotive & Mobility segments.

In fiscal year 2024, expenses for research and development in the Group amounted to EUR 7.1 million (previous year: EUR 8.7 million); in addition, development costs of EUR 18.6 million (previous year: EUR 3.3 million) were capitalized in the Group.

[2] The Serbian unit MobiLitas, which was previously part of the Group, was sold in fiscal year 2024.
[3] At the end of fiscal year 2024, Mutares sold Asteri Facility Solutions ("Asteri") following successful repositioning.

2 ECONOMIC REPORT

2.1 Macroeconomic and industry-specific conditions

World

The global economy showed a moderate recovery in 2024 with forecast growth of around 3.2%.[4] This recovery is supported by a growing demand for services and a gradual stabilization of supply chains. However, the manufacturing industry remains under pressure, particularly in advanced economies. Inflation is falling faster than expected worldwide, yet remains above central bank targets in many countries. Geopolitical tensions and ongoing problems in the Chinese real estate sector also continue to pose risks. The US economy continues to prove robust, supported by strong consumer spending and a stable job market. Nevertheless, growth is being dampened by restrictive monetary policy and growth of around 2.5% is expected.[5] China has benefited from government stimulus measures, which are supporting economic growth. Demand for semiconductors and electronics is driving growth in the Asian emerging markets.[6]

Eurozone

Economic output in the eurozone increased by 0.4% in the third quarter of 2024 compared to the previous quarter and 0.9% compared to the previous year. Spain and France showed particularly dynamic developments with robust growth in gross domestic product. Despite these positive figures, growth in Europe remains weak overall, as high prices and a tight monetary policy are weighing heavy on economic activity. The forecast for 2024 as a whole is growth of around 0.7%.[7]

The German economy is facing considerable challenges. Price-adjusted gross domestic product is expected to decline by 0.1% compared to the previous year. This means that the German economy has been stagnating for five years now. The main reasons cited for this are structural problems, in particular digitalization, decarbonization, demographics and deglobalization, which require a reorganization of production structures. The poor order situation and restrictive monetary policy are also putting a burden on the economy.[8]

Investment sector

The recovery in the European private equity market continued in 2024, with significantly increased activity, particularly focusing on investments in artificial intelligence and machine learning.[9]

Fundraising was also strong. The record year in the Nordic countries was particularly notable, while France and the Benelux countries had their worst year in a decade. These differences illustrate the regional fluctuations and the different economic conditions within Europe. M&A activity showed signs of easing the backlog, indicating that investors are regaining confidence in the market. Overall, the European private equity market is expected to continue to recover and grow, with technological innovation and the expertise of experienced managers playing a central role.[10]

The private equity market in Germany is also back on a growth path. The focus of financial investors remains on SMEs. Despite the challenges posed by sellers' high asking prices and difficult financing options, many investors expect a positive economic development and an imminent upturn, with the IT and software sector and the traditional industrial sector in particular being a strong focus for investors.[11]

[4] www.bmwk.de/Redaktion/DE/Schlaglichter-der-Wirtschaftspolitik/2024/12/10-konjunktur-weltwirtschaft.html; accessed March 12, 2025
[5] www.ifo.de/fakten/2024-12-12/ifo-konjunkturprognose-winter-2024-deutsche-wirtschaft-am-scheideweg; accessed March 12, 2025
[6] www.bmwk.de/Redaktion/DE/Schlaglichter-der-Wirtschaftspolitik/2024/12/10-konjunktur-weltwirtschaft.html; accessed March 12, 2025
[7] www.ifo.de/en/facts/2024-12-12/ifo-economic-forecast-winter-2024-german-economy-crossroads; accessed March 12, 2025
[8] www.ifo.de/en/facts/2024-12-12/ifo-economic-forecast-winter-2024-german-economy-crossroads; accessed March 12, 2025
[9] pitchbook.com/news/reports/2024-annual-european-pe-breakdown; accessed March 12, 2025
[10] pitchbook.com/news/reports/2024-annual-european-pe-breakdown; accessed March 12, 2025
[11] www.roedl.de/themen/studie-private-equity-deutsche-beteiligungsbranche-2024; accessed March 12, 2025

2.2 Business performance

In fiscal year 2024, the **Mutares Group** generated revenue of EUR 5,261.6 million (previous year: EUR 4,689.1 million) and earnings before interest, taxes, depreciation and amortization ("EBITDA") in accordance with IFRS of EUR 117.1 million (previous year: EUR 756.9 million). Adjusted EBITDA (as defined in section 5.1) amounted to EUR –85.4 million (previous year: EUR +3.5 million).

The revenues of **Mutares SE & Co. KGaA** as the holding company of the Mutares Group result from the Group's internal consulting business, i.e. consulting services to affiliated companies and management fees. The increase to EUR 109.8 million in fiscal year 2024 (previous year: EUR 103.6 million) is a consequence of the expanded portfolio resulting from the high level of acquisition activity in the past, which was followed by the planned expansion of operational consulting capacities. The result is net profit for the year in accordance with HGB of EUR 108.3 million compared to EUR 102.5 million in the previous year.

Mutares' business performance in fiscal year 2024 was characterized by the following significant events:

- **Further internationalization and geographical expansion**
  Mutares is present in its defined strategic core markets through local Mutares companies. This is intended to ensure a constant flow of deals based on a regional network.

  Mutares' traditional core region is the EU; in addition to its domestic market of Germany, Mutares has many local offices, in France, Italy, Sweden and Spain. In fiscal year 2024, expansion into Asia continued by opening a second Asian location in Mumbai (India) after China. This market entry in India via its own local Mutares company represents a logical step considering that the portfolio companies SFC Solutions and MoldTecs (both part of Amaneos) already have activities in this fast-growing market. In addition, local offices were also opened in the US and Dubai in fiscal year 2024.

- **High transaction activity**
  Fiscal year 2024 was once again characterized by a high level of transaction activity. All four segments were strengthened by a total of **13 completed acquisitions**[12]. In addition, agreements were signed for six further acquisitions, each of which had not yet been completed as of the reporting date. Goodwill in the Consolidated Statement of Financial Position increased to EUR 90.7 million (December 31, 2023: EUR 8.6 million), mainly due to the acquisition of the Sofinter Group. The other acquisitions also resulted in gains from bargain purchases totaling EUR 268.9 million (previous year: EUR 727.2 million), which are reported under other income in the Consolidated Financial Statements.

  On the exit side, Mutares completed **seven sales** of portfolio companies[13] in fiscal year 2024. These resulted in a cash inflow for the Mutares holding company of approximately EUR 70 million and income at the Annual Financial Statements level of approximately EUR 112.8 million. This also includes the effects from the IPO of Steyr Motors AG and the contribution of shares in Steyr Motors AG to a wholly owned Mutares subsidiary at the market price of EUR 14.00 per share on the contribution date in December 2024. On October 28, 2024, Steyr Motors AG was admitted to trading on the open market (Scale segment) of the Frankfurt Stock Exchange. In this context, Mutares placed 910,000 shares at an offer price of EUR 14.00 per share. At the level of the Consolidated Financial Statements, the deconsolidations resulted in gains of EUR 82.9 million (previous year: EUR 118.6 million) and losses of EUR 12.5 million (previous year: EUR 13.7 million) for fiscal year 2024, which are reported in other income and other expenses in the Consolidated Financial Statements.

- **Restructuring and development progress in the portfolio**
  In an environment that remains challenging in some cases, especially in the Automotive & Mobility segment, Mutares' various portfolio companies implemented comprehensive operational improvement, transformation or restructuring programs over the course of the fiscal year in line with the basic orientation of the Mutares business model. For portfolio companies that have been part of the Mutares portfolio for at least twelve months and for which a valid assessment of the restructuring and development progress is therefore possible, the Management Board assesses the restructuring and development progress at SFC Solutions (part of Amaneos), Guascor Energy, NEM Energy Group, Steyr Motors, Palmia, Terranor Group and

[12] This does not include the acquisition of Serneke Sverige AB and its subsidiaries ("Serneke" or "Serneke Group"), a Swedish general contractor for the construction of service and infrastructure properties, residential properties and commercial properties; for additional information refer to Note 2.3.
[13] In addition, the net assets of an Italian branch of Guascor Energy and the operating part of Conexus' network activities were sold in fiscal year 2024. Furthermore, two liquidated companies from the Walor Group and TeamTex were deconsolidated as a result of insolvency.

keeeper Group in particular as positive or very positive. The Management Board also sees significant progress in some cases in realizing improvement potential at Gemini Rail and Conexus. In contrast, the Management Board believes that there are significant challenges, particularly at HILO Group, Peugeot Motocycles, Byldis, La Rochette, Fasana and Lapeyre. Following the many add-on acquisitions for the FerrAl United Group, the focus in the short term is on necessary optimization measures, particularly at Cimos, Selzer and PrimoTECS, and subsequently on the further integration of the FerrAl United Group.

- **Increase in the bond and new bond issue by the Company as well as strategic financing in the portfolio**
  In January 2024, the Company as issuer increased the existing senior secured bond with a nominal volume of EUR 150 million and a term until March 31, 2027 ("Bond 2023/2027") by an amount of EUR 100 million to the maximum nominal volume of EUR 250 million. This bond bears interest at the 3-month EURIBOR (EURIBOR floor of 0.00%) plus a margin of 8.5%. In September 2024, Mutares also issued a senior secured bond with a nominal volume of EUR 135 million and a term until September 2029 ("Bond 2024/2029"). The proceeds of the issue were used for general company financing. The bond bears interest at the 3-month EURIBOR (EURIBOR floor of 0.00%) plus a margin of 6.25% and can be increased to a nominal volume of up to EUR 300 million during its term.

  With a value date of April 12, 2024, GoCollective, an investment from the Goods & Services segment, issued a senior secured bond with a nominal volume of EUR 40 million and a term until April 12, 2027. The proceeds of the issue are to be used to refinance current liabilities and to finance the strategic realignment. The bond is listed on the Frankfurt Stock Exchange and bears interest quarterly, for the first time on July 12, 2024, at the 3-month EURIBOR (EURIBOR floor of 0.00%) plus a margin of 8.50% and can be increased to a nominal volume of up to EUR 50 million during the term, depending on market conditions. After the reporting date, the bond was successfully increased by a nominal volume EUR 10 million.

  Additional external financing was secured to finance the further transformation of the FerrAl United Group in the Automotive & Mobility segment. A loan totaling EUR 35 million with a term of two years was drawn down at the end of June 2024 with an initial tranche of EUR 10 million. The further tranches totaling EUR 25 million were disbursed in the second half of 2024. The loan bears interest quarterly at the 3-month EURIBOR (EURIBOR floor of 0.00%) plus a margin of 12.00%.

- **Dividend resolution of the 2024 Annual General Meeting**
  In accordance with the resolution of the Annual General Meeting on June 4, 2024, a dividend of EUR 2.25 per share (previous year: EUR 1.75 per share) was paid out for fiscal year 2023; the dividend amount is made up of a minimum dividend of EUR 2.00 per dividend-bearing share and a bonus dividend of EUR 0.25 per dividend-bearing share in accordance with the Company's breakdown. This means that a total of around EUR 47.4 million of the Company's net retained profits was distributed in fiscal year 2024 (previous year: EUR 36.1 million).

- **Expansion of the Management Board of Mutares Management SE, which manages the business of Mutares SE & Co. KGaA**
  The Supervisory Board of Mutares Management SE, the General Partner of Mutares SE & Co. KGaA, which manages the business of Mutares SE & Co. KGaA, has expanded the Management Board of Mutares Management SE to four members with effect from July 1, 2024, in order to reflect the size achieved and the ambitious growth and expansion efforts of the Company. In this context, Johannes Laumann, who was a member of the Mutares Management Board from 2019 to 2023, will return to his former position as Chief Investment Officer (CIO) on the Management Board of Mutares Management SE. In addition, the Supervisory Board has appointed Dr. Lennart Schley to the Management Board of Mutares Management SE to serve as Chief Operating Officer (COO).

2.3 Reports from the portfolio companies

The following explanations reflect the developments of the portfolio companies in the Mutares Group segments in fiscal year 2024.

AUTOMOTIVE & MOBILITY SEGMENT

No.	Investment	Industry	Headquarters	Value creation phase [14]
1	**Amaneos**	Global partner for plastic-based systems for the automotive industry	various	Optimization
2	**FerrAl United Group**	Supplier for mechanically processed multi-material solutions and systems	various	Optimization
3	**HILO Group**	System supplier for automotive engineering	Halver / DE Hainichen / DE	Optimization
4	**Matikon Group**	Supplier of plastic-based systems for the automotive industry	Horb am Neckar / DE	Realignment
5	**Peugeot Motocycles Group**	Manufacturer of two- and three-wheeled scooters	Mandeure / FR	Realignment

[14] As described in section 1.1; Management Board assessment from the first quarter of fiscal year 2024, which will be maintained for the remainder of the year.

In 2024, sales figures in the international automotive markets increased by 1.7% compared to the previous year, with individual regions developing differently and some recording strong growth while others continued to face challenges.[15]

Sales in Europe increased by 4.3% in 2024, driven by positive developments in the Netherlands, Portugal, Spain and Turkey. Despite the minor impact of the semiconductor supply issues in 2024, vehicle availability has improved significantly. Despite this moderately positive development, the European market as a whole continues to lag behind the pre-crisis level of 2019. Sales figures in North America rose by 3.8% year-on-year in 2024, and by 1.5% in China.

Globally, electric vehicles accounted for more than 21% of all newly registered passenger cars in 2024. However, in Europe, sales of electric vehicles declined in 2024.[16]

The business environment for the automotive industry remains very challenging: in Europe in particular, but also in other parts of the world, overall economic demand remained subdued as a result of geopolitical and macroeconomic uncertainties. Energy prices, which remained high in some cases, and further increases in consumer prices also had a negative impact.

In the segment's portfolio companies, this industry-wide dynamic on the sales side was reflected in some short-term cancellations or postponements of call-offs by original equipment manufacturers (OEMs). At the same time, successes were achieved in negotiations with customers regarding the passing on of cost increases and compensation payments. The sales revenue of the Automotive & Mobility segment amounted to EUR 2,223.2 million for fiscal year 2024 (previous year: EUR 1,878.3 million). Besides the price increases implemented, this increase was mainly due to the acquisitions made in the previous year and the fiscal year, most notably the add-on acquisitions for the FerrAl United Group, the HILO Group and Matikon. EBITDA for this segment amounted to EUR 130.1 million for the fiscal year 2024 (previous year: EUR 232.2 million). This includes gains from bargain purchases from the acquisitions in the fiscal year totaling EUR 219.7 million, in particular for the acquisitions of Matikon and Walor North America. The gains from bargain purchases in the previous year (EUR 271.6 million) resulted in particular from the acquisitions of MMT-B and Walor as add-on acquisitions for the FerrAl United Group. Adjusted EBITDA was impacted by the aforementioned industry-wide dynamic on the sales side. As a result, the majority of the segment's portfolio companies did not show the desired development in profitability. As a result, adjusted EBITDA for fiscal year 2024 amounted to EUR –45.9 million (previous year: EUR +3.3 million). For further details on developments in the segment, please refer to the following comments on the individual portfolio companies.

[15] "Global Sales and Production Commentary" by S&P Global Mobility, as of January 2025; accessed on January 30, 2025
[16] www.isi.fraunhofer.de/de/blog/themen/batterie-update/elektroauto-verkaeufe-2024-china-vormarsch-stagnation-europa.html; accessed March 12, 2025

Amaneos

Mutares has established a new globally oriented Tier 1 automotive supplier under the umbrella brand Amaneos. The separate subsidiaries MoldTecs Group, LMS as well as the SFC and Elastomer companies are combined under Amaneos, without giving up their legal and operational independence. Amaneos is positioned as a globally active specialist for exterior and interior systems, rubber and sealing solutions as well as high-performance plastic parts with production and business sites in key markets for the automotive industry worldwide.

MoldTecs is a global supplier of high-performance plastic parts for the automotive industry and supplies all of the world's leading OEMs with a comprehensive product portfolio that includes intake manifolds, high-pressure air lines, air ducts and all types of fluid reservoirs. MoldTecs manufactures these products using state-of-the-art injection molding, blow molding and welding technologies at its three European sites in France and Germany as well as at its newly established sites in China and India. In the course of the transformative global expansion, additional production sites in North America (the United States and Mexico) will be needed, which will entail extensive liquidity requirements for which additional sources of financing will need to be tapped. In April 2025, MoldTecs was able to secure loan financing with a nominal amount of EUR 30.0 million. These two additional sites are being planned in close cooperation with existing production facilities of other portfolio companies in the segment in order to utilize existing capacities and minimize the operational risks of a greenfield approach. The planned North American sites are to be utilized mainly with existing products relocated from the previous owner and will be ready for operation in the second half of fiscal year 2025. Based on the restructuring measures implemented in Europe, particularly in the German plants, as well as renegotiations with important customers regarding loss-making products, MoldTecs already achieved a slightly positive operating result in fiscal year 2024 with revenue that was significantly[17] lower than originally planned. The expansion of the new sites in North America is intended to compensate for the decline in sales in Europe. At the same time, however, the operating result will be burdened by start-up losses from the expansion, but is nevertheless expected to break even in fiscal year 2025.

Light Mobility Solutions ("LMS") is a supplier of exterior elements and systems for the automotive industry and supplies all leading European OEMs with a comprehensive product portfolio that includes trims, radiator grilles, sill, side and roof panels as well as spoilers and other exterior trim parts. The portfolio company manufactures at its production sites in Germany with technological focuses on injection molding, surface treatment (painting and chrome plating) and assembly. In fiscal year 2024, LMS continued to face a challenging market environment with high volatility in the form of short-term production cancellations by OEMs and permanent and sometimes very short-term adjustments to call-offs. Nevertheless, LMS managed to achieve a slightly positive operating result thanks to various operational countermeasures. The high order volumes with new business won lead to a positive outlook for sales development and profitability in the medium term, but make it necessary to look for additional sources of liquidity to finance the new ramp-ups. In this respect, LMS's liquidity situation was under considerable strain in the fourth quarter of fiscal year 2024. However, a solution to the short-term liquidity bottlenecks was found in the first quarter of fiscal year 2025 thanks to significant contributions from major customers. For fiscal year 2025, the management expects to see a slight increase in revenue and, based on the successful realignment with competitive cost structures, a significant increase in operating earnings. At the same time, however, the outlook continues to be clouded by OEMs postponing the start dates for newly acquired orders, as well as ongoing volume declines in the existing business.

The group of portfolio companies **SFC Solutions** and **Elastomer Solutions** is active in the fields of fluid transfer systems and sealing solutions and the production of rubber and thermoplastic components with sites in Europe, Mexico and India. In fiscal year 2024, the joint management focused on optimizing the production network in order to further increase efficiency in production and logistics processes, exploit synergies between the individual plants and negotiate price increases with customers due to higher procurement costs. Despite a difficult market environment, particularly in Europe and the US, which was characterized by persistently low sales figures, a materially positive operating result was achieved overall in fiscal year 2024, which – with the exception of negative earnings contributions from the Italian SFC Solutions plant and the Elastomer companies – was in line with or even exceeded the original planning. On this basis, the management expects a further significant improvement in the operating result to a materially positive level in fiscal year 2025. The financial position of the Italian SFC

[17] We use the following nomenclature when explaining the key financial figures: we refer to changes of less than 1% as "balanced", changes between 1% and 5% as "slight", changes between 6% and 10% as "material", changes between and 20% as "significant", changes between 21% and as "substantial", changes between 31% and as "significant" or "substantial" and changes greater than as "extraordinary" or "considerable".

company, which was burdened by the negative operating result and received financing from other Group companies in the fiscal year 2024, is to receive additional liquidity in the fiscal year 2025 through external financing, particularly in the form of a sale and leaseback.

To strengthen SFC Solutions' market presence as a global partner for plastic-based systems for the automotive industry, the acquisition of **Cikautxo** Rubber & Plastic Components (Kunshan) Co., Ltd. was completed in June 2024. Cikautxo specializes in the development and production of rubber and plastic components for the automotive and household appliance industries. The add-on acquisition gives SFC Solutions a site that can be used directly for the filling of orders already placed in the past. The goal is to further expand SFC Solutions' production presence in Asia, to better support existing customers and to open up new market opportunities.

With effect from January 15, 2025, Mutares acquired the assets and liabilities of S.M.A. Metalltechnik GmbH & Co. KG as well as all shares and voting rights in its subsidiaries ("S.M.A. Metalltechnik"). **S.M.A. Metalltechnik**, now operating under the name SFC Climate Solutions, headquartered in Backnang, Germany, specializes in the development and manufacture of high-density aluminum tubing, particularly for cooling media in the automotive sector, such as for interior air conditioning and battery cooling. In addition to Germany, the Group has production facilities in South Africa, Romania and China. The business will be integrated into the SFC Group as a new subsidiary, thereby strengthening its product expertise and customer portfolio in the Automotive & Mobility segment.

FerrAl United Group

As a newly created umbrella brand, **FerrAl United Group** combines various automotive suppliers in the portfolio, which will also be gradually networked organizationally. FerrAl United Group comprises the portfolio companies Cimos, PrimoTECS and Rasche Umformtechnik as well as the add-on acquisitions of MMT-B, BEW, Selzer, Gesenkschmiede Schneider, Schöneweiss & Co., Falkenroth Umformtechnik, Walor and KmB made in fiscal years 2023 and 2024, each of which will retain their legal independence. The purpose of the organizational merger is to bundle the portfolio companies' expertise in the field of metallic components and systems for the automotive industry. The spectrum ranges from metal forming and mechanical processing to assembly and testing.

Cimos, with its headquarters in Slovenia and eight plants in Slovenia, Croatia, Serbia and Bosnia-Herzegovina, is a manufacturer of automotive components such as compressor and center housings, engine mounts, brake discs and drums, transmission parts, nozzle rings and flywheels. Certain covenants were agreed for part of the financing taken up by Cimos, which had not been met as of the reporting date. **PrimoTECS** manufactures forged parts that are used in electric, hybrid and conventional powertrains in the automotive industry at two sites in northern Italy. The development of the two portfolio companies in fiscal year 2024 was characterized by the ongoing transformation of drive technologies in the passenger car market, in some cases drastically declining sales volumes and a lack of success in winning new business, while at the same time the initiatives, particularly with regard to increasing production efficiency and strict cost control, could not be implemented to a sufficient extent. As a result, the operating result fell considerably short of the original plans. As a result, the focus was on liquidity management and measures to refinance the extensively leveraged portfolio companies. In this context, a debt restructuring process was initiated at PrimoTECS in March 2024 through comprehensive debt relief on the part of the external financing partners with a simultaneous obligation on the part of the FerrAl United Group to recapitalize the company, which was completed in January 2025 and thus after the reporting date.

"Manufacturing the Mobility of Tomorrow – Bordeaux" ("MMT-B") is a manufacturer of drive solutions for the automotive and mobility industry. The range of services extends from engineering (industrialization, product development) to production (machining, welding, heat treatment, assembly). The core element of the transformation of MMT-B is the expansion of the current range of services and a diversification of the offering to compensate for the expected decline in business with the current customer while at the same time adjusting cost structures, including in the area of personnel. Due to the ongoing transformation and the continued low call-offs from OEMs, MMT-B will generate a slightly negative operating result in fiscal year 2025 and a positive result again in the medium term.

BEW-Umformtechnik ("BEW") is a manufacturer of forged parts in raw, pre-formed or ready-to-install versions. BEW produces parts and components for transmissions, axles and steering systems in commercial vehicles, passenger cars, agricultural, material handling and construction machinery as well as for applications in general mechanical engineering and in the valves and hydraulics industry. Due to the stable development of sales and effective cost management, BEW achieved a balanced operating result in fiscal year 2024 and shows promising synergy potential with the portfolio company **Rasche Umformtechnik ("Rasche")**, which is expected to achieve a slightly positive operating result again in fiscal year 2025.

Selzer produces ready-to-install metal components and assemblies for automotive transmissions, brakes and engines as well as industrial applications. The company has four sites in Germany and abroad, including in Bosnia. Developments in fiscal year 2024 were characterized by the restructuring in Germany and the ramp-up of new projects at the site in Bosnia. The operating result was negatively impacted by non-recurring effects in connection with the restructuring and fell significantly short of expectations. Although initial successes from the aforementioned measures became apparent at the end of fiscal year 2024, the local management expects to significantly improve the operating result in fiscal year 2025.

Gesenkschmiede Schneider, Schöneweiss & Co. and **Falkenroth Umformtechnik** with production facilities in Germany specialize in forging and machining technologies for the truck market. The portfolio companies are already profitable and expect to be able to further increase their operating result to a materially positive level in fiscal year 2025. Walor International **("Walor")** has its headquarters in France and has additional production sites worldwide. As a manufacturer of forged and machined steel parts, Walor offers a comprehensive range of products for powertrains, steering systems, bodyshells and passive safety applications for passenger cars. The acquisition of a plant in the US was completed to underscore the company's international expansion. The portfolio company, which has since been renamed **"Walor North America"**, is a manufacturer of forged parts for drive solutions for the entire automotive and mobility industry. Through its strategic integration into Walor International, the FerrAl United Group is now in a position to offer customers in North America its technology and product portfolio in local production and also to gain new customers.

KmB Technologie GmbH ("KmB") is a manufacturer of workpieces, including high-precision turned and milled parts, which are used in steering systems, transmissions and chassis of various automotive manufacturers and was acquired in the third quarter of 2024. KmB develops and produces in small and large series along the entire value chain, focusing on both cutting and non-cutting machining technologies that enable the production of high-end solutions for a strong customer base, including well-known OEMs and Tier 1 suppliers.

Immediately following the completion of these two add-on acquisitions, a Mutares team developed a transformation plan in collaboration with the local management and began implementing it. On the one hand, this is aimed at measures to increase profitability, e.g. by renegotiating terms with suppliers and customers, optimizing the supply chain, realigning production processes and implementing internal synergies. At the same time, a second focus is on breaking away from the structures of the previous owners and integrating and merging the individual portfolio companies within the FerrAl United Group. The integration into the FerrAl United Group is intended to realize synergies in the area of customers and production sites. In addition, the merger of the individual portfolio companies will contribute to improvements in procurement and the realization of cross-selling potential, which should ultimately increase the competitiveness of the FerrAl United Group.

Additional external financing was secured to finance the further transformation of the FerrAl United Group in the Automotive & Mobility segment. A loan totaling EUR 35 million with a term of two years was drawn down at the end of June 2024 with a first tranche of EUR 10 million. The further tranches totaling EUR 25 million were disbursed in the second half of 2024. The loan bears interest quarterly at the 3-month EURIBOR (EURIBOR floor of 0.00%) plus a margin of 12.00%.

In fiscal year 2024, the FerrAl United Group's revenue fell short of the original planning expectations in a difficult environment with declining volumes in the relevant markets in Europe,in some cases significantly so. Profitability was negatively impacted by this and the continued negative contributions from add-on acquisitions in some cases, resulting in a slightly negative operating result. For fiscal year 2025, the management of the FerrAl United Group expects a significant improvement in the operating result to a slightly positive level with a material increase in revenue compared to the reporting period.

HILO Group

At the beginning of the fiscal year 2024, Mutares announced that it would combine the global supplier business for hinges and locking systems for OEMs in the newly renamed HILO Group, including the investments KICO Group and ISH Group as well as the add-on acquisitions High Precision Components Witten and Prinz Kinematics, which were completed for these two portfolio companies at the end of 2023 and the beginning of 2024 respectively. As a result of this combination, HILO Group has a global presence with production sites in important local markets in the automotive industry.

As a supplier to the automotive industry, **KICO** develops, industrializes and manufactures locking systems for passenger cars at its production and assembly plants in Germany and Poland. **Innomotive Systems Hainichen ("ISH")** is a manufacturer of advanced, high-precision door hinges made of steel or aluminum as well as door checks and complex hinges for hoods, tailgates and lids. ISH operates two production facilities in Germany and China and offers its customers products and services along the entire value chain from customer-specific product development to CNC machining, broaching, welding, hardening and semi- and fully automated assembly lines with integrated quality control. The acquisition of **High Precision Components Witten ("HPC Witten")** was completed at the end of fiscal year 2023. HPC Witten specializes in the production of hinges for tailgates and hoods as well as transmission parts and body frame structures and manufactures the products by stamping, fineblanking, CNC machining, welding and laser cutting at its production site in Germany. The acquisition of **Prinz Kinematics ("Prinz")** followed in January 2024. Prinz specializes in the development and manufacture of advanced hinge systems for the automotive industry and supplies components to OEM customers worldwide. The product range includes door hinges, trunk hinges and complex kinematic systems for conventional and innovative automotive designs.

The HILO Group's integration and transformation efforts are aimed at implementing further synergy measures. One core element is the consolidation of functions, particularly in the administrative area, and in this context the relocation of these to a dedicated service center in Romania, which was put into operation in fiscal year 2024. The current network of locations is also being scrutinized and the consolidation of sites is being examined. Activities in Eastern Europe are to be strengthened and the strategic market potential of this region is to be leveraged with the production facilities in Poland and Bulgaria. In addition, the two Chinese plants will also play an important role in the HILO Group's future production network. At the same time, further measures were implemented at the German sites to increase flexibility and adjust capacities to the general decline in market demand. However, it was not possible to fully offset the impact of the continued low call-off volumes with the aforementioned initiatives. In addition, the lack of availability of key components, continued cost pressure and persistently high financing costs posed significant challenges for the HILO Group in fiscal year 2024, which had a negative impact on both profitability and liquidity in fiscal year 2024. As a result, the HILO Group's operating result for fiscal year 2024 fell significantly short of the original plans. This also led to the failure to comply with agreed covenants in financing agreements. The management of the HILO Group has therefore taken extensive measures to secure liquidity through additional financing solutions and at the same time by increasing profitability. On this basis, HILO Group expects a significant improvement in profitability coupled with a gradual easing of the liquidity situation for fiscal year 2025.

Matikon Group

In the third quarter of fiscal year 2024, Mutares acquired fischer automotive systems GmbH & Co KG ("fischer automotive") and its subsidiaries from fischerwerke GmbH & Co KG. The portfolio company has since been renamed **Matikon** and develops, produces and distributes kinematic components for vehicle interiors and exteriors, such as air vents, storage compartments, cup holders and electrically operated tailgates. The company manufactures and develops the products at its headquarters in Germany as well as at other plants in the Czech Republic, Serbia, China and the US.

Immediately following the completion of the acquisition, a Mutares team developed a transformation plan in cooperation with the local management and began implementing it. The cornerstone of this plan is the concentration of all production at the current Matikon sites in the Czech Republic and Serbia, accompanied by price renegotiations with customers and suppliers, and numerous initiatives to increase efficiency in production processes. The management also expects significant new business in Serbia and China. On this basis, Matikon is expected to achieve a slightly positive operating result as early as fiscal year 2025.

Peugeot Motocycles Group

Mutares holds a majority of the shares in **Peugeot Motocycles ("PMTC")** and a controlling majority of 80% of the voting rights. PMTC develops and produces two- and three-wheeled scooters, which are sold through subsidiaries, importers and dealers in France and internationally on three continents.

As part of the restructuring plan, measures were implemented to improve profitability, such as renegotiating terms with suppliers, optimizing the supply chain, adjusting production capacity to the lower demand and realigning the production process. PMTC has added three brands and model series to its product portfolio, is continuing to work on the development of new electrified models and has also entered into strategic partnerships in the areas of research and development and distribution.

In fiscal year 2024, the sales figures were significantly lower than planned in the context of a market-wide decline in demand in this segment in Europe, which was exacerbated in the second half of fiscal year 2024 by the transition to the Euro5+ standard and more intense competition from Chinese manufacturers. Measures to adjust production and supply chain capacity and reduce structural costs were unable to fully compensate for the resulting impact on profitability, resulting in a clearly negative operating result for fiscal year 2024. For fiscal year 2025, PMTC expects its sales figures in Europe to remain under pressure, while growth opportunities will arise in the Asian markets due to the strategic partnerships entered into. The management continues to focus resources on product development and strategic partnerships and is accelerating its efforts to reduce the cost base. As a result, PMTC expects a break-even operating result for fiscal year 2025.

ENGINEERING & TECHNOLOGY SEGMENT

No.	Investment	Industry	Headquarters	Value creation phase[18]
6	**Byldis**	Manufacturer of prefabricated concrete elements for medium- and high-rise buildings	Veldhoven / NL	Realignment
7	**Clecim**	Supplier of high-end solutions for steel processing lines	Savigneux / FR	Harvesting
8	**Donges Group**	Full-service provider for building shells and steel structures	Darmstadt / DE	Harvesting
9	**Efacec Group**	Provider of energy, technology and mobility solutions	Oporto / PT	Realignment
10	**Gemini Rail and ADComms Group**	Industrial, technological and infrastructure service provider for the British rail industry	Wolverton / UK Scunthorpe / UK	Optimization
11	**Guascor Energy**	Gas and diesel engine manufacturer	Zumaia / ES	Optimization
12	**La Rochette Cartonboard**	Folding carton manufacturer	Valgelon-La Rochette / FR	Harvesting
13	**NEM Energy Group**	Supplier and service provider for steam generators with heat recovery, heat exchangers and reactors	Zoeterwoude / NL Düsseldorf / DE	Optimization
14	**Sofinter Group**	Supplier of industrial and utility steam boilers	Gallarate / IT	Realignment
15	**Steyr Motors**	Manufacturer of diesel engines and electric auxiliary drives for special applications	Steyr / AT	Harvesting

[18] As described in section 1.1; Management Board assessment from the first quarter of fiscal year 2024, which will be maintained for the remainder of the year.

The investments in the Engineering & Technology segment generated sales of EUR 1,142.0 million in fiscal year 2024 (previous year: EUR 933.9 million). The increase is the result of opposing effects: On the one hand, the exits from the previous year, above all that of SMP, led to a decline in sales revenue. On the other hand, the acquisitions from the previous year and fiscal year 2024 made a positive contribution to revenue development, in particular Efacec, which was acquired in fiscal year 2023, and Sofinter, which was acquired in fiscal year 2024. Significant consolidation effects from transactions – in particular compared to the previous year – must be taken into account in the segment's EBITDA for fiscal year 2024: While the only acquisition in fiscal year 2024 in the Engineering & Technology segment, namely the acquisition of Sofinter, resulted in goodwill, in the previous year, the acquisitions led to gains from bargain purchases of EUR 162.5 million and the exit activities at that time, in particular the exit of SMP, led to deconsolidation results totaling EUR 117.6 million. At EUR –49.9 million, EBITDA in the Engineering & Technology segment in fiscal year 2024 was significantly below the previous year's EBITDA of EUR 227.6 million due to these consolidation effects. However, adjusted EBITDA increased encouragingly to EUR –10.9 million (previous year: EUR –14.5 million) as a result of partly offsetting effects. While some of the portfolio companies, above all, Guascor Energy, NEM Energy Group and Steyr Motors, achieved a significant improvement in profitability compared to the previous year, other portfolio companies, in particular Byldis and Efacec, which were only acquired in the fourth quarter of fiscal year 2023, made a negative contribution to adjusted EBITDA in the Engineering & Technology segment in fiscal year 2024. For further details on developments in the segment, please refer to the following comments on the individual portfolio companies.

On November 29, 2024, Mutares, through a subsidiary, formally completed the acquisition of Serneke Sverige AB and its subsidiaries ("Serneke" or "Serneke Group"), a Swedish general contractor for the construction of service and infrastructure properties, residential properties, and commercial properties. However, from Mutares' perspective, the signing of the purchase agreement and its execution were brought about by active misrepresentation and concealment of material information on the part of the seller. Therefore, Mutares' subsidiary (as the buyer of Serneke) contested the purchase agreement by letter dated January 2, 2025; if the contestation is successful, the purchase agreement will be deemed null and void from the outset. Despite the formal completion of the acquisition of all voting rights, the criteria defining control within the meaning of IFRS 10 were not met in this acquisition. Although there was a legal basis for the transfer of decision-making powers, the rights affected were not substantial within the meaning of IFRS 10.B23, as they could not be exercised in practice. Due to these circumstances, the Serneke Group was not included in the consolidated financial statements as of December 31, 2024. Mutares assumes that neither control (within the meaning of IFRS 10) nor significant influence (within the meaning of IAS 28) has ever existed.

Byldis

Byldis designs, manufactures and assembles prefabricated or off-site manufactured building elements for high to medium-rise buildings in the European construction market.

Since the acquisition in the fourth quarter of fiscal year 2023, the management, with the support of the Mutares team, has focused on restarting business activities following the insolvency under the previous owner, particularly on establishing relationships with customers and suppliers. The operating result was significantly negative, burdened by the acquired projects that were still ongoing. In this context, extensive countermeasures were implemented to adapt to the persistently difficult market situation. On this basis, increased activity is expected in the core geographical markets in fiscal year 2025, which is not expected to materialize until the end of the year or beyond due to the usual lead times for projects. Until then, the local management will also focus on the development of liquidity.

Clecim

Clecim is a supplier of steel processing equipment, stainless steel rolling mills and mechatronic products and services based in France.

In the core markets in Europe and the US, key players have postponed major investments in downstream steel activities, which has significantly reduced the volume of project awards. Thanks to the many countermeasures implemented, combined with continuous improvements in project management, Clecim was able to achieve a slightly positive operating result in fiscal year 2024. In addition, Clecim's management took important steps in fiscal year 2024 to diversify the customer portfolio outside of its current core business. In this context, significant orders were won for the first time in the defense and hydropower sectors, which will result in future sales revenues and support the operating result in years to come. Based on this, Clecim expects to see a slight increase in sales revenue and a continued slightly positive operating result for fiscal year 2025.

Donges Group

Donges Group offers solutions in the field of steel bridges, steel structures and façade systems as well as active wall systems.

Based on a very well-filled order book due to promising incoming orders in previous years, the management of **Donges SteelTec** expected a significant increase in sales in fiscal year 2024. Nevertheless, due to further customer delays in a major project, developments in fiscal year 2024 fell short of planning. Despite this, however, a slightly positive operating result was achieved as in the previous year. The local management of Donges SteelTec is confident that the positive development in terms of revenue and the operating result will materialize with the project launches that have now been completed and, on this basis, expects a significant increase in revenue and nearly a doubling of the operating result for fiscal year 2025 compared to fiscal year 2024.

The performance of the **Kalzip Group**, which is part of the Donges Group, remained stable in fiscal year 2024, with sales revenues in line with planning and a significant improvement in operating earnings. Sales development proved resilient to the challenges of the construction industry, partly due to Kalzip's geographical coverage, which allows for a high degree of flexibility in the processing of larger projects, even outside the core markets. Based on the new business won in the fourth quarter of fiscal year 2024, the local management expects to increase revenue and operating earnings once again in fiscal year 2025. In addition, new growth initiatives have been launched to ensure a positive development in the medium term. In this context, sectors with high expected growth and the range of aluminum façade products are being targeted in particular.

Efacec Group

The former Portuguese state-owned company **Efacec**, which was acquired in the third quarter of fiscal year 2023, specializes in the manufacture and supply of devices and solutions in the energy, technology and mobility sectors. From its headquarters in Portugal and with a global presence, Efacec delivers innovative technologies and high-quality products in the fields of energy equipment, engineering services and infrastructure for electromobility.

Efacec's transformation plan is aimed at securing incoming orders, significantly reducing the cost base and achieving a regional focus with customers and suppliers. In addition to implementing initial optimization measures from this transformation plan, the local management focused on ramping up business activities with a well-filled order book in the area of transformers in fiscal year 2024. Ensuring production capacity will be critical to success in order to guarantee the delivery of components in accordance with the contract. As expected, the result in the reporting period was negatively impacted by significant (non-recurring) expenses for the transformation as well as the acquired, ongoing projects that Efacec has undertaken to complete. As a result, the operating result for 2024 as a whole was still at a clearly negative level. Based on a well-filled order book and in view of further positive effects from the transformation plan as well as the reduced cost base due to staff reductions and the now more profitable projects, Efacec's management is already expecting a positive development for fiscal year 2025: In addition to a significant increase in revenue, the operating result is expected to improve considerably to an already slightly positive level.

Gemini Rail and ADComms Group

Gemini Rail is a provider of industrial, technology and infrastructure services to the UK rail industry, with a particular focus on engineering and maintenance services for rolling stock. Alan Dick Communications Limited **("ADComms")** works with its customers to develop intelligent, networked solutions in the areas of radio and fixed network infrastructure, third-party communications and station communications.

Thanks to **Gemini Rail's** extensive action plan, which addressed the operational difficulties in handling projects in the past, the turnaround was achieved in fiscal year 2024 with a significantly improved and slightly positive operating result compared to the previous year and the budget. Based on a well-filled order book and high visibility of the project pipeline, the management expects another significant increase in revenue and a sustained positive operating result for fiscal year 2025.

ADComms' negotiations regarding compensation payments from the previous owner for (major) projects taken over by the latter as part of the acquisition were successfully concluded in fiscal year 2024, which means that work on these projects was resumed. Overall, however, the situation on the market remains challenging, meaning that the local management has initiated additional countermeasures on the sales side, which led to incoming orders towards the end of fiscal year 2024 in particular. While the operating result in fiscal year 2024 was still slightly negative, the goal is to achieve a turnaround in fiscal year 2025 with a break-even operating result.

Guascor Energy

Guascor Energy is a manufacturer of gas and diesel engines for power generation, cogeneration, waste-to-energy and marine applications, that has its headquarters in Spain.

Guascor has now largely completed the implementation of the restructuring plan and thus achieved a turnaround in fiscal year 2024. The key to this significant milestone was the streamlining of activities with a simultaneous focus on efficient production processes. Despite a highly competitive market environment for smaller engines, Guascor once again succeeded in significantly improving on the previous year's positive operating result. Based on new order intake and business activities relating to spare parts, accessories and services, the management expects this trend to continue in fiscal year 2025, resulting in a substantial increase in profitability with significantly higher revenue compared to fiscal year 2024.

La Rochette Cartonboard

The French company **La Rochette Cartonboard** produces folding cartons based on virgin fibers, mainly for the pharmaceutical and food packaging industries.

Fiscal year 2024 was characterized by a weakening in demand for consumer goods. At the same time, raw material prices rose, especially in the first half of fiscal year 2024, which put pressure on profitability and resulted in a negative operating result. In response, the management of La Rochette Cartonboard developed a comprehensive action plan and began implementing it. This is aimed at improving productivity coupled with an increased focus on sales growth, through partnerships, improved customer service and product innovations, for example. At the same time, liquidity management remains a key focus. The local management expects the market environment on the demand side to remain challenging in fiscal year 2025, but anticipates an improvement in the operating result to a slightly positive level on the basis of successfully implemented countermeasures.

NEM Energy Group

NEM Energy Group is a supplier and service provider for steam generators with heat recovery, heat exchangers and reactors, with sites in the Netherlands and Germany and a strong global presence in terms of projects.

Following the integration of the Balcke-Dürr Group in the previous year, Balcke-Dürr Nuklear Service GmbH was sold in fiscal year 2024 as part of the focus on the service and product offering in the field of heat transfer technology. Based on realigned sales activities and optimized project management, the NEM Energy Group focused on successful project implementation. The decline in incoming orders in the area of heat recovery steam generators was offset by successes in other product categories such as heat exchangers and flue gas and bypass solutions. On this basis, a significant increase in profitability was achieved in fiscal year 2024 compared to the previous year. For fiscal year 2025, the management expects additional incoming orders in the area of heat recovery steam generators due to optimized sales activities and more advantageous market conditions. This should result in another positive operating result.

Sofinter Group

In April 2024, Mutares completed the acquisition of a majority stake in the **Sofinter Group**. The Italian-based company has four plants in Romania and Italy and specializes in the development and manufacture of industrial and utility steam boilers.

Immediately after the acquisition, a Mutares team together with local management began work on a transformation program, focusing on project implementation, streamlining indirect functions and optimizing the Sofinter Group's network of locations. Initial measures to realize cost savings have already been implemented. The key to the success of the transformation will be the profitable processing of the order backlog and the generation of additional incoming orders. The first projects were already awarded at the end of fiscal year 2024 and the project pipeline for fiscal year 2025 is developing in line with expectations. On this basis, Sofinter's local management expects a turnaround and a significant improvement in the operating result to a slightly positive level in fiscal year 2025, following a still clearly negative operating result for fiscal year 2024, which was also impacted by one-off expenses in connection with the restructuring of activities.

Following the acquisition, various financing agreements with banks were concluded or restructured. In this context, Sofinter has undertaken to comply with the usual covenants regarding debt, equity and interest coverage some of which were not complied with as at the reporting date. No agreement had been reached with the lender at this time.

Steyr Motors

Steyr Motors is a recognized specialist in the development and production of high-performance motors and electrical auxiliary power units for special applications in vehicles and boats. The restructuring program, which among other objectives is aimed at reorganizing sales activities and adjusting cost structures, including by means of an extensive reduction in the workforce through a social plan, was completed in fiscal year 2023. On this basis and boosted by a positive market environment, sales revenues and operating earnings increased encouragingly in fiscal year 2024, significantly exceeding the original forecasts. For fiscal year 2025 and beyond, the management of Steyr Motors expects to see continued positive development with a further significant improvement in operating result compared to fiscal year 2024. Successful incoming orders and the securing of long-term framework agreements with customers mean that Steyr Motors can also expect further growth and a positive development beyond that.

Steyr Motors was admitted to trading on the open market (Scale segment) of the Frankfurt Stock Exchange on October 28, 2024. In this context, Mutares placed 910,000 shares at an offer price of EUR 14.00 per share. This resulted in a net gain on disposal of EUR 10.9 million in the Annual Financial Statements of Mutares Holding.

GOODS & SERVICES SEGMENT

No.	Investment	Industry	Headquarters	Value creation phase[19]
16	**Alcura**	Provider of solutions for home care	Châteauroux / FR	Realignment
17	**Alterga (formerly: Eltel Networks)**	Manufacturer of infrastructure elements for electricity supply	Olsztyn / PL	Realignment
18	**Conexus**	Service provider for energy infrastructure	Rome / IT	Optimization
19	**Ganter Group**	General contractor for interior fittings and shopfitting	Waldkirch / DE	Optimization
20	**GoCollective and ReloBus Group**	Operator of public transportation	Copenhagen / DK	Optimization
21	**Greenview Group**	Provider of mechanics, electrical, heating and sustainable energy.	Carryduff / NI	Realignment
22	**Palmia**	Service provider in the field of facility management	Helsinki / FI	Optimization
23	**REDO**	Provider of comprehensive building refurbishment services	Vantaa / FI	Realignment
24	**Stuart (SRT Group)**	Provider of urban on-demand delivery services	Paris / FR	Realignment
25	**Terranor Group**	Provider of road operation and maintenance services	Solna / SE	Harvesting

[19] As described in section 1.1; Management Board assessment from the first quarter of fiscal year 2024, which will be maintained for the remainder of the year.

At EUR 1,037.1 million, revenue in the Goods & Services segment in fiscal year 2024 was on par with the previous year (EUR 1,037.1 million). The decline in revenue compared to the previous year, which resulted from the exit of Frigoscandia in the first quarter of fiscal year 2024, was offset by the many acquisitions of platform investments for the segment in the previous year, in particular GoCollective, ReloBus and MobiLitas as well as Stuart, and in fiscal year 2024, in particular Alterga. This was reinforced by the pleasing organic revenue growth at Conexus and Terranor.

The acquisitions listed resulted in gains from bargain purchases of EUR 36.5 million in fiscal year 2024 and EUR 246.5 million in the previous year. EBITDA for fiscal year 2024 in the Goods & Services segment of EUR 91.1 million (previous year: EUR 272.0 million) also benefited from the deconsolidation of Frigoscandia with earnings of EUR 56.6 million. Adjusted EBITDA for fiscal year 2024 was again positive at EUR 18.1 million (previous year: EUR 38.3 million), but was negatively impacted in particular by the lack of the positive contribution from Frigoscandia due to the exit in the first quarter and the planned negative earnings contribution from Stuart, while other portfolio companies, in particular Conexus, Palmia and Terranor Group, recorded a pleasing increase in profitability. For further details on developments in the segment, please refer to the following comments on the individual portfolio companies.

Alcura

Mutares completed the acquisition of the French company **Alcura** at the end of fiscal year 2024. Alcura is a provider of home care solutions for senior citizens, people with disabilities and patients. Its products include medical beds, wheelchairs and various types of equipment and services related to oxygen therapy, sleep apnea or diabetes. Alcura benefits from its broad presence in France, which consists of a central warehouse and more than 40 agencies. Immediately after the acquisition, a transformation program was initiated in collaboration with the local management with the objective of breaking away from the structures of the former owner, particularly with regard to IT, reviewing the agency network in the light of targeted supply chain optimizations and strengthening the organization by recruiting key positions. On the basis of these transformation efforts, Alcura currently expects to achieve a slightly positive operating result in fiscal year 2025, which should be further improved in subsequent years as a result of the turnaround that has been initiated.

Alterga

Mutares completed the acquisition of Eltel Networks in Poland in June 2024. The portfolio company has since been renamed **Alterga** and offers engineering and construction services for electrical energy, including high-voltage projects with planning, construction, commissioning and maintenance services. The focus of its activities is in Poland, however Alterga also realizes projects in other European countries, e.g. in Germany or the Nordic countries.

Immediately after the acquisition, a holistic transformation program was initiated aimed at improvements along the entire value chain, particularly in purchasing and project management. The measures introduced have already led to visible improvements over the course of fiscal year 2024, particularly in terms of realized project margins and reduced fixed costs. Alterga intends to take on a strategic positioning in the core market of Poland, which is characterized by extensive investment requirements, as well as a focused approach to foreign markets. The company thus sees itself in a position to take advantage of the favorable market dynamics with high investment requirements in the energy infrastructure in Poland and the EU as a whole. On this basis, Alterga's management expects the transformation initiatives to take full effect in fiscal year 2025 in order to achieve a return to profitability and, as a result, an already slightly positive operating result.

Conexus

At the end of fiscal year 2024, **Conexus** spun off and sold the operational part of its network activities. This area was characterized by a highly competitive environment with a limited number of projects, rising costs and, as a result, falling margins. This will enable Conexus to focus more strongly on the infrastructure market for energy technology, for which Conexus has a promising pipeline with many projects. In this area, Conexus operates as a provider of construction and maintenance services; the service portfolio includes the installation and maintenance of medium and low-voltage grids as well as high-voltage grids. At the end of fiscal year 2023, Conexus acquired significant projects in the field of energy technology, which were implemented in fiscal year 2024 after initial delays. Accordingly, revenue increased significantly compared to the previous year, resulting in a materially positive operating result in fiscal year 2024. Conexus' focus in fiscal year 2025 will be on strengthening its traditional relationships with customers in the low-voltage, high-voltage and data center sectors as well as developing new projects in other areas. On this basis, the management also expects a materially positive operating result for fiscal year 2025.

Ganter Group

As a general contractor for interior fittings and store fitting, **Ganter** realizes projects for an international customer base. With the sale of its activities in France in fiscal year 2023 and the final operational wind-up of the activities in Italy in the first half of fiscal year 2024, all planned structural measures have now been implemented. In addition, the acquisition of FSL Ladenbau GmbH ("FSL") in May 2024 expanded the geographical coverage in northern Germany and expanded the customer portfolio.

Fiscal year 2024 was characterized by the tense economic situation in the construction sector and high volatility, with insolvencies among subcontractors, market companions and customers. Accordingly, Ganter's management focused on intensifying sales activities to increase competitiveness. On this basis and thanks to the adjusted cost structures, the operating result was maintained at a slightly positive level in fiscal year 2024. Ganter's management expects the market environment to recover slightly in the second half of fiscal year 2025 and believes that it is well equipped to meet the challenges posed by the market thanks to a more diversified customer base as a result of the acquisition of FSL, a satisfactory workload and an optimized internal organization. In this regard, Ganter is also expected to achieve another moderate improvement in its operating result in fiscal year 2025 compared to fiscal year 2024.

GoCollective and ReloBus Group

GoCollective in Denmark and **ReloBus** in Poland – jointly acquired by Arriva in fiscal year 2023 and renamed accordingly in the meantime – provide a wide range of transport and mobility services, e.g. rail, bus, ferries and driver training. The activities in Serbia, which were acquired in fiscal year 2023 and operate under the name Mobilitias, were sold in fiscal year 2024.

After four years without new business under the previous owner, GoCollective successfully participated in tenders again in Denmark in fiscal year 2024 and won new business with bus lines in Copenhagen, among other projects. In addition, a number of important transformation projects were completed, including the implementation of a new ERP system and the rebranding and repositioning of the brand. To refinance existing debt and to finance the strategic realignment, GoCollective issued a senior secured bond with a nominal volume of EUR 40 million and a term until April 12, 2027.[20] Despite a few challenges, including the after-effects of overly cautious investment activities in previous years under the previous owner, GoCollective managed to achieve a slightly positive operating result in fiscal year 2024. On this basis, GoCollective's management anticipates further expansion of its activities in fiscal year 2025 and expects operating earnings to increase to a materially positive level.

ReloBus in Poland also managed to reposition itself and successfully transform itself, with a significantly improved positive operating result in fiscal year 2024 in line with planning. As a result, the local management expects profitability to improve to a clearly positive level in fiscal year 2025 with materially higher revenue.

Greenview Group

In April 2024, Mutares acquired **Greenview Group** Holdings Ltd **("Greenview")**. Greenview is based in the United Kingdom and is a provider of mechanical and electrical installation, heating installation and maintenance, property maintenance and improvement and a range of sustainable energy solutions, including energy efficiency services for homes.

Immediately after the acquisition, a Mutares team started work on the restructuring program in collaboration with the local management and launched extensive optimization and growth initiatives in this context. Although the positive impetus from this fell short of expectations in fiscal year 2024, Greenview still posted a clearly negative operating result. The sale of Greenview Group Holdings Ltd. and its subsidiaries was completed with effect from April 1, 2025.

[20] With a value date of February 11, 2025, and thus after the reporting date, GoCollective increased the existing bond by EUR 10.0 million.

Palmia

Palmia is a Finnish service provider for schools, daycare centers, hospitals and other public sector facilities. Its range of services includes food services, cleaning services, security services and building maintenance services.

Following the implementation of the transformation program in fiscal year 2023, which was aimed at adjusting the cost base and growing sales revenue, the successful development continued in fiscal year 2024: Besides achieving a significant increase in sales revenue compared to the previous year, the operating result – starting from a break-even level in fiscal year 2023 – was increased to a materially positive level, exceeding the ambitious plans.

Palmia is further expanding its nationwide presence in all service areas on the basis of the adjusted sales strategy, which is aimed at corporate clients in the private sector as well as public sector clients. As a result, the local management expects to see a further significant increase in revenue and a further significant improvement in the positive operating result for fiscal year 2025.

REDO

REDO is a Finnish provider of building restoration services acquired in the third quarter of fiscal year 2023 – including expert emergency response – with a comprehensive range of services and a nationwide geographical presence. REDO offers the entire value chain of services for inspection, demolition, reconstruction of water and fire damage including odor remediation and moisture drying.

The strategic focus of REDO's restructuring plan is on the further development of a scalable service offering with high quality and stable profitability. In addition, REDO is to become the preferred strategic restructuring partner for insurance companies, property developers, construction companies, industry and real estate service providers. At the same time, a comprehensive package of operational measures was also implemented, which, in addition to the implementation of a new IT landscape, aimed to further develop processes, organizational structures and procurement practices while simultaneously reducing the cost base. Thanks to the consistent implementation of these initiatives, a slightly positive operating result was achieved in fiscal year 2024 despite revenue falling short of original plans. REDO's management expects to make further progress in fiscal year 2025 and see a significant increase in profitability to a materially positive operating result thanks to improved project margins.

Stuart (SRT Group)

The SRT Group, which trades as **Stuart**, is a provider of urban on-demand delivery services in the field of city and last-mile logistics. Stuart relies on its own specific IT platform solution to connect customers with a fleet of independent couriers. This enables Stuart's customers to deliver to their own customers quickly, flexibly and efficiently. From offices in Paris, London and Barcelona, Stuart operates in over 100 cities across Europe.

In a challenging market environment and the expected loss of a major customer under the previous owner, Stuart's revenue and operating result declined sharply in fiscal year 2024 compared to previous years. To counteract this effect, a Mutares team, in cooperation with the local management, initiated a transformation program immediately after the acquisition in the fourth quarter of fiscal year 2023. The focus is on adjusting cost structures to the lower sales expectations. In addition, strategic initiatives were launched with the goal of diversifying the customer base in order to reduce dependence on a few major customers. In fiscal year 2024, the management initiated the withdrawal from loss-making markets (Spain, Portugal and Italy) and achieved initial successes in reducing fixed costs and in new contracts with existing and new customers. Nevertheless, the operating result for fiscal year 2024 only reached a significantly negative level. In fiscal year 2025, the focus will be on the consistent further implementation of the transformation, which should lead to Stuart's complete turnaround in the medium term.

Terranor Group

Terranor Group is a provider of operations and maintenance services to ensure safe traffic on and around the roads in Sweden, Finland and Denmark.

Due to the higher level of activity in Sweden, the positive development of additional work in Finland and the strongly positive contract activity in Denmark, expectations in terms of revenue were exceeded in fiscal year 2024. Thanks to the strict focus on continuously improving margins in Terranor's core business, the activities relating to government contracts in the area of road operation and maintenance, a materially positive operating result was achieved.

In addition to various organic growth initiatives, the acquisition of Wilda Transport och Entreprenad AB and NU Entreprenad AB, which now operate as Terranor Norvia, was completed as an add-on acquisition for the Terranor Group in fiscal year 2024. The companies operate as providers of building material transportation, winter and summer services, small construction works and road safety services in Sweden. The acquisition represents a further step towards the integration of the upstream value chain, which is aimed in particular at cost synergies with the future subcontractor network and increased negotiating power to realize cost savings in the indirect area.

Based on the positive development in fiscal year 2024 and the strategic and operational course set, the management of the Terranor Group expects the success story to continue and is planning a significant increase in sales and a considerable improvement in the positive operating result for fiscal year 2025.

RETAIL & FOOD SEGMENT

No.	Investment	Industry	Headquarters	Value creation phase [21]
26	**FASANA**	Paper napkin manufacturer	Euskirchen / DE	Optimization
27	**Gläserne Molkerei**	Manufacturer of high-quality organic dairy products	Dechow / DE	Realignment
28	**keeeper Group**	Manufacturer of household products	Stemwede / DE	Harvesting
29	**Lapeyre Group**	Manufacturer and distributor of home furnishing products	Aubervilliers / FR	Optimization
30	**Natura**	Drugstore chain	Łódź / PL	Realignment
31	**Prénatal**	Retailer for baby, toddler and maternity wear, second-hand goods and toys	Amersfoort / NL	Realignment
32	**Temakinho**	Restaurant chain with Japanese-Brazilian cuisine	Milan / IT	Realignment

[21] As described in section 1.1; Management Board assessment from the first quarter of the fiscal year 2024, which will be maintained for the remainder of the year.

In fiscal year 2023, Mutares added a fourth segment to the previous three segments in light of the strong growth in recent years and with the strategic intention of expanding the target universe relevant to Mutares. Lapeyre, keeeper Group and FASANA were separated from the Goods & Services segment and included in the new independent Retail & Food segment.

At EUR 859.1 million, sales revenue in the Retail & Food segment increased slightly in fiscal year 2024 compared to the previous year (EUR 840.0 million). This is due in particular to the portfolio companies Prénatal and Gläserne Molkerei, which were acquired in the previous year and whose contribution compensated for a full twelve months of declining revenue at Lapeyre in fiscal year 2024. EBITDA in the Retail & Food segment benefited from the gains from bargain purchases from the aforementioned acquisitions totaling EUR 23.1 million (previous year: EUR 46.5 million) and amounted to EUR –55.7 million for fiscal year 2024 (previous year: EUR +40.7 million).) The adjusted EBITDA of EUR –51.8 million (previous year: EUR –8.8 million) reflects the negative earnings contributions of the portfolio companies acquired in the previous year, above all TeamTex, which has since been deconsolidated due to insolvency, as well as the negative impact on Lapeyre's profitability due to declining sales.

Together with the local management, a Mutares team began repositioning this portfolio company in the relevant markets immediately after the acquisition of the majority stake in TeamTex in December 2023. At the same time, the cost structures were analyzed and measures to reduce them were implemented and the challenges in the production process were addressed. A new EU standard for car seats that came into force in 2024 led to additional challenges on the sales side due to competition from Asian imports. At the same time, TeamTex's situation and preparations for the change in standard were significantly worse than the sellers had claimed before the acquisition. Accordingly, despite visible successes in restructuring, the measures introduced in the months following the acquisition were unable to offset the negative business development. As a result, the management of TeamTex initiated insolvency proceedings in July 2024. At the same time, Mutares and the management of TeamTex initiated legal action against the sellers of TeamTex. The company finally ceased its activities in October 2024 due to a lack of prospects for continuation and has been in liquidation since then. TeamTex was therefore deconsolidated in fiscal year 2024.

For further details on developments in the segment, please refer to the following comments on the individual portfolio companies.

FASANA

FASANA is a manufacturer of private label and high-quality branded napkins for wholesale and retail use.

The challenges in the pulp and paper industry, in particular a weakening consumer climate and end consumers' propensity to save as well as increased costs for pulp, energy and personnel, shaped FASANA's development and led to a significant shortfall in planning and a materially negative operating result in fiscal year 2024 as a result. However, according to the plans of the local management, the expansion of current and the establishment of new customer relationships as well as extensive measures aimed at increasing efficiency should lead to a turnaround and a slightly positive operating result in fiscal year 2025 in an environment that is still expected to be challenging. FASANA was sold to a private individual on March 19, 2025.

Gläserne Molkerei

With two production facilities located in the north of Germany, **Gläserne Molkerei** specializes in the production of organic dairy products. The wide range of products includes organic milk, butter, yogurt, buttermilk and cheese. The products are sold both under the company's own brand and under private labels via food retailers.

The transformation program initiated immediately after the acquisition in the third quarter of fiscal year 2023 is aimed at increasing customer reach, primarily with existing and new own-brand products, and sustainably optimizing the production process. In fiscal year 2024, the focus was on expanding the brand with the help of new products, while a relaunch of the brand is intended to promote growth. The raw materials market remained challenging and tightened towards the end of fiscal year 2024. Restrictions on the availability of raw materials led to drastic price increases for cream and raw milk, which had a negative impact on gross profit. Strict cost measures in the indirect area were only able to compensate for this in part. As a result, the operating result in fiscal year 2024 was significantly below plan.

On the basis of extensive countermeasures, particularly with regard to regular price adjustments, expansion of distribution and adjustment of the product portfolio, the management of Gläserne Molkerei expects to significantly improve the gross profit margin in fiscal year 2025 and thus achieve a balanced operating result.

keeeper Group

keeeper Group is a manufacturer of high-quality and sustainable plastic household products. With its four product categories for the household, kitchen, storage and kids, keeeper serves customers from DIY stores, food retailers, wholesalers and furniture retailers.

Demand from both customers in Western European countries and customers in Eastern Europe developed very satisfactorily over the course of fiscal year 2024, until a sudden, extraordinary reluctance to buy was observed in the fourth quarter. For this reason, the operating result fell short of initial planning, but continued to reach a materially positive level, boosted by stringent cost control and stable raw material and energy prices. keeeper's local management has initiated a strategic realignment aimed at internationalization, digitalization, emotionalization, agility and product longevity. The objective is to promote growth, strengthen operational excellence and increase the brand's reach. The positive impetus from this should be seen in fiscal year 2025 and, on this basis, the positive development should continue, profitability should increase and, in the context of an expected significant increase in sales revenue, a further significant improvement in the positive operating result should be achieved.

Lapeyre Group

Lapeyre Group manufactures products for the exterior and interior of houses, such as windows, doors, kitchens, bathroom furniture and stairs, at nine sites in France. The company distributes its products installed together with third-party merchandise through an extensive network of stores in France under the well-known corporate brand.

The challenging market environment including a significant decline in demand in the context of a clear downward trend in the number of new construction or renovation projects in France continued to characterize Lapeyre's business development in fiscal year 2024. As a result, the competitive environment has visibly intensified, with a negative impact on the development of sales revenues. The ongoing cost reduction programs were only able to partially mitigate the resulting effect on profitability, resulting in a materially negative operating result in fiscal year 2024. In response, the local management developed and implemented a comprehensive action plan aimed at reducing structural costs on the one hand and increasing sales on the other. The reduction in structural costs was initiated in particular by carrying out an extensive reduction in the workforce by means of a social plan. With regard to increasing sales, the communication strategy in particular was revised.

Lapeyre's management expects the market environment to remain challenging in fiscal year 2025. In this respect, the focus is on the consistent implementation of the measures in the action plan. On this basis, the local management expects to see a significant increase in sales revenues for fiscal year 2025 and, as a result, a significantly improved operating result compared to fiscal year 2024 at a slightly positive level.

Natura

On December 31, 2024, Mutares completed the acquisition of **Natura** in Poland. Natura is one of the leading drugstore chains in Poland and operates over 200 physical stores nationwide as well as an online store. Natura's extensive product portfolio includes a wide range of items from various categories such as hygiene, perfume, make-up, face and body care and hair care, including both well-known international brands and high-quality own brands.

Immediately after the acquisition, a Mutares team, together with the local management, began developing a comprehensive transformation program focusing on both commercial and operational elements. The development of a new business strategy and a sharpened positioning of the businesses is a key part of the program. In addition, the goal is to further expand the online sales channel and optimize Natura's product range. The adjustment of the logistics model is expected to result in significant cost savings.

Prénatal

Prénatal is a Dutch retailer of textiles for expectant mothers and children, hardware and toys. The company offers its products via a network of stores and an e-commerce platform.

Following the acquisition in December 2023, Mutares started developing a transformation program together with the local management. The plan includes reducing fixed costs, optimizing the supply chain and lowering costs in the stores. Prénatal is countering the strong (price) competition on the market with its strong brand. In connection with the relocation of the warehouse, there were restrictions on the availability of goods in fiscal year 2024. As a result, sales revenue did not reach the planned level and the operating result was still slightly negative. In this context, the focus is also on the development of liquidity due to the need to build up working capital. Despite individual setbacks in fiscal year 2024, the local management believes that Prénatal is well on track with the consistent implementation of the transformation program and, on this basis, expects to see a significant increase in sales and a significantly improved operating result at a materially positive level for fiscal year 2025.

Temakinho

Temakinho, which was acquired in March 2024, operates a restaurant chain that offers Japanese-Brazilian sushi, meat dishes and drinks at its branches, some of which are operated by the company itself and others via franchise models, mainly in Italy.

The focus of Temakinho's transformation is on expanding its geographical presence in Italy, both by opening new franchised and directly managed restaurants and through investments in marketing, with the objective of developing the brand and gaining new customers. Immediately after the acquisition, a Mutares team, in collaboration with the local management, began implementing a series of measures in terms of marketing activities, promotions and partnerships. At the same time, the number of visitors to the restaurants was declining and the measures introduced were not having the desired effect. As a result, cost optimization measures such as the outsourcing of marketing activities and the closure of branches were also initiated. Nevertheless, a negative operating result was achieved in fiscal year 2024. On March 14, 2025 Temakinho was sold as part of a management buy-out.

3 SITUATION OF THE GROUP INCLUDING THE ASSET, FINANCIAL AND EARNINGS POSITION

In view of the many M&A transactions, Mutares' business model involves regular changes to the scope of consolidation, which have a significant impact on the Consolidated Financial Statements. This applies to fiscal year 2024 as well, in which, in addition to the developments in the portfolio companies themselves, the first-time consolidations and deconsolidations described above in the reports from the portfolio companies (section2.3) in particular had a significant impact on the items in the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Financial Position.

The operating result of the Mutares Group depends on the business performance of the individual investments – in particular on the respective restructuring and development progress – and is also significantly influenced by the timing of the acquisition of new investments and the resulting regular bargain purchase gains.

3.1 Earnings position of the Group

The Mutares Group generated consolidated **revenues** of EUR 5,261.6 million in fiscal year 2024 (previous year: EUR 4,689.1 million). The increase is largely due to changes in the scope of consolidation, while the organic revenue development of some of the portfolio companies declined year-on-year. With regard to the allocation of sales to the individual segments segment and developments within the segments, please refer to the above explanations in the reports from the portfolio companies (section 2.3).

Sales are broken down by geographical market based on the customer's registered office as follows:

million EUR	2024	2023
Europe	**4,633.3**	**4,348.4**
Germany	1,338.6	1,278.7
France	922.1	995.3
Italy	290.5	228.6
Denmark	281.2	214.7
Poland	178.7	189.9
Finland	271.0	437.1
Sweden	236.1	171.2
United Kingdom	227.1	81.2
Netherlands	155.2	51.1
Spain	149.0	121.4
Switzerland	96.2	142.1
Austria	61.8	76.3
Czech Republic	52.1	33.0
Belgium	24.2	24.9
Rest of Europe	349.5	303.0
Asia	**338.8**	**188.4**
America	**225.0**	**109.6**
Africa	**64.5**	**42.7**
Revenues	**5,261.6**	**4,689.1**

Other income of EUR 506.8 million in fiscal year 2024 (previous year: EUR 986.1 million) was again driven by consolidation effects in particular: The acquisitions resulted in gains from bargain purchases totaling EUR 268.9 million, which were largely attributable to the acquisitions of Matikon and Walor North America. The gains from bargain purchases of EUR 727.2 million in the previous year resulted in particular from the acquisitions of Efacec, GoCollective, ReloBus and MobiLitas as well as the add-on acquisitions for the FerrAl United Group. The deconsolidation gains included in other income amount to EUR 82.9 million and are attributable in particular to the exit of Frigoscandia. The deconsolidation gains of EUR 118.6 million in the previous year relate in particular to the sale of SMP in fiscal year 2023.

The following table provides an overview of the main components of other income:

million EUR	2024	2023
Bargain purchase Income	268.9	727.2
Gains from deconsolidation	82.9	118.6
Other capitalized self-produced assets	25.7	6.4
Currency translation	22.1	6.0
Income from other services	18.4	17.3
Income from raw material and waste recycling	15.0	11.2
Income from the disposal of fixed assets	10.0	7.0
Income from risk allowance	5.8	4.1
Income from insurance indemnifications	3.8	2.4
Income from renting and leasing	2.7	4.5
Miscellaneous other income	51.5	81.4
Other operating income	**506.8**	**986.1**

Other operating income in fiscal year 2024 includes income of EUR 9.8 million from the compensation payment made by the seller of a portfolio company in the Automotive & Mobility segment acquired in fiscal year 2023, mainly for partial retirement agreements with employees. Other operating income also includes EUR 9.5 million from compensation under a service agreement with a portfolio company in the Goods & Service segment.

The **cost of materials** for fiscal year 2024 amounted to EUR 3,092.3 million (previous year: EUR 2,799.5 million). The cost of materials ratio (in relation to sales) amounts to 59% (previous year: 60%). The decline is the result of a number of different and partly offsetting effects, particularly in the context of the change in the composition of the group of consolidated companies as a result of Mutares' transaction activities.

Personnel expenses for fiscal year 2024 amounted to EUR 1,645.4 million (previous year: EUR 1,369.6 million). The increase reflects the rise in the number of employees in the Mutares Group to an average of 29,468 (previous year: 27,345) as a result of Mutares' high transaction activity. In addition, the level of personnel expenses is influenced by a number of other, sometimes opposing effects (e.g. collective bargaining agreements, staff reduction measures, etc.).

Other expenses of EUR 894.8 million (previous year: EUR 744.8 million) in fiscal year 2024 can be broken down as follows:

EUR million	2024	2023
Selling expenses	186.1	169.3
Administration	115.7	93.2
Legal and consulting costs	97.8	82.2
Maintenance and servicing	89.1	68.9
Rent, leasing and license fees	77.6	72.9
Advertising and travel expenses	68.5	52.6
Claims, guarantee and warranty	66.2	50.3
Basic levies and other taxes	25.0	23.9
Expenses from foreign currency conversion	21.6	10.9
Expenses for risk provisions	21.4	10.9
Contributions, fees, donations, incidental financing costs	19.5	14.8
Vehicle fleet	18.7	18.0
Losses from deconsolidations	12.5	13.7
Expenses for the General Partner	12.1	12.5
Losses from the disposal of non-current assets	7.8	6.4
Research and development expenses	7.1	8.7
Expenses from the valuation of assets and liabilities held for sale	11.1	22.6
Other miscellaneous expenses	36.9	13.0
Other operating expenses	**894.8**	**744.8**

As a result of the developments described above, the **EBITDA** of the Mutares Group for fiscal year 2024 amounted to EUR 117.1 million (previous year: EUR 756.9 million).

The earnings power of the Group's investments varies according to market, business model and progress in the restructuring cycle; in the course of the many annual transformation processes for newly acquired portfolio companies, significant non-recurring expenses are also incurred regularly. In addition, consolidation and deconsolidation effects always have a significant impact on Group EBITDA due to Mutares' regular transaction activity every fiscal year. Against this backdrop, the EBITDA of the Mutares Group is subject to major fluctuations from fiscal year to fiscal year due to the business model pursued and allows only very limited valid conclusions to be drawn about the actual operating performance of the Group or individual investments.

To improve transparency, Mutares uses the performance indicator **adjusted EBITDA**, which is adjusted in particular for the effects of frequent changes in the composition of the portfolio that are inherent in the business model. This adjusted EBITDA of the Group (as defined below in the presentation of the financial performance indicators) amounted to EUR –85.4 million (previous year: EUR +3.5 million). As expected, adjusted EBITDA was negatively impacted by the earnings contributions of the newly acquired investments. On the other hand, the restructuring programs implemented led to an increase in the profitability of the respective portfolio companies; at the same time, however, the planned improvement in profitability was not achieved at some of the portfolio companies (see section 2.3 above). In contrast to the previous year and contrary to the forecast for fiscal year 2024, the balance of these opposing developments meant that no positive adjusted EBITDA was achieved in fiscal year 2024.

The reconciliation of EBITDA as reported in the Consolidated Statement of Income to the performance indicator of adjusted EBITDA is as follows:

million EUR	2024	2023
EBITDA	**117.1**	**756.9**
Income from bargain purchases	–268.9	–727.2
Restructuring and other non-recurring expenses	136.9	78.7
Deconsolidation effects	–70.4	–104.9
Adjusted EBITDA	**–85.4**	**3.5**

For information on bargain purchases and deconsolidation effects, please refer to the comments above on business performance (section 2.2) and in the reports on the portfolio companies (section 2.3).

Restructuring and other non-recurring expenses and income for fiscal year 2024, expenses for severance payments and social plans in connection with the restructuring programs at the portfolio companies amounted to EUR 61.6 million (previous year: EUR 31.5 million) and are largely attributable to the portfolio companies acquired in the previous year and in fiscal year – in particular Stuart and Efacec – as well as the implementation of an extensive reduction in the workforce by means of a social plan at Lapeyre. Expenses for carve-out activities (particularly in the area of IT) amounted to EUR 10.8 million in fiscal year 2024 (previous year: EUR 15.9 million), while consulting expenses in connection with M&A, restructuring and legal advice amounted to EUR 9.8 million (previous year: EUR 7.8 million). Furthermore, the restructuring and other non-recurring expenses and income for fiscal year 2024 include other restructuring or non-recurring expenses of EUR 53.8 million (previous year: EUR 22.0 million), which, in addition to a large number of individual items in various portfolio companies, are mainly attributable to the extensive revaluation of the acquired, projects still underway at Byldis. Other restructuring or non-recurring expenses in the previous year included effects from the recognition of assets held for sale in accordance with IFRS 5 of EUR 22.6 million.

The Group's **depreciation and amortization** of EUR 463.8 million (previous year: EUR 320.0 million) for fiscal year 2024 includes impairment losses of EUR 122.7 million (previous year: EUR 65.1 million), in particular for impairment losses on property, plant and equipment as a result of comparing the recoverable amount on disposal with the respective carrying amounts, primarily for investments in the Retail & Food and Automotive & Mobility segment.

The Group's **financial result** of EUR –204.4 million (previous year: EUR –73.3 million) for fiscal year 2024 is made up of financial income of EUR 26.8 million (previous year: EUR 19.5 million) and financial expenses of EUR 231.2 million (previous year: EUR 92.9 million). Their absolute increase is primarily the result of an increase in interest-bearing liabilities, mainly due to the bonds described earlier. In addition, financial expenses for fiscal year 2024 include an impairment loss on the shares in Serneke. In connection with the acquisition of Serneke, a subsidiary of Mutares (as the buyer of Serneke) entered into a liability to the seller in the amount of SEK 1,055 million (approximately EUR 92 million), which led to an initial measurement of the shares in Serneke in the corresponding amount. Based on the situation described above in section 2.3, a complete impairment loss on the shares was subsequently recognized.

The Group's **income taxes** in fiscal year 2024 amounted to income (EUR 91.2 million; previous year: EUR 3.6 million) and include actual tax expenses (EUR –19.1 million; previous year: EUR –16.1 million), which are more than offset by income from deferred taxes (EUR 110.4 million; previous year: EUR 19.7 million).

The developments described above result in a **consolidated net result** of EUR –459.9 million for fiscal year 2024 (previous year: EUR +367.1 million).

The Group's **other comprehensive income** in fiscal year 2024 of EUR 27.7 million (previous year: EUR –16.2 million) includes, in particular, effects from the change in the fair value of the bond of EUR 21.1 million (previous year: EUR –13.0 million), actuarial gains of EUR 4.1 million (previous year: losses of EUR 8.4 million) in connection with the measurement of provisions for pensions (IAS 19) at portfolio companies and effects from currency adjustments of EUR 2.5 million (previous year: EUR 5.2 million).

The **total comprehensive income** for fiscal year 2024 amounted to EUR –432.2 million (previous year: EUR +350.9 million).

3.2 Asset and financial position of the Group

Total assets in the Mutares Group amounted to EUR 4,370.4 million as of December 31, 2024 (December 31, 2023: EUR 4,348.5 million). The development compared to the previous year's reporting date is the result of partly offsetting effects and is also influenced in particular by the extensive changes in the composition of the scope of consolidation. The main changes in the individual items of the Consolidated Statement of Financial Position are presented below.

Non-current assets increased from EUR 2,044.5 million as of December 31, 2023, to EUR 2,146.0 million as of December 31, 2024. This was primarily due to increases in intangible assets (EUR +81.8 million), property, plant and equipment (EUR +1.7 million) and right-of-use assets (EUR +5.4 million). Within intangible assets, the increase in goodwill to EUR 90.7 million (December 31, 2023: EUR 8.6 million) is particularly noteworthy, resulting primarily from the acquisition of Sofinter in fiscal year 2024.

The decline in **current assets** to EUR 2,224.4 million as of December 31, 2024 (December 31, 2023: EUR 2,304.0 million) resulted from lower other financial assets (EUR –109.5 million), cash and cash equivalents (EUR –107.9 million) and assets held for sale (EUR –71.8 million). The decrease in other financial assets to EUR 115.9 million as of December 31, 2024 (December 31, 2023: EUR 225.5 million) is due in particular to the release of cash and cash equivalents in connection with the acquisitions of Lapeyre and Efacec. In contrast, other components of current assets increased, in particular trade receivables and other receivables (EUR +99.7 million), current contract assets (EUR +70.4 million) and inventories (EUR +25.1 million). This development is the result of a number of different and in some cases opposing effects, particularly in the context of changes to the scope of consolidation.

Cash and cash equivalents amounted to EUR 412.1 million as of December 31, 2024 (December 31, 2023: EUR 520.1 million), of which EUR 9.0 million is restricted (December 31, 2023: EUR 15.7 million). This is offset by current liabilities to banks and loans as part of the balance sheet item current financial liabilities of EUR 237.5 million (December 31, 2023: EUR 158.1 million), which result from current account and loan liabilities and from the recognition of recourse factoring. This resulted in a **net cash position** of EUR 174.7 million as of December 31, 2024 (December 31, 2023: EUR 361.9 million). Liquidity is planned, managed and secured by the respective portfolio companies. In the event of a liquidity requirement, appropriate measures are initiated by the respective portfolio company (e.g. factoring or sale and leaseback of fixed assets) and coordinated with Mutares if necessary.

Assets held for sale amounted to EUR 66.8 million as of the reporting date December 31, 2024 (December 31, 2023: EUR 138.6 million) include individual assets held for sale from various portfolio companies, in particular Lapeyre. They also include (as the corresponding liabilities in connection with the assets held for sale) those of the portfolio company Temakinho, which was sold at the beginning of fiscal year 2025 as part of a management buy-out and for which this sale was already highly probable as at the reporting date. The assets held for sale of EUR 138.6 million as of December 31, 2023, included the assets of the portfolio companies Frigoscandia and Valti, which were sold after the reporting date in the first quarter of fiscal year 2024.

Equity amounted to EUR 671.7 million as of December 31, 2024 (December 31, 2023: EUR 1,119.6 million). The decrease is due in particular to the negative comprehensive income of EUR –432.2 million for fiscal year (previous year: EUR +350.9 million). The dividend distribution to the shareholders of the parent Company, the shareholders of Mutares SE & Co. KGaA, amounted to EUR 47.4 million (previous year: EUR 36.1 million). The equity ratio decreased to 15% as of December 31, 2024 (December 31, 2023: 26%). For information on the acquisition of treasury shares in accordance with Section 160 (1) no. 2 AktG, please refer to the Notes to the Financial Statements of Mutares SE Co. & KGaA (in section 3.5).

The decrease in **non-current liabilities** to EUR 1,070.5 million (December 31, 2023: EUR 1,224.6 million) is due in particular to lower other financial liabilities of EUR 234.5 million (December 31, 2023: EUR 350.8 million) and deferred tax liabilities of EUR 54.0 million (December 31, 2023: EUR 141.0 million). While strategic financing in the portfolio, primarily at GoCollective and FerrAl United Group, led to an increase in other long-term financial liabilities, the company's bonds with a nominal amount of EUR 385.0 million as of the reporting date December 31, 2024 (December 31, 2023: EUR 150.0 million) were reported under other current financial liabilities. As of the reporting date December 31, 2024, the financial ratio for debt to equity in the Group was not met. This non-compliance resulted in the bondholders being granted a fundamental right of termination. For this reason, the carrying amounts of the 2023/2027 and 2024/2029 bonds in the amount of EUR 370.3 million were reported as current liabilities as of the balance sheet date of December 31, 2024. The non-compliance with the covenants was remedied by the date of preparation of this combined management report and group management report by restoring compliance with the financial covenants as of March 31, 2025. In accordance with the terms of the bonds, there is now no longer any right to call the liabilities from the bonds early.

In addition to the bonds issued by GoCollective and Efacec, financial covenants were agreed for other long-term financial liabilities of around EUR 200 million, primarily from financing provided by banks. The financial covenants generally relate to compliance with financial ratios relating to debt, profitability, and equity. The levels of the ratios are determined with the lenders based on historical data and budget figures, which reduces the risk of non-compliance if developments are in line with plans. If financial covenants have not been complied with as of the reporting date and no agreement has been reached with the lenders, the corresponding amounts are reported as other current financial liabilities.

With a value date of April 12, 2024, GoCollective, an investment from the Goods & Services segment, issued a senior secured bond with a nominal volume of EUR 40 million and a term until April 12, 2027. The proceeds of the issue will be used to refinance existing liabilities and to finance the strategic realignment. The bond is listed on the Frankfurt Stock Exchange and bears interest quarterly, for the first time on July 12, 2024, at the 3-month EURIBOR (EURIBOR floor of 0.00%) plus a margin of 8.50% and can be increased to a nominal volume of up to EUR 60 million during the term, depending on market conditions. After the reporting date, the bond was successfully increased by a nominal volume of EUR 10 million. The bond conditions stipulate compliance with a certain asset ratio, which must be tested quarterly. This financial covenant was met as at December 31, 2024. The bond is secured by the pledge of 100% of the shares in certain affiliated companies, the assignment of existing and any future loan receivables from these affiliated companies and the pledge of certain assets.

Additional external financing was secured to finance the further transformation of the FerrAl United Group in the Automotive & Mobility segment. A loan totaling EUR 35 million with a term of two years was drawn down at the end of June 2024 with a first tranche of EUR 10 million. The further tranches totaling EUR 25 million were disbursed in the second half of 2024. The loan is secured by a pledge of the shares in the direct parent company of the FerrAl United Group and bears interest quarterly at the 3-month EURIBOR (EURIBOR floor of 0.00%) plus a margin of 12.00%.

Other significant components of non-current liabilities are non-current lease liabilities of EUR 409.2 million (December 31, 2023: EUR 380.0 million) as well as provisions for pensions and similar obligations of EUR 117.4 million (December 31, 2023: EUR 130.6 million) of various Group entities – whereby these obligations result exclusively from the portfolio companies and have not been entered into by Mutares SE & Co. KGaA itself – and other non-current provisions of EUR 211.7 million (December 31, 2023: EUR 211.6 million). This development is the result of a number of different and in some cases opposing effects, particularly in the context of changes to the scope of consolidation.

Current liabilities amounted to EUR 2,628.2 million as of December 31, 2024 (December 31, 2023: EUR 2,004.5 million) and relate to trade payables of EUR 722.0 million (December 31, 2023: EUR 674.6 million) and other financial liabilities of EUR 237.5 million (December 31, 2023: EUR 158.1 million), of which EUR 237.5 million (December 31, 2023: EUR 158.1 million) is attributable to current liabilities to banks and loans, from current account and loan liabilities and from the disclosure of recourse factoring. In January 2024, the company as issuer increased the existing senior secured bond with a nominal volume of EUR 150 million and a term until March 31, 2027 ("Bond 2023/2027") by an amount of EUR 100 million to the maximum nominal volume of EUR 250 million. This bond bears interest at the 3-month EURIBOR (EURIBOR floor of 0.00%) plus a margin of 8.5%. In September 2024, Mutares also issued a new senior secured bond with a nominal volume of EUR 135 million and a term until September 2029 ("Bond 2024/2029"). The proceeds of the issue were used for general corporate financing. The new bond bears interest at the 3-month EURIBOR (EURIBOR floor of 0.00%) plus a margin of 6.25%, which is lower than the 2023/2027 bond, and can generally be increased to a nominal volume of up to EUR 300 million during the term, which requires compliance with modified covenants. Both bonds are secured by the pledging of shares in various selected Group units.

The terms and conditions of both bonds contain specific financial covenants with regard to a minimum liquidity level and the ratio of debt to assets or equity. Non-compliance with the respective financial covenants can generally lead to termination of the respective bond. The resulting repayment obligations therefore harbor potential risks for the financial position of the company and the Group. As at the balance sheet date of December 31, 2024, the financial covenant relating to the ratio of debt to equity in the Group was not complied with. This non-compliance led to the bond creditors being granted a fundamental right of termination. For this reason, the carrying amounts of the 2023/2027 and 2024/2029 bonds in the amount of EUR 370.3 million were reported as current liabilities as at the balance sheet date of December 31, 2024. The non-compliance with the ancillary condition was remedied by the date of preparation of the consolidated financial statements by restoring compliance with the financial covenants as at March 31, 2025. In accordance with the terms of the bonds, there is now no longer a right to call in the liabilities from the bonds prematurely.

Another significant component of other current financial liabilities relates to a liability to the seller of Serneke. In connection with the acquisition of Serneke, a subsidiary of Mutares (as the buyer of Serneke) a current liability to the seller of SEK 1,055 million (approximately EUR 92 million)entered into. As described above in section 2.3, the subsidiary of Mutares declared the avoidance of the purchase agreement in a letter dated January 2, 2025 and on January 7, 2025 the management of Serneke initiated insolvency proceedings. On February 10, 2025, the seller demanded payment from the subsidiary of Mutares in the first instance and from Mutares itself in the second instance from the loan entered into as part of the transaction. In a response dated February 24, 2025, the Mutares subsidiary and Mutares itself rejected the seller's claim in full and reaffirmed the position already taken in the letter dated January 2, 2025 that the purchase agreement should be contested. Mutares was informed of the opening of the arbitration proceedings by letter dated May 7, 2025. Mutares is convinced of its legal position and believes it has strong arguments that the arbitration proceedings will not result in a significant cash outflow for the Group.

Other current financial liabilities are mainly denominated in euros and bear variable interest rates. In particular, the EURIBOR with the corresponding terms is used as the reference interest rate. The increase in current contract liabilities to EUR 340.3 million (December 31, 2023: EUR 220.4 million) is mainly due to the acquisition of Sofinter in fiscal year 2024. Financial covenants of around EUR 17 million were agreed for other current financial liabilities. With regard to the nature of the financial covenants, their definition and the risk of non-compliance, please refer to the comments above on non-current liabilities.

Cash flow from operating activities in fiscal year 2024 amounted to EUR –286.9 million (previous year: EUR –27.5 million). Based on the consolidated result EUR –459.9 million (previous year: EUR 367.1 million), non-cash income and expenses totaling EUR –263.9 million (previous year: EUR 437.7 million) are deducted. This primarily includes consolidation-related (net) income from first-time consolidations and deconsolidations of EUR 339.3 million (previous year: EUR 832.1 million) and, conversely, amortization of intangible assets and depreciation of property, plant and equipment of EUR 463.8 million (previous year: EUR 320.0 million) and financial expenses and income of EUR 204.4 million (previous year: EUR 73.4 million). The changes in the balance sheet items of working capital (trade working capital and other working capital) led to an overall decrease in cash flow from operating activities of EUR 68.9 million (previous year: EUR 50.9 million).

Cash flow from investing activities in fiscal year 2024 of EUR 123.6 million (previous year: EUR 454.5 million) mainly resulted from net cash inflows from additions to the scope of consolidation of EUR 165.1 million (previous year: EUR 353.9 million) and disposals from the scope of consolidation of EUR 50.0 million (previous year: EUR 169.3 million). Cash inflows from disposals of property, plant and equipment, intangible assets and assets held for sale amounted to EUR 53.0 million (previous year: EUR 85.1 million). This was offset by payments for investments in property, plant, and equipment and intangible assets (EUR 163.0 million; previous year: EUR 164.5 million). These are spread across a large number of different portfolio companies, with no individual investment projects being significant from a Group perspective.

Cash flow from financing activities amounted to EUR 55.7 million in fiscal year 2024 (previous year: EUR -144.6 million). The proceeds from bonds of EUR 271.0 million (previous year: EUR 69.2 million) relate largely to the bond transactions described above. The raising of (financial) loans resulted in cash inflows of EUR 107.8 million (previous year: EUR 92.1 million). In contrast, lease liabilities of EUR 120.6 million (previous year: EUR 106.5 million) and (financial) loans of EUR 73.2 million (previous year: EUR 114.0 million) were repaid in fiscal year 2024. Interest paid amounted to EUR 92.0 million (previous year: EUR 58.1 million), with the increase primarily resulting from an increase in interest-bearing liabilities. The dividend paid to the shareholders of the parent company, the shareholders of Mutares SE & Co. KGaA, amounted to EUR 47.4 million in fiscal year 2024 (previous year: EUR 36.1 million).

As of the reporting date, the unused credit lines amounted to an amount in the double-digit million range and are attributable to unused current account and factoring lines for which trade receivables available for sale are available at the same time.

The Management Board assumes that the group and all significant individual group companies will continue to be able to meet their respective payment obligations on time at all times in the future.

4 POSITION OF THE COMPANY INCLUDING THE ASSET, FINANCIAL AND EARNINGS POSITION

Mutares SE & Co. KGaA is the parent Company of the Mutares Group. The Company's business development is fundamentally dependent on developments in the individual portfolio companies. Their opportunities and risks therefore also have an impact on the opportunities and risks of Mutares SE & Co. KGaA.

The following comments on the earnings, assets and financial position relate to the Company's Annual Financial Statements, which were prepared in accordance with the provisions of the German Commercial Code and the German Stock Corporation Act.

4.1 Earnings position of the Company

Revenue results from the Group's internal consulting business, i.e. consulting services to affiliated companies and management fees. The increase to EUR 109.8 million in fiscal year 2024 (previous year: EUR 103.6 million) is a result of the expansion of the portfolio in line with the high level of acquisition activity in the past, which was followed by an increase in operational consulting capacities.

Other operating income amounted to EUR 26.4 million in fiscal year 2024 (previous year: EUR 4.8 million) and includes income from the write-up of receivables from affiliated companies of EUR 22.1 million. In addition, EUR 4.0 million of other operating income (previous year: EUR 0.4 million) resulted from affiliated companies, of which EUR 1.3 million resulted from the collection of loan receivables acquired at an amount lower than the nominal value. In the previous year, other operating income primarily included the write-up on shares in a direct subsidiary of EUR 4.1 million.

The expenses for purchased services in fiscal year 2024 of EUR 36.3 million (previous year: EUR 33.7 million) include in particular the expenses from the Mutares national companies in connection with restructuring services for indirect subsidiaries (EUR 35.6 million; previous year: EUR 31.5 million). The increase is primarily due to the expansion of operational consulting capacities.

Personnel expenses amounted to EUR 24.8 million in fiscal year 2024 compared to EUR 23.4 million in the previous year. The increase is due on the one hand to the increase in the number of employees at the Company to an annual average of 93 (previous year: 88) and on the other hand to salary adjustments.

Other operating expenses of EUR 77.4 million in fiscal year 2024 (previous year: EUR 96.8 million) include charges passed on by Mutares Management SE as part of its management of Mutares SE & Co. KGaA and the Mutares national companies totaling EUR 28.1 million (previous year: EUR 39.1 million). The write-downs on current assets of EUR 25.8 million (previous year: EUR 38.9 million) relate to the sale of subsidiaries completed in fiscal year 2024 and other impairments in the context of indicated impairment requirements. Other significant components of other operating expenses are legal and consulting costs of EUR 10.6 million (previous year: EUR 9.2 million) and travel expenses of EUR 5.3 million (previous year: EUR 4.2 million).

Income from investments and gains from the sale of investments amounted to EUR 120.9 million for fiscal year 2024 (previous year: EUR 149.5 million). This includes income from the (phased) recognition of profits from subsidiaries, primarily from the sale of Frigoscandia by a direct subsidiary. Other components of income from investments and gains from the sale of investments relate to the listing of Steyr Motors AG and the contribution of shares in Steyr Motors AG securitized in shares to a wholly owned subsidiary at the market price of EUR 14.00 per share on the date of the contribution in December 2024.

Net interest income includes interest income (incl. income from loans) of EUR 41.4 million (previous year: EUR 30.6 million), which mainly results from the issue of loans to finance subsidiaries, including in the context of acquisitions. This is offset by interest expenses of EUR 39.7 million (previous year: EUR 23.7 million), mainly for current interest on the bond (please refer to the comments on the liabilities in section 4.2). The increase in interest income and interest expenses is primarily due to the higher volumes.

Write-downs on financial assets amounted to EUR 8.8 million in fiscal year 2024 (previous year: EUR 4.7 million) and were recognized for impairments that are expected to be permanent.

Taxes on income amounted to a tax expense of EUR 4.4 million (previous year: EUR 3.6 million), which is partly attributable to actual taxes (EUR 3.1 million; previous year: EUR 1.2 million) and partly to deferred taxes (EUR 1.3 million; previous year: EUR 2.5 million)

As a result, the Company's **net profit for fiscal year** 2024 according to the German Commercial Code (HGB) will be EUR 108.3 million compared to EUR 102.5 million in the previous year.

4.2 Asset and financial position of the Company

Fixed assets of EUR 342.4 million as of December 31, 2024 (December 31, 2023: EUR 150.9 million) mainly comprise financial assets of EUR 342.0 million (December 31, 2023: EUR 150.5 million), which in turn comprise shares in affiliated companies (EUR 317.4 million; December 31, 2023: EUR 132.8 million), loans to affiliated companies (EUR 17.6 million; December 31, 2023: EUR 17.6 million) and securities held as fixed assets (EUR 7.0 million; December 31, 2023: EUR 0.0 million). The increase in shares in affiliated companies resulted in particular from capital measures at direct subsidiaries to strengthen the portfolio financially and from the contribution of shares in Steyr Motors AG securitized in shares to a wholly owned subsidiary at the market price on the reporting date.

Current assets of EUR 514.3 million as of December 31, 2024 (December 31, 2023: EUR 402.1 million) include EUR 447.1 million in receivables from affiliated companies (December 31, 2023: EUR 328.6 million), of which EUR 253.8 million is largely attributable to loan receivables from subsidiaries (December 31, 2023: EUR 202.2 million). In addition, receivables from affiliated companies include trade receivables of EUR 107.8 million (December 31, 2023: EUR 63.6 million), interest receivables of EUR 55.2 million (December 31, 2023: EUR 30.8 million) and receivables from profit distributions of EUR 30.4 million (December 31, 2022: EUR 32.0 million). Other assets amount to EUR 8.4 million (December 31, 2023: EUR 17.1 million) and include in particular the credit balances in connection with the acquisition of shares in an indirect subsidiary, Balcke-Dürr Energy Solutions S.p.A., Genoa, by a direct subsidiary in fiscal year 2022 of EUR 7.5 million (December 31, 2023: EUR 13.5 million). Bank balances amounted to EUR 58.8 million as of December 31, 2024 (December 31, 2023: EUR 56.4 million).

Deferred tax assets in connection with the future use of tax loss carryforwards amount to EUR 7.0 million (December 31, 2023: EUR 8.3 million).

Taking into account the net profit for fiscal year 2024 of EUR 108.3 million (previous year: EUR 102.5 million) and after distribution of a dividend totaling EUR 47.4 million (previous year: EUR 36.1 million), the Company's **equity** amounted to EUR 406.3 million as of December 31, 2024 (December 31, 2023: EUR 343.6 million).

Provisions amounted to EUR 39.0 million as of December 31, 2024 (December 31, 2023: EUR 24.6 million). Provisions for outstanding invoices, primarily for services from affiliated companies, increased to EUR 14.1 million (December 31, 2023: EUR 1.4 million). As in the previous year, other provisions also include payments of EUR 12.0 million received in connection with the acquisition of shares in Balcke-Dürr Energy Solutions S.p.A., Genoa, by an indirect subsidiary. The contribution received by Mutares SE & Co. KGaA serves to cover uncertain obligations from guarantees and is therefore recognized under other provisions. Provisions for personnel costs, in particular bonuses for employees, amounted to EUR 7.3 million as of December 31, 2024 (December 31, 2023: EUR 7.5 million), while tax provisions amounted to EUR 4.1 million (December 31, 2023: EUR 2.7 million).

The increase in **liabilities** to EUR 416.8 million as of December 31, 2024 (December 31, 2023: EUR 193.7 million) is primarily due to the increase in the current 2023/2027 bond and the issue of a new 2024/2029 bond by a total of EUR 235.0 million to EUR 385.0 million (December 31, 2023: EUR 150.0 million). The terms and conditions of both bonds include specific financial covenants with regard to a minimum liquidity level and the ratio of debt to assets and equity. Non-compliance with the respective financial covenants can generally lead to termination of the respective bond. The resulting repayment obligations therefore harbor potential risks for the financial position of the company and the Group. As at the balance sheet date of December 31, 2024, the financial covenant relating to the ratio of debt to equity in the Group was not complied with. This non-compliance led to the bond creditors being granted a fundamental right of termination. The non-compliance with the secondary condition was remedied by the date of preparation of this combined management and Group management report by restoring compliance with the financial covenants as at March 31, 2025. In accordance with the terms and conditions of the bonds, there is now no longer a right to call in the liabilities from the bonds prematurely.

In order to implement the growth strategy, it was necessary to invest in the portfolio, particularly in the Automotive & Mobility segment. Mutares has consistently pursued a growth strategy in recent years and, with the FerrAl United Group and the Amaneos Group, has created two relevant portfolio groups in the supplier market for the automotive industry, which entailed extensive investments. Mutares now considers the growth of these two portfolio groups to be essentially complete and expects fewer investments in the portfolio in the future, which will result in lower financing requirements for the portfolio on the part of Mutares. Following the strong growth of recent years, Mutares is also planning for lower average investment requirements for the other segments in the context of acquisitions.

Liabilities to affiliated companies increased to EUR 27.4 million (December 31, 2023: EUR 27.0 million). Trade payables of EUR 2.5 million (December 31, 2023: EUR 2.5 million) and other liabilities of EUR 0.9 million (December 31, 2023: EUR 0.8 million) remained at the same level as the previous year's reporting date.

5 PERFORMANCE INDICATORS AND THE MANAGEMENT BOARD'S ASSESSMENT OF BUSINESS PERFORMANCE

5.1 Financial performance indicators

The most important financial performance indicators of the **Mutares Group** are as follows:

- Sales revenue
- Operating result (EBITDA = earnings before interest, taxes, depreciation and amortization)
- Adjusted EBITDA (adjusted EBITDA, see below)

Gains from bargain purchases are recognized immediately in profit or loss in the year of the transaction. Restructuring and other non-recurring expenses, on the other hand, may also be incurred in subsequent periods. Due to the associated regularly significant non-operational volatility of Group EBITDA, the Management Board has introduced an additional performance measure in the form of EBITDA adjusted for non-recurring effects – referred to as "Adjusted EBITDA" in internal management and reporting – for reasons of transparency. The basis for the calculation is the reported Group EBITDA (earnings before interest, taxes, depreciation and amortization), adjusted for gains from bargain purchases, restructuring and other non-recurring expenses and income as well as deconsolidation effects. This makes operating developments more transparent and enables a better assessment of operating profitability.

As part of its business strategy, the Company pursues a decidedly attractive and long-term dividend policy, so that the Management Board considers its net income for the year calculated in accordance with the German Commercial Code (HGB) to be a further significant financial performance indicator for **Mutares SE & Co. KGaA**, which is used to ensure the ability to pay dividends. Mutares SE & Co. KGaA's net income for the year is essentially derived from three different sources, namely revenue from the Group's internal consulting business, dividends from portfolio companies and exit proceeds from the sale of investments.

For the development of the individual financial performance indicators, please refer to the comments above on the Group's earnings position (section 3.1) and the company's earnings position (section 4.1) as well as the reports from the portfolio Companies (section 2.3).

With regard to the forecasts made in the previous year's Combined Management Report for fiscal year 2024, the actual development is as follows:

- The Management Board expected the Mutares Group's annualized **revenue** to increase to between EUR 5.7 billion and EUR 6.3 billion in fiscal year 2024. With actual revenue of EUR 5.3 billion in fiscal year 2024 (previous year: EUR 4.7 billion), this target was not achieved despite an increase of 12% compared to the previous year due to the fact that some acquisitions were completed later than originally expected and the organic revenue development of some of the portfolio companies was not in line with planning. With regard to the main influencing factors, please refer to the explanations in section 2.3 above.

- Benefiting from gains from bargain purchases in connection with the acquisitions totaling EUR 268.9 million (previous year: EUR 727.2 million) and deconsolidation effects of EUR 70.4 million (previous year: EUR 104.9 million), the Group's (reported) **EBITDA** for fiscal year 2024 amounted to EUR 117.1 million (previous year: EUR 756.9 million) and thus reached at least a slightly positive level in line with the previous year's forecast. With regard to the main influencing factors, please refer to the explanations in sections 2.3 and 3.1 above

- The Management Board expected an extraordinary improvement in **adjusted EBITDA** compared to fiscal year 2023 due to the balance of opposing effects. As expected, adjusted EBITDA was burdened by the negative earnings contributions of the newly acquired investments. On the other hand, the restructuring programs implemented led to an increase in the profitability of the respective portfolio companies. At the same time, however, some of the portfolio companies did not achieve the planned improvement in profitability. Overall, the Group's adjusted EBITDA amounted to EUR –85.4 million in fiscal year 2024 (previous year: EUR +3.5 million) and was therefore unable to increase, contrary to the previous year's forecast. Please refer to the comments in sections 2.3 and 3.1 above with regard to the main influencing factors.

- The **net income** of Mutares SE & Co. KGaA calculated in accordance with the provisions of the German Commercial Code (HGB) should regularly be in a range of 1.8% to 2.2% of the consolidated revenues of the Mutares Group. Based on expected revenues for the Mutares Group of EUR 6.0 billion on average, the Management Board therefore expected a net profit of EUR 108 million to EUR 132 million for fiscal year 2024. For fiscal year 2024, with revenues of EUR 5.3 billion in the Mutares Group and a net profit under commercial law of EUR 108.3 million for Mutares SE & Co. KGaA a percentual figure of 2.1% (previous year: 2.2%), which is once again at the upper end of the target corridor in relation to the actual revenues generated by the Mutares Group; also in relation to the originally higher forecast for the revenues of the Mutares Group, the net income achieved is still within the target corridor. Mutares SE & Co. KGaA's net income for the year is essentially derived from three different sources, namely revenue from the Group's internal advisory business, dividends from portfolio companies and exit proceeds from the sale of investments. The latter also includes proceeds from the IPO of Steyr Motors AG and the contribution of shares in Steyr Motors AG securitized in shares to a wholly owned subsidiary at the stock market price on the date of the contribution in December 2024.

The Mutares Group is currently managed primarily on the basis of financial performance indicators. The non-financial Group report in accordance with Section 315b (3) HGB is published in a separate Sustainability Report.

5.2 Management Board's assessment of business performance

The benchmark for the success of Mutares SE & Co. KGaA and the Mutares Group is essentially the restructuring and development progress of the investments as well as completed M&A transactions, which contribute to an increase in value in the Group following a successful turnaround and further development of the investments depending on the situation.

With regard to **transaction activities in fiscal year 2024**, the Management Board is satisfied on the one hand due to the many acquisitions. However, due to the increasing size and complexity of the acquisitions associated with the Group's growth, a general increase in risks from the acquisition process can be observed, not least in connection with the acquisitions of TeamTex and Serneke. The exits in fiscal year 2024, some of which generated significant cash inflows, but some of which also served to streamline the portfolio, generated a cash inflow for the Mutares holding company of around EUR 70 million and income of around EUR 112.8 million at the Annual Financial Statements level.[22]

In an environment that remains challenging in some cases, particularly in the Automotive & Mobility segment, Mutares' various portfolio companies implemented comprehensive operational improvement, transformation or restructuring programs over the course of the fiscal year. For portfolio companies that have been part of the Mutares portfolio for at least twelve months and for which a valid assessment of the restructuring and development progress is therefore possible, the Management Board assesses the restructuring and development progress at SFC Solutions (part of Amaneos), Guascor Energy, NEM Energy Group, Steyr Motors, Palmia, Terranor Group and keeeper Group in particular as positive or very positive. The Management Board also sees significant progress in some cases in realizing improvement potential at Gemini Rail and Conexus). In contrast, the Management Board believes that there are significant challenges, particularly at HILO Group, Peugeot Motocycles, Byldis, La Rochette, Fasana and Lapeyre. Following the large number of add-on acquisitions for the FerrAl United Group, the focus in the short term is on necessary optimization measures, particularly at Cimos, Selzer and PrimoTECS, and subsequently on the further integration of the FerrAl United Group.

Mutares SE & Co. KGaA's revenues increased encouragingly to EUR 109.8 million in fiscal year 2024 (previous year: EUR 103.6 million) as a result of the expanded portfolio in conjunction with the high level of acquisition activity in the past, which was followed by the planned expansion of operational consulting capacities. Benefiting in particular from the exits in fiscal year 2024, as described above, the company generated net income for the year of EUR 108.3 million, which is in line with the forecast, compared to EUR 102.5 million in the previous year.

Against the backdrop of the challenging environment, the Management Board is satisfied overall with **the course of the fiscal year**. This applies both to the parent Company Mutares SE & Co. KGaA and its development in fiscal year 2024 and to the Mutares Group. The Management Board believes that the ambitious growth course is on a successful path thanks to the acquisitions made and the transformation programs initiated in the portfolio.

[22] This also includes the effects from the listing of Steyr Motors AG and the contribution of shares in Steyr Motors AG securitized in shares to a owned subsidiary at the stock market price of EUR 14.00 per share on the date of the contribution in December 2024.

6 FURTHER INFORMATION

6.1 Supplementary Report

Please refer to the Notes to the Consolidated Financial Statements (section G, note 50) and the Notes to the Annual Financial Statements (section 5.10) of Mutares SE & Co. KGaA. for information on significant events after the balance sheet date.

6.2 Information relevant to a takeover

The following comments contain the disclosures in accordance with Sections 289a and 315a HGB, including information on share capital, voting rights and the transfer of shares.

Composition of capital / class of shares

The subscribed capital of Mutares SE & Co. KGaA is fully paid in and consists of 21,348,256 (December 31, 2023: 21,058,756) registered shares with a notional interest in the share capital of EUR 1.00 each as of December 31, 2024. The increase in fiscal year 2024 resulted from the exercise of share options in connection with share-based payment by means of settlement from Conditional Capital 2019 / II. The Company's shares are registered shares. There is only one class of shares; all shares carry the same rights and obligations arising from the statutory regulations.

Restrictions affecting voting rights or the transfer of shares

Each share grants one vote at the Annual General Meeting and is decisive for the shareholders' share in the Company's profit. This does not apply to treasury shares held by the Company, which do not entitle the Company to any rights. In the cases of Section 136 AktG, voting rights from the shares concerned are excluded by law.

The Chairman of the Management Board, Robin Laik, may dispose of voting rights for a total of 5,380,884 shares on the basis of a contractual agreement; the voting rights for these shares are exercised uniformly by Robin Laik.

Direct or indirect shareholdings in the share capital that exceed 10 % of voting rights

According to current information, Robin Laik, Munich, directly holds more than 10 % of the voting rights. The members of Robin Laik's family, all resident in Germany, together directly hold more than 10 % of the voting rights.

Provisions (statutory / statute) on the appointment and dismissal of the Management Board and amendments to the Articles of Association

The Company is represented by the general partner, Mutares Management SE, and thus by its Management Board. In accordance with Article 8 of the Articles of Association of Mutares Management SE, the Management Board of Mutares Management SE may consist of one or more persons. The Supervisory Board of Mutares Management SE determines the specific number of members of the Management Board. A simple majority of the votes cast by the members of this Supervisory Board is required for their appointment and dismissal; in the event of a tie, the Chairman has the casting vote in accordance with Article 13 (7) of the Articles of Association of Mutares Management SE. The members of the Management Board of Mutares Management SE may be appointed for a maximum period of six years; reappointments are permitted. Pursuant to Article 7 of the Articles of Association, the exclusion of shareholders of Mutares SE & Co. KGaA may exempt individual, several or all members of the Management Board of the General Partner in general or in individual cases from the prohibition of multiple representation pursuant to Section 181 Alt. 2 BGB; Section 112 of the German Stock Corporation Act (AktG) remains unaffected.

Amendments to the Articles of Association are made by resolution of the Annual General Meeting in accordance with Section 179 AktG. This means that amendments to the Articles of Association generally require the approval of at least three quarters of the share capital represented at the time the resolution is adopted. Pursuant to Art. 10 par. 4 of the Articles of Association, the Supervisory Board is authorized to make amendments to the Articles of Association that relate only to the wording. Furthermore, the Supervisory Board is authorized to amend Art. 4 par. 5 of the Articles of Association in line with the respective issue of subscription shares and to make all other related amendments to the Articles of Association that only affect the wording. The same applies in the event that the authorization to issue subscription rights is not utilized.

Authority of the Management Board to issue or repurchase shares

Conditional capital

The Annual General Meeting of the Company on May 23, 2019, created Contingent Capital 2019/I of EUR 3,000 thousand for the purpose of granting shares upon exercise of conversion or option rights or upon fulfillment of conversion or option obligations to the holders or creditors of convertible bonds, warrant bonds, profit participation rights and/or participating bonds or combinations of these instruments issued on the basis of the authorization resolution of the Annual General Meeting on May 23, 2019.

After the partial cancellation of Conditional Capital 2016/I took effect, the share capital of Mutares SE & Co. KGaA was conditionally increased by up to EUR 802 thousand by resolution of the Annual General Meeting on May 23, 2019, by issuing up to 802,176 no-par value registered shares ("Conditional Capital 2019/II"). Conditional Capital 2019/II serves to grant subscription rights to members of the Management Board and employees of the Company, members of the management and employees of companies affiliated with the company.

After the partial cancellation of Conditional Capital 2016/I took effect, the Company's share capital was conditionally increased by up to EUR 387 thousand by issuing up to 387,000 no-par value registered shares ("Conditional Capital 2021/I"). Conditional Capital 2021/I was used exclusively to issue shares in the Company to service subscription rights to shares in the Company granted to members of the company's Management Board and employees of the Company as well as members of the management and employees of companies affiliated with the Company within the meaning of Sections 15 et seq. AktG in the form of stock options in accordance with the above authorization resolution pursuant to lit. b).

In the period from January 1 to December 31, 2023, a total of 154,525 new no-par value registered shares were issued from Conditional Capital 2016/I. As a result of the issue of the new no-par value registered shares, the Conditional Capital 2016/I was reduced from EUR 361 thousand to EUR 206 thousand. Furthermore, in the period from January 1 to December 31, 2023, a total of 267,500 new no-par value registered shares were issued from Conditional Capital 2019/II. As a result of the issue of the new no-par value registered shares, Conditional Capital 2019/II decreased by EUR 267 thousand from EUR 802 thousand to EUR 535 thousand as at December 31, 2023.

In the period from January 1 to December 31, 2024, a total of 289,500 new no-par value registered shares were issued from Conditional Capital 2019/II. As a result of the issue of the new no-par value registered shares, Conditional Capital 2019/II was reduced by EUR 289 thousand from EUR 535 thousand to EUR 245 thousand.

By resolution dated June 4, 2024, the Annual General Meeting resolved to cancel the Conditional Capital 2019/I. In addition, the Annual General Meeting resolved on June 4, 2024, to conditionally increase the Company's share capital by up to EUR 2.1 million by issuing up to 2,105,875 new no-par value registered shares ("Conditional Capital 2024/I"). The Conditional Capital 2024/I serves to grant no-par value registered shares to the holders or creditors of convertible bonds, bonds with warrants, profit participation rights and/or participating bonds (or combinations of these instruments) issued on the basis of the authorization resolution of the Annual General Meeting on June 4, 2024 when conversion or option rights are exercised, when conversion or option obligations are fulfilled or when the company exercises an option to grant shares in the company in whole or in part instead of payment of the cash amount due.

Authorized capital

By resolution dated May 23, 2019, the Annual General Meeting of the Company resolved to cancel the Authorized Capital 2015/I and instead authorized the Management Board, with the approval of the Supervisory Board, to increase the Company's share capital by a total of up to EUR 7.7 million by issuing up to 7,748,146 new no-par value registered shares against cash and/or non-cash contributions in the period up to May 22, 2024 ("Authorized Capital 2019/I"). On September 28, 2021, the Management Board of the Company's general partner, Mutares Management SE, resolved, with the approval of the Supervisory Board, to increase the Company's share capital from EUR 15.5 million to EUR 20.6 million by issuing 5.1 million new no-par value ordinary registered shares. The capital increase with subscription rights for the Company's limited liability shareholders was carried out in return for cash contributions, making partial use of the existing Authorized Capital 2019/I. This still amounts to EUR 2,608 thousand after the partial utilization. By resolution dated July 10, 2023, the Annual General Meeting of the company resolved to cancel the Authorized Capital 2019/I and thus reduce the Authorized Capital 2019/I to EUR 0. Instead, the Management Board was authorized, with the approval of the Supervisory Board, to increase the share capital once or several times in the period up to July 9, 2028 by a total of up to EUR 8,254,692.00 by issuing up to 8,254,692 new no-par value registered shares against cash and/or non-cash contributions

(“Authorized Capital 2023/I”). By resolution dated June 4, 2024, the Annual General Meeting of the Company resolved to cancel the Authorized Capital 2023/I and thus reduce the Authorized Capital 2023/I to EUR 0. In its place, the general partner was authorized, with the approval of the Supervisory Board, to increase the share capital on one or more occasions in the period up to June 3, 2029 by a total of up to EUR 8.4 million by issuing up to 8,423,502 new no-par value registered shares in return for cash and/or non-cash contributions (“Authorized Capital 2024/I”).

Treasury shares

By resolution of the Annual General Meeting on June 4, 2024, the general partner was authorized to acquire treasury shares in the Company up to a total of 10% of the Company’s share capital existing at the time of the resolution or – if this value is lower – at the time the authorization is exercised, while observing the principle of equal treatment (in accordance with Section 53a AktG), until the end of June 3, 2029. The shares acquired on the basis of this authorization, together with other treasury shares of the Company which the Company has acquired and still holds or which are attributable to it in accordance with Sections 71a et seq. of the German Stock Corporation Act (AktG), may not exceed 10% of the Company’s share capital at any time. The authorization may be exercised once or several times, in full or in partial amounts, in pursuit of one or several purposes by the Company, but also by dependent companies or companies in which the Company holds a majority interest or by third parties for the account of the Company or companies dependent on it or in which the Company holds a majority interest.

In connection with the acquisition of treasury shares, the Annual General Meeting on June 4, 2024, authorized the general partner, with the approval of the Supervisory Board, to acquire treasury shares until June 3, 2029, including through the use of equity derivatives (“derivatives”). These include (1) the sale of options to third parties that oblige the Company to acquire shares in the Company when the option is exercised (“put options”), (2) the acquisition of options that give the Company the right to acquire shares in the Company when the option is exercised (“call options”), (3) forward purchases in which the Company acquires treasury shares at a specific date in the future, and (4) the use of a combination of put options, call options and forward purchases. Derivative transactions may only be concluded via the stock exchange or one or more banks or other companies that meet the requirements of Section 186 para. 5 sentence 1 AktG. In any case, a maximum of 5% of the share capital existing at the time of the resolution or – if this value is lower – of the Company’s share capital existing at the time the authorization is exercised may be acquired using derivatives. The term of the derivatives may not exceed 18 months and that the shares are acquired by exercising or fulfilling the derivatives no later than June 3, 2029. The shareholders are not entitled to enter into such derivative transactions with the Company – in corresponding application of Section 278 para. 3 AktG in conjunction with Section 186 para. 3 sentence 4 AktG.

No treasury shares were held as of December 31, 2024.

Further details on the existing authorizations can be found in the aforementioned Annual General Meeting resolutions. Information on authorized and conditional capital and the acquisition of treasury shares can also be found in the Notes to the Annual Financial Statements (section 3.5) and in the Notes to the Consolidated Financial Statements (Notes 31, 32.1 and 33).

Agreements that are conditional on a change of control as a result of a takeover bid

In January 2024, the Company as issuer increased the existing senior secured bond with a nominal volume of EUR 150 million and a term until March 31, 2027 (“Bond 2023/2027”) by an amount of EUR 100 million to the maximum nominal volume of EUR 250 million. In September 2024, Mutares also issued a senior secured bond with a nominal volume of EUR 135 million and a term until September 2029 (“Bond 2024/2029”); this bond can be increased to a nominal volume of up to EUR 300 million during its term.

The agreements concluded under the two bonds each grant the other contracting party a right of termination in the event, among other things, that the shares are delisted from the Frankfurt Stock Exchange, that 50% of the shares are held by a natural or legal person or group of persons (with the exception of Robin Laik), that all or all material assets are sold, irrespective of whether this relates to individual transactions or a series of related transactions.

6.3 Corporate governance and non-financial statement

The Management Board of the general partner of Mutares SE & Co. KGaA, Mutares Management SE, as well as the Supervisory Board and the Shareholders' Committee of Mutares SE & Co. KGaA are committed to the principles of corporate governance geared towards long-term and sustainable value creation. To this end, they jointly issue a condensed "Corporate Governance Statement" in accordance with Sections 289f and 315d of the German Commercial Code (HGB). The full text of the current declaration is available on the Company's website at ir.mutares.com/en/corporate-governance. As part of the Corporate Governance Statement, the Management Board of the general partner of Mutares SE & Co. KGaA, Mutares Management SE, and the Supervisory Board of Mutares SE & Co. KGaA issued the statement required by Section 161 of the German Stock Corporation Act in December 2024 and made it publicly available on the Company's website at ir.mutares.com/en/corporate-governance.

The Management Board of the general partner of Mutares SE & Co. KGaA, Mutares Management SE, and the Supervisory Board of Mutares SE & Co. KGaA will comply with the obligation to issue a non-financial Group statement pursuant to Sections 315b and 315c HGB by publishing a separate non-financial Group report on the Company's website at ir.mutares.com/en/corporate-governance in due time.

7 OPPORTUNITY AND RISK REPORT

7.1 Risk management and internal control system

Mutares' business activities, like any entrepreneurial activity, are associated with opportunities and risks. Mutares defines "risk" as possible future developments or events which, if they occur, could lead to a negative deviation from the forecast or target for the Group. Conversely, "opportunities" can lead to a positive deviation from the forecast or target if they materialize.

Risk management system

Mutares SE & Co. KGaA is required by law (see Section 278 (3) AktG in conjunction with Section 91 (3) AktG) to operate and maintain an appropriate and effective risk management system, including an early risk detection system in accordance with Section 91 (2) AktG.

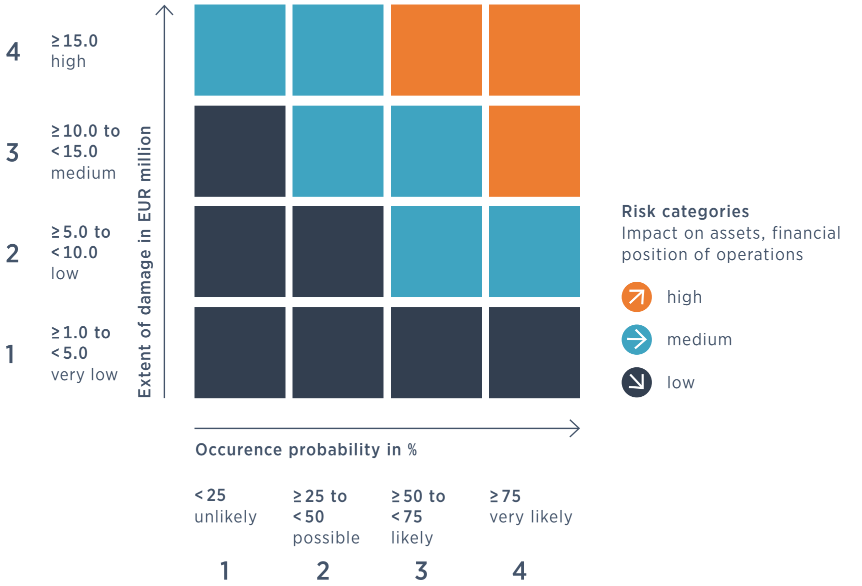
Risk management, as the entirety of all organizational regulations and measures for the early identification of risks and the adequate handling of the risks of entrepreneurial activity, has a high priority in the Group and plays a key role in the Mutares business model. The Management Board has therefore installed a systematic, multi-level risk management system and anchored it in the organization.

The primary objective of Mutares' risk strategy is to identify existential risks and reliably avert them from the Company – while at the same time limiting risk costs to a necessary level. Furthermore, risks that threaten to miss the published forecasts if they materialize, thus leading to a failure to meet the expectations of the capital market, are to be avoided or mitigated in good time. Finally, Mutares' Compliance Management System ("CMS") is aimed at identifying and mitigating existential regulatory risks (in particular risks relating to corruption and bribery, antitrust and competition law, capital market law and money laundering law, hereinafter referred to as "compliance risks").

The risk management process[23] is used to identify, assess and report actual and potential risks:

Risks are **identified** by using a combination of bottom-up and top-down analyses. The risks identified in this way are assessed on the basis of two key dimensions, namely their monetary impact (extent of damage) on the results of operations and/or financial position and/or net assets of the Company or the Group and their expected probability of occurrence with regard to a one-year observation horizon. The focus of the assessment is always on the most likely risk scenario. **The risk assessment** distinguishes between gross and net assessment: Measures that have already been taken can reduce the gross risk both in terms of the monetary impact and in terms of the possible occurrence of the risk. The net risk then represents the amount of damage and probability of occurrence, taking the measures already initiated by the reporting date that reduce the potential loss or the expected probability of occurrence into account.

The risk classes resulting from this assessment can be presented in a **risk matrix**:



[23] The identification of opportunities and the entrepreneurial exploitation of the identified opportunities represent the core of the Mutares business model and are therefore performed by original entrepreneurial functions. The Mutares risk management system therefore focuses on the management of risks in the narrower sense.

Risks in the medium or high risk category in particular are **actively managed in** order to achieve the risk reduction targeted by the Company.

Mutares has installed a standardized **reporting** process for the reporting of actual and potential risks: Accordingly, quarterly reports are submitted to the Company by the operating portfolio companies and assessed together with the Company's risk analysis. In the event of particularly significant new risks (especially those that threaten the existence of the Company) or significant changes in existing risk positions, immediate reporting is also carried out (ad hoc risk process). Regular reporting to the Management Board and Supervisory Board and its Audit Committee is also carried out on a quarterly basis and, in addition, to the Management Board and, if of significant relevance from a Group perspective, to the Supervisory Board or its Audit Committee on an ad hoc basis.

The **risk-bearing capacity** represents the maximum extent of risk that can be borne by the Company without jeopardizing its continued existence and generally forms the upper limit for a cumulative risk position. It is calculated both on the basis of liquidity and with regard to the Company's equity. Both figures are compared with the sum of the assessed risks as an aggregated risk position. All recorded and assessed risks are aggregated into risk portfolios in order to analyze the risk-bearing capacity and thus also the overall risk position of Mutares and to be able to initiate appropriate countermeasures. A recognized quantitative method is used for this purpose. The scope of consolidation of risk management corresponds to the scope of consolidation of the Consolidated Financial Statements. In this context, the total risk positions determined with regard to the risk-bearing capacity of Mutares for the period under review are analyzed using a suitable key figure, the total net expected loss figure, and are monitored regularly by the Management Board with regard to the coverage of the asset, financial and earnings position. However, the quarterly analyses of risk-bearing capacity carried out in this regard did not regularly result in any need to take action for the Management Board in fiscal year 2024.

Risk management is also flanked by the following activities: All critical contractual components, business developments and liability risks are subject to an appropriate review by the Management Board or internal and/or experts commissioned by it and are regularly followed up on in the reviews of the portfolio companies and in the Management Board meetings and reported to the Supervisory Board if they are of significant relevance from a Group perspective. Standardized financial reporting of all portfolio companies on a weekly or monthly basis gives the Management Board a comprehensive picture of developments across the entire portfolio. In addition, Mutares works closely with the operational teams in the portfolio companies – consisting of Mutares consultants on site and/or the local members of management – who check for compliance with the guidelines on site in the respective portfolio companies and work with Mutares to develop concrete steps for their implementation. The Management Board monitors the business performance of the portfolio companies in regular reviews and is informed about the asset, financial and earnings position of all investments on the basis of the implemented reporting system. Mutares maintains sufficient free personnel and financial capacities to be able to react flexibly and appropriately if necessary.

Compliance risks are also analyzed and addressed qualitatively as part of the compliance risk analyses provided for by the CMS. Standardized and regular reporting on the compliance risks of all portfolio companies, supplemented where necessary by ad hoc reporting, provides the Management Board and the Supervisory Board or its Audit Committee with a comprehensive picture of developments across the entire portfolio.

In the interests of **continuous improvement**, adjustments to the risk management system and the CMS are evaluated and made on a regular basis.

Internal control system [24]

The internal control system ("ICS"), as the totality of all systematically defined controls and monitoring activities, is aimed at ensuring the security and efficiency of business transactions, the reliability of financial reporting and the compliance of all activities with relevant laws and internal guidelines. In addition to safeguarding against financial reporting risks, the ICS therefore also includes general basic safeguards against sustainability risks and compliance risks, for example.

[24] The disclosures in this section are so-called non-management report disclosures that go beyond the statutory requirements for the (Combined) Management Report and are therefore excluded from the content of the audit by the auditor.

In accordance with Section 91 (3) of the German Stock Corporation Act (AktG), the scope and structure of the ICS are at the discretion and responsibility of the Management Board. The ICS supports the organizational implementation of the Management Board's decisions. This includes the achievement of business objectives, the correctness and reliability of accounting (see the following section on the internal control and risk management system with regard to the accounting process) and compliance with the relevant legal requirements and regulations. Sustainability and compliance aspects are also taken into account and continuously developed on the basis of regulatory requirements.

The components of the ICS organization are anchored decentrally in the portfolio companies of the Mutares Group and, in addition to technical system controls, also include manual spot checks, technical system and manual reconciliation processes and the separation of executive and controlling functions (so-called "separation of functions").

Internal control and risk management system with regard to the accounting process

The internal control and risk management system relating to the accounting process is designed to ensure that all business processes and transactions are recorded in a timely, uniform and correct manner for accounting purposes. The goal of the internal control system for the consolidation of the subsidiaries included in the Consolidated Financial Statements is to ensure that legal standards, accounting regulations and internal accounting instructions are complied with. Changes to these are analyzed on an ongoing basis with regard to their relevance and impact on the Consolidated Financial Statements and taken into account accordingly. The Company's finance department actively supports all business divisions and Group companies in the development of uniform guidelines and work instructions for accounting-related processes as well as in the monitoring of operational and strategic objectives. In addition to defined controls, system-related and manual reconciliation processes, the separation of executive and controlling functions and compliance with guidelines and work instructions are key components of the internal control system with regard to the accounting process.

The Group companies and their management are responsible for compliance with the applicable guidelines and accounting-related processes as well as the proper and timely preparation of the financial statements. The Group companies are supported in the accounting process by central contacts at the Group parent Company and are monitored regularly, including during the year.

Internal audit

The tasks, purpose, authorities and responsibilities of Internal Audit are codified in Rules of Procedure adopted by the Management Board ("Audit Charter"). This also stipulates that the Internal Audit department acts independently of the units to be audited, which is also ensured by organizational independence with reporting directly to the Management Board and the Audit Committee or Supervisory Board. The annual audit plan for fiscal year 2024 was defined by the Management Board on the basis of a risk-oriented assessment of relevant information of the Group (so-called "Audit Universe"), supplemented by the qualitative assessment, and fully fulfilled by internal audits. As a result of the audits completed for fiscal year 2024, mitigating measures were agreed with the local management in the portfolio companies to address the audit findings, the implementation of which will be followed up by the Management Board and Internal Audit in fiscal year 2025. In addition to the regular audits in accordance with the audit plan, Internal Audit is also deployed on an ad hoc basis to clarify and mitigate any risks that arise that require significant action.

Statement on the appropriateness and effectiveness of the risk management and internal control system[25]

During the reporting year, the Management Board identified isolated weaknesses in the accounting-related internal control system that require improvements to the internal control system in order to ensure that adapted controls adequately support the Group's further growth. Apart from the weaknesses identified, the Management Board is no aware of any relevant indications that significantly impair the adequacy and effectiveness of the risk management system or internal control system as a whole. Irrespective of this, every system is subject to inherent limitations which, by their nature, cannot provide complete assurance that all relevant risks will be identified by appropriate control mechanisms and addressed fully and effectively.

This is all the more true due to the frequent changes in the composition of the portfolio inherent in the business model and Mutares' special investment focus on targets in economically challenging situations or situations of upheaval (e.g. pending restructuring).

However, this specific risk of the Mutares business model is also addressed appropriately and effectively by the Management Board. When compiling the annual audit plan of the Internal Audit department, the Management Board deliberately opts for a risk-oriented rather than a randomized approach in order to increase the probability that relevant topics with significant potential for improvement will be addressed by the Internal Audit department and sees its selection approach confirmed by the results of the Internal Audit audits for fiscal year 2024. Newly acquired portfolio companies are also audited particularly closely on the basis of standardized audit plans after 50 and 100 days of belonging to the Group and are monitored closely by a Mutares team. Lastly, a deliberately closely timed financial reporting system ensures that the Group is fully and promptly informed of all significant developments and, in particular, deviations from plan, and can initiate mitigating measures immediately.

7.2 Risks to future development

The table shows the risks discussed below and classifies them into the risk classes defined above (low/medium/high) on the basis of the two key dimensions of probability of occurrence and potential extent of damage in the event of materialization, taking mitigating measures in each case into account.

		Current closing date			Previous Year		
		Probability of occurrence	Extent of damage	Total	Probability of occurrence	Extent of damage	Total
Future economic conditions	Economic development	Possible	High	Medium	Possible	Medium	Medium
	Geopolitical development	High	High	High	High	High	High
Opportunities and risks inherent in the business model	Competition	Possible	Medium	Medium	Possible	Medium	Medium
	Risks from the acquisition process	High	High	High	Possible	High	Medium
	Failure to achieve restructuring successes	High	High	High	Possible	High	Medium
Other risk areas and significant individual risks	Legal and compliance risks	Possible	High	Medium	Possible	High	Medium
	Financial and financing risks	High	High	High	High	High	High
	Distribution and sales risks	High	Medium	Medium	Possible	Medium	Medium
	Sustainability risks	Possible	Medium	Low	Possible	Medium	Low
	Supply chain risks	High	High	High	Possible	High	Medium
	Personnel risks	Possible	Low	Low	Possible	Low	Low
	IT risks and data security	Possible	High	Medium	Possible	High	Medium
	Tax risks	Possible	Low	Low	Possible	Low	Low

[25] The disclosures in this section are so-called non-management report disclosures that extend beyond the statutory requirements for the (Combined) Management Report and are therefore excluded from the content of the audit by the auditor.

Compared to the previous year, the Management Board's assessment has changed as follows:

- Economic development: loss amount upgraded to "high", in particular due to the subdued economic outlook for Germany for 2025 as described below; this does not change the overall risk class.
- Risks from the acquisition process and lack of restructuring successes: Probability of occurrence upgraded to "high" and thus to the "high" risk class, due to a general increase in risks from the acquisition process as a result of the increasing size and complexity of acquisitions associated with the growth of the Group. The risk of a lack of restructuring success is also increasing in this context.
- Distribution and sales risks: probability of occurrence upgraded to "high" given the protectionist trade policy of the USA under the new administration with measures such as tariffs, import restrictions and subsidies; this does not change the overall risk class, given the protectionist trade policy of the USA under the new administration with measures such as tariffs, import restrictions and subsidies.

The order in which the following explanations are presented does not reflect the Management Board's assessment of the extent of damage and/or probability of occurrence. Unless explicit information is provided on which segments are (particularly) affected by the risks presented, they generally apply to the entire Group. The opportunities and risks inherent in the business model, on the other hand, focus on the business activities of Mutares SE & Co. KGaA, consisting of the acquisition, transformation (restructuring, optimization and repositioning) and/or development of companies in transitional situations and their subsequent sale.

↘ Classification in the risk class "low"

→ Classification in the risk class "medium"

↗ Classification in the risk class "high"

Future economic conditions

→ Economic development

The economic outlook for 2025 paints a mixed picture for the world, Europe and Germany:

Global economic growth is expected to remain moderate at around 2.8%. Emerging economies such as India and sub-Saharan Africa will continue to record robust growth, while the developed economies could experience a slight slowdown.[26]

With regard to the European economy in 2025, the European Commission expects a moderate recovery.[27] Gross domestic product (GDP) in the eurozone is expected to continue to grow moderately, supported by rising household incomes, a robust labor market and improved financing conditions. Challenges such as high energy costs, demographic changes and stagnating productivity remain, but the resilience of the eurozone is emphasized. The ECB forecasts that inflation is likely to be close to the 2% inflation target from the second quarter of 2025 as cost pressures ease and previous monetary policy decisions take effect.[28]

The economic outlook for Germany in 2025 is rather subdued. Most forecasts point to only slight economic growth. The German government and leading economic institutes expect the gross domestic product (GDP) to grow by around 0.2% to 0.9%. The German economy continues to struggle with the consequences of high energy prices, weak global demand and structural challenges, particularly in the export-oriented industry. Falling interest rates and rising real incomes are anticipated as positive influences.

Negative effects on the asset, financial and earnings position of Mutares or portfolio companies due to economic developments that are worse than anticipated cannot be ruled out.

However, in view of the diversification of the portfolio into four segments, Mutares assumes that adverse economic developments – apart from potentially disruptive influences such as a new pandemic – will generally only affect some of the portfolio companies and will be at least partially offset by less cyclical subsidiaries and/or sufficient exit revenues to such an extent that the company's and the Group's annual targets will generally remain unaffected by economic influences.

[26] www.allianz-trade.com/en_global/news-insights/economic-insights/economic-outlook-2025-26-defying-gravity.html
[27] economy-finance.ec.europa.eu/publications/2025-euro-area-report_en
[28] www.ecb.europa.eu/press/projections/html/ecb.projections202412_eurosystemstaff~71a06224a5.de.html#toc6

Geopolitical development

Geopolitical tensions and conflicts, such as the wars in Ukraine or Gaza and the tensions in the South China Sea, can affect important transportation routes and production locations and therefore have far-reaching, possibly even disruptive effects on global supply chains. Geopolitical tensions also increase uncertainty and can lead to higher costs for companies as they have to adapt to alternative suppliers and markets. Punitive tariffs for political reasons and sanctions against certain countries or companies – possibly introduced at short notice – can have a major impact on business relationships and investments.

In addition to the geopolitical tensions and conflicts that already exist, new bilateral or multilateral trade conflicts could significantly affect international trade and have a negative impact on the global economy; a specific risk in this regard is currently posed by the pronounced protectionist trade policy introduced by the administration of the new US president. Such trade conflicts arise when countries introduce protectionist trade barriers such as tariffs, import restrictions, import quotas or subsidies in order to protect their own industries; these measures often lead to retaliatory measures by other countries. The impact of trade conflicts on companies can be manifold: increased costs due to tariffs and other trade barriers raise the cost of imported goods and raw materials, which increases production costs and ultimately prices for end consumers. Trade conflicts can lead to delays and disruptions in global supply chains, affecting the efficiency and reliability of production. Portfolio companies in the Mutares Group could lose or have their access to important markets be restricted, which could have a negative impact on profitability.

In summary, negative effects on the asset, financial and earnings position of the respective portfolio companies and possibly also Mutares due to adverse geopolitical developments for Mutares cannot be ruled out. Geopolitical risks require careful analysis and strategic planning in order to minimize the potential impact and take appropriate risk mitigation measures. The deliberate strategic expansion of the Mutares business model to international markets outside Europe, namely the Chinese, US and Indian markets, increases the geopolitical risk, but is justifiable in the Management Board's assessment in light of the opportunities associated with this expansion due to a significantly larger target universe.

Risks inherent in the business model

The success of Mutares' business model depends to a large extent on the ability to identify suitable target companies ("targets") for acquisition and to acquire them on reasonable terms. The portfolio companies are then further developed in the three phases of value creation that portfolio companies usually go through during their affiliation with Mutares (Realignment, Optimization and Harvesting) after completion of an initial optimization or transformation program by means of active investment management and finally sold. In addition to a successful restructuring, Mutares must also be able to sell the investment at an attractive price in order to achieve an appropriately high return on the invested capital or to collect sustainable dividends from profitable portfolio companies temporarily until a favorable exit. If this is not successful, this could have a negative impact on the Mutares Group's asset, financial and earnings position. However, given the size of the portfolio, Mutares assumes that any lack of restructuring successes of individual portfolio companies or portfolio adjustments without significant exit proceeds will be compensated for by a sufficient number of successful restructurings or exits with significant proceeds to such an extent that the fulfillment of the forecast for the Company and the Group will generally remain unaffected.

Competitive situation

Strategic realignments of large corporations are leading to a stable supply of acquisition opportunities, which may be particularly high in the context of economic developments that continue to be subject to uncertainty due to additional opportunities. Price expectations on the seller's side remain high in principle, but could also be depressed by economic developments. The fundamental attractiveness of the "companies in transition" market segment has also led to increased competition. For instance, funds have entered the market as competitors, particularly in France. In addition to the growing number of direct competitors, strategists, particularly from China, are increasingly entering the market segment with the goal of expanding their business. At the same time, Mutares is also in competition with the Groups themselves, which may decide to initiate the restructuring of an unprofitable part of the Company themselves or even close it down instead of spinning it off and selling it. In principle, there is therefore a risk of a shortage of acquisition opportunities with a negative impact on the Mutares Group's asset, financial and earnings position, even though Mutares is well positioned to compete for acquisition opportunities thanks to its reliability and expertise as an experienced expert in transformation and repositioning.

Risks from acquisition processes

The acquisition of companies in situations of upheaval involves considerable tax, legal and economic risks as well as the risk of deliberate deception of an acquirer by the seller, even if an in-depth analysis of the target company (due diligence) has taken place prior to the acquisition – as is customary at Mutares without exception. Liabilities, obligations and other encumbrances of the respective target company that were not known or identifiable at the time of acquisition despite the due diligence carried out or were concealed by the seller could have a significant negative impact on Mutares. This applies in particular if inventory or other guarantees are given to the sellers. If such risks materialize unexpectedly, the asset, financial and earnings position of the Mutares Group could be significantly impacted even if the seller provides substantial financial resources for restructuring as consideration. In addition, claims against a seller due to unfulfilled commitments or undisclosed facts can generally only be enforced at considerable expense and, depending on the circumstances, only partially or not at all.

As a matter of principle and in order to minimize the effects of any insolvency of individual companies within the Group, no profit transfer or cash pooling agreements are concluded within the Mutares Group. In some cases, guarantees, sureties, loans or similar commitments are given or extended to investments after detailed examination in order to exploit business opportunities, growth or working capital financing. The utilization of guarantees and sureties or the default of loans could have negative consequences for the asset, financial and earnings position of Mutares.

In order to reduce the extent of possible risks, Mutares uses a corporate structure in which the operating risks of each individual investment are ring-fenced via a legally independent company (intermediate holding company). This is to ensure that the sum of any risks that could arise cannot exceed the previously assessed maximum risk. This risk generally amounts to the purchase price paid, plus any additional financing measures and any off-balance sheet obligations, less the returns received from the operating activities of the respective company over the holding period.

Due to the continuing high level of acquisition activity and the recent increase in the size and complexity of Mutares' acquisitions, there is a general increase in risks from the acquisition process, which could have a negative impact on Mutares' asset, financial and earnings position if they materialize, but this is justifiable in the Management Board's assessment against the backdrop of the opportunities associated with this Group growth.

Failure to achieve restructuring successes

If Mutares succeeds in successfully restructuring and developing the investments as planned, there is a high value enhancement potential for Mutares that will be realized in the event of an exit. There is a risk that the restructuring of a portfolio company could prove to be more difficult than assumed in the previous due diligence. Even with careful and conscientious selection of the target companies, it cannot be ruled out that the success Mutares is striving for from the upheaval situation may not materialize or not materialize quickly enough in individual cases, or that the economic or political conditions in the countries important to the portfolio companies could deteriorate.

If the positioning in the market, the potential for value enhancement or other key success factors of Mutares are assessed incorrectly, this could have consequences for the operational development of the investment and thus for the return at Mutares. Furthermore, it cannot be ruled out that the ability to restructure is assessed incorrectly or that risks are not fully recognized or assessed incorrectly prior to an acquisition. It is therefore possible that the value of investments develops negatively, that the measures initiated may not be successful and that the return targeted by Mutares may not be achieved for a variety of reasons. This would result in portfolio companies remaining in the Group for longer than originally expected, being resold below their acquisition price and thus possibly only taking impairment losses into account, or even having to file for insolvency. In the latter case, Mutares would suffer a total loss of the capital invested, i.e. lose all the financial resources used for the acquisition, ongoing support and, if applicable, financing of this portfolio company. In addition, there could be a risk of third-party claims arising from commitments made by Mutares.

In summary, a lack of restructuring success could have a negative impact on the asset, financial and earnings position of the portfolio companies concerned and possibly also Mutares.

Nevertheless, given the size of the portfolio, Mutares assumes that any lack of restructuring successes of individual portfolio companies will be compensated for by a sufficient number of successful restructurings or exits with significant proceeds so that the fulfillment of the forecast for the Company and the Group will generally remain unaffected.

Other risk areas and significant individual risks

Legal and compliance risks

In connection with its business activities, Mutares could be confronted with various legal disputes and legal proceedings. Details on ongoing proceedings are presented in the "Legal disputes" section. In addition, difficulties could arise in fulfilling obligations arising from purchase agreements or the business plans communicated prior to a transaction. Both can end in legal disputes, the probable outcome of which cannot always be clearly estimated. In addition, legal cases taken on by the investments could turn out to be more critical or more positive over time than originally assumed.

Furthermore, non-compliance with legal requirements and regulations could result in the threat of official proceedings. Such compliance risks with regard to the topics listed below are analyzed and addressed as part of the CMS. Standardized and regular reporting on the compliance risks of all portfolio companies also provides the Management Board with a comprehensive picture of developments across the entire portfolio in this regard and generally allows mitigating measures to be initiated in good time.

Capital market compliance

Mutares is subject to capital market regulations in the European Union and is therefore exposed to risks with regard to associated enforcement measures. The discovery of a breach of capital market regulations could adversely affect Mutares in various ways, including fines and reputational damage, which could have a negative impact on Mutares' asset, financial and earnings position. Mutares counteracts these risks through extensive internal preventive measures. Mutares has implemented an internal guideline to ensure that all employees are informed about risks related to capital market law. This guideline has been made available to all employees via the digital guideline portal and is accessible to all employees at all times. In addition, risk-oriented training and communication measures are carried out for employees who are particularly relevant in this context. To better manage the requirements, Mutares also uses an IT system from a specialized provider to implement and document capital market-related obligations.

Data protection

The Mutares Group is subject to data protection regulations with regard to, among other topics, the use and disclosure of personal data as well as the confidentiality, integrity and availability of such data. In particular, Mutares is subject to the requirements of the EU's General Data Protection Regulation (GDPR). If the Mutares Group does not comply with this regulation, this could lead to claims for damages and other liability claims, high fines and other penalties as well as damage to business relationships with various partners and Mutares' reputation, which could have a negative impact on the asset, financial and earnings position of Mutares or the portfolio companies concerned.

Mutares counteracts these risks through extensive preventive measures. All business processes of Mutares SE & Co. KGaA are recorded, evaluated and transferred to a data protection management system as part of DSGVO or GDPR compliance. All employees of Mutares SE & Co. KGaA have been provided with detailed guidelines and work instructions on data protection, data security and general information security. The IT infrastructure of Mutares SE & Co. KGaA is also continuously kept up to date with the latest technical developments (see the following comments on risks relating to IT processes and data security).

Country-specific requirements

Mutares SE & Co. KGaA and its portfolio companies operate worldwide and are therefore subject to various legal systems. Uncertainties affecting the Mutares Group's asset, financial and earnings position could therefore result in particular from ongoing changes in legislation, case law and different legal interpretations in different legal fields and could assume considerable proportions under certain circumstances. In order to be able to react appropriately to the associated legal risks, which could have a negative impact on the asset, financial and earnings position of Mutares or portfolio companies if they materialize, changes in legislation are constantly monitored with the help of external expertise and countered by means of appropriate measures, e.g. by involving external experts. Furthermore, any violations of the law occurring in a target company could entail liability risks for Mutares if these are not identified and remedied in good time after the acquisition. In the opinion of the Management Board, this risk is particularly but not exclusively relevant for company acquisitions in the United States.

Risk from pass-through liability

As an investor that specializes in special situations, Mutares generally operates in a field of tension in which, on the one hand, the extensive restructuring measures of the transformation plans must be implemented and, on the other hand, the individual autonomy of the acquired portfolio companies must be preserved. Depending on the legal system, there is a risk that Mutares could be deemed to be a "de facto management" with the consequence of possible Group or corporate liability. Similar areas include so-called employee liability in France or the subsequent liability under Company law of the transferee's executive bodies or shareholders in Italy. Furthermore, such regulations are often in a state of flux, so that increased vigilance is required here. As far as possible, Mutares has organized its deployment of employees in such a way that such liability is avoided as far as possible. However, it cannot be ruled out that a claim could nevertheless be made with negative effects on Mutares' asset, financial and earnings position.

In addition, Mutares is also exposed to a risk of pass-through liability with regard to other areas of law. This applies in particular, but not exclusively, to the risk arising from possible violations of corruption regulations or antitrust and competition law, where not only potential fines are calculated on the basis of Group revenue, but – under certain circumstances – the Group parent Company could also be held liable.

Obligations from acquisitions and disposals of companies

In connection with contracts for the purchase or sale of companies, Mutares may issue guarantees and/or indemnification undertakings under which it could be held liable or which could lead to legal disputes (an overview of all current guarantees can be found in Note 45 of the Notes to the Consolidated Financial Statements). The issuance of guarantees can be a differentiating factor in the competition for potential takeover targets if competitors are unable to issue guarantees due to their own Articles of Association. In individual cases, a possible claim under the guarantees provided could have a significant negative impact on the asset, financial and earnings position of the Mutares Group.

In principle, the Management Board does not expect the obligations from company acquisitions and disposals to be utilized, even if it cannot be ruled out that such utilization of individual obligations entered into could occur in the event of unexpected adverse developments in general conditions – such as a significant deterioration in economic development – or disruptive events, e.g. a blockade of important supply chains due to geopolitical developments. However, this risk is unavoidable in Mutares' business model, which is characterized by a high level of transaction activity.

Legal disputes

Risks from legal disputes cannot be excluded in principle by any economic operator and thus also not by Mutares or its portfolio companies; this also applies to negative effects on the asset, financial and earnings position of the portfolio companies and possibly also of the Mutares Group if legal disputes are not or only partially won.

A lawsuit was filed in the Court of Michigan in May 2022 against companies of the SFC Solutions Group by the former owner Cooper-Standard Automotive, Inc. ("CSA") based on alleged delayed payment of royalties. The lawsuit is based on a license agreement under which companies of the SFC Solutions Group are required to pay royalties for intellectual property claimed by CSA. However, there is disagreement on the basis, cause, scope and existence of the claimed royalties. SFC Solutions Group considers the action to be inadmissible, in any case unfounded, and has taken up the defense. The Court of Michigan has referred the action to the competent federal court in Michigan (United States). On the one hand, civil proceedings (summary proceedings) were initiated towards the end of 2024; on the other hand, discovery, i.e. the submission of all relevant documents in a formally narrowly defined procedure, began in the regular proceedings. In December 2024, the opportunity arose to start out-of-court mediation. In January 2025, a term sheet was signed to settle the dispute out of court, and finally a settlement agreement was signed in March 2025, according to which payments of USD 9.5 million (approx. EUR 9.1 million) is to be made after the settlement agreement is signed. A corresponding amount was recognized as a provision as at the reporting date of December 31, 2024. In addition, USD 2.0 million (approx. EUR 1.9 million) is to be paid on the basis of the settlement agreement in the event of the sale of the SFC Solutions Group.

Another lawsuit is being pursued by the liquidator of the former investment Grosbill, based on the alleged corporate liability of Mutares. At the same time, the former seller of Grosbill is being sued for breach of contract against the company sold. Mutares has defended itself in full against this claim, which it considered to be unfounded. The legal dispute was initially deleted from the list of pending proceedings due to a lack of grounds for the action and put on hold; shortly before the limitation period for potential claims expired at the end of 2022, the plaintiff filed a new statement of claim containing a statement of the grounds. Furthermore, in August 2024, the liquidator filed another statement of claim, which is essentially directed against the former seller. Mutares will defend itself against this, as the claims are considered unfounded and legally absurd due to the lack of statutory provisions. The court in Paris has since declared that it has no jurisdiction. No new hearing is scheduled and should be unlikely.

With regard to the acquisition of the business now operating as MoldTecs Group, there are still differences of opinion between the acquiring company, a direct subsidiary of Mutares, and the former owner regarding the final purchase price and a possible adjustment of the purchase price. As no agreement has been reached to date, the former owner filed an arbitration claim with the German Institute of Arbitration in January 2024 in order to clarify preliminary legal issues. On this basis, an arbitrator will then decide on the final purchase price calculation and adjustment in a second step. The plaintiff is also claiming damages. Mutares' direct subsidiary will defend itself against the lawsuit together with its legal advisors. In April 2024, the direct subsidiary of Mutares, together with the legal advisors, submitted pleadings to the DIS in response and counterclaim. The arbitration tribunal is currently being constituted and a written statement and hearing are expected in the third quarter of fiscal year 2025. No reliable information can currently be provided regarding the possible outcome of the proceedings and any prospects of success of the claim.

In addition, a lawsuit was filed by 13 independent service providers of the Stuart Group against Mutares and a direct subsidiary of Mutares. At the same time, the sellers of the Stuart Group companies and several other companies were also sued. The service providers are suing for a declaration that they are employees of the Stuart Group. The proceedings are being conducted before the Spanish central court "Sala nacional de la AUDIENCIA NACIONAL". Mutares will defend itself against this and, after consultation with local lawyers, is confident of winning the legal dispute. An initial hearing took place in November 2024 and a decision is currently pending.

Other obligations

Indirect subsidiaries of Mutares SE & Co. KGaA from the Engineering & Technology segment are involved as partners in joint arrangements within the meaning of IFRS 11 as part of joint ventures or consortium agreements. These have been entered into with the goal of completing customer projects. The majority of the joint ventures are based in Europe, in Germany, Portugal, Spain, Austria and France. The ownership interests are between 20% and 77%.

Taking the structure and legal form of the arrangements and all other relevant facts and circumstances into account, the joint arrangements are to be classified as joint operations that are not individually material for the Group.

As of the reporting date, the joint and several liability from the investment in the civil law companies relates to projects with a total contract value of around EUR 646.1 million (previous year: around EUR 698.2 million). The subsidiaries' own share of this amounts to EUR 298.5 million (previous year: EUR 318.1 million). Based on the ongoing credit assessments of the consortium and consortium partners, the Management Board does not assume that the shares of other companies will be utilized; the same applies to its own share with the exception of the amounts recognized as provisions for onerous contracts or as part of the loss-free valuation.

Financial risks and financing risks

Price change, default and liquidity risk

Fluctuations in prices, sales and demand, including supply bottlenecks on the part of customers and suppliers, as well as general fluctuations on the commodity, capital and currency markets can have a negative impact on the asset and earnings position of the Group's portfolio companies. Mutares counters these risks at the portfolio company level by continuously and promptly monitoring business results and project progress with the help of indicators (e.g. cash balance and cash flow development), among other tools, in order to be able to take countermeasures at an early stage. In particular, a reporting system is used to enable the timely monitoring of performance in the portfolio companies. For example, the level of cash and cash equivalents in each portfolio company is monitored on a weekly basis. Nevertheless, there is a fundamental risk that the management information system may not provide sufficient information, could provide it too late or incorrectly, resulting in incorrect decisions being made or, if sufficient information is available, in the necessary discretionary decisions being made.

With this in mind, price change, default and liquidity risks at portfolio companies with negative effects on the asset, financial and earnings position of the portfolio companies and possibly also of the Mutares Group cannot be ruled out.

The portfolio companies use financial instruments as required to hedge commodity, currency and interest rate risks. The focus of the instruments is on forward transactions that provide for a fixed payment or receipt in the future. The goal of using financial instruments is to hedge underlying transactions and reduce risks from cash flow fluctuations. The discontinuation of the underlying transaction or a change in the key assumptions for hedging could lead to an increased liquidity risk.

Another significant risk for Mutares against the backdrop of its business model is the correct quantification of the restructuring costs and the portfolio companies, the provision of appropriate financing and the corresponding human resources by Mutares and the assessment of the future prospects of a portfolio company. This risk is limited as far as possible through focused due diligence, which also regularly includes the anticipation of later exit opportunities and achievable exit proceeds, and is then monitored continuously.

In the case of trade receivables, there is a risk of loss for the Group if one of the parties fails to meet its contractual obligations. Credit default insurance is taken out in some cases to hedge against this risk. In addition, business relationships should only be entered into with creditworthy contracting parties and, if appropriate, collateral should be provided in order to reduce the risk of loss from non-fulfilment of obligations. Nevertheless, additional bad debt losses cannot be ruled out, particularly in connection with the negative effects of the current general conditions on the economic performance of the portfolio companies' customers.

Financing risks

The Mutares Group and many of its portfolio companies regularly make use of external financing. In addition to banks and insurance companies, the financing partners also include leasing and factoring providers.

A change in the credit rating of individual investments as well as increasing regulatory requirements for banks and insurance companies could lead to more difficult or less favorable financing conditions or to more difficult and more expensive procurement of guarantees and sureties. In addition, if development falls short of planning, the repayment of (loan) liabilities could be delayed or not possible in full. In addition to the bond conditions that affect Mutares SE & Co. KGaA and GoCollective, the contracts in connection with financing lines for the investments generally contain covenants and other obligations, the breach of which could give the financing partner the right to terminate the contract and thus have a negative impact on the financial position.

The terms and conditions of both of the company's bonds contain specific financial covenants with regard to a minimum liquidity level and the ratio of debt to assets or equity. Non-compliance with the respective financial covenants can generally lead to termination of the respective bond. The resulting repayment obligations therefore harbor potential risks for the financial position of the company and the Group. As at the balance sheet date of December 31, 2024, the financial covenant relating to the ratio of debt to equity in the Group was not complied with. This non-compliance led to the bond creditors being granted a fundamental right of termination. The non-compliance with the secondary condition was remedied by the date of preparation of this combined management and Group management report by restoring compliance with the financial covenants as at March 31, 2025. In accordance with the terms of the bonds, there is now no longer a right to call in the liabilities from the bonds prematurely.

Newly acquired investments of Mutares with existing financing in the form of credit, loan, leasing, guarantee, surety or factoring agreements at the time of acquisition are exposed to the risk that the financing partners could terminate these financing agreements at short notice or provide them with less favorable terms in the event of a change of ownership. Mutares counters these risks with new portfolio companies by generally contacting financing partners before or shortly after the takeover and explaining the current financial situation and the restructuring plan for the investment in detail. However, there is a fundamental risk with every takeover that the previous financing partner cannot be fully convinced and therefore terminates the existing financing.

The risk of rising interest rates for debt financing in the Mutares Group has currently decreased following the slowdown in inflationary momentum, which has already led to the first interest rate cuts by the European Central Bank. Irrespective of this, interest rate risks remain in principle and can be hedged using appropriate instruments (e.g. interest rate swaps, options) after examining each individual case. Even hedging does not fully protect against the effects of rising interest rates in such constellations. In addition, valuation and liquidity effects can arise from interest rate hedges using financial instruments, which have a negative impact on the asset, financial and earnings position.

Distribution and sales risks

The loss of profitable customers or the delay of major incoming orders in particular could have a negative impact on the asset, financial and earnings position of those portfolio companies whose business is highly concentrated on a small number of large customers or projects. The same applies to sales markets that are characterized by high competitive pressure, as a result of which the contribution margins and margins of the portfolio companies suffer. The adjustment of the product and customer portfolio to eliminate drivers of negative contribution margins is usually part of the restructuring following the acquisition of a new portfolio company and can lead to negative shadow effects in the market or with other customers. Finally, problems with customers that have arisen at one investment can also have a negative impact on other Group investments, particularly those in the same segment.

Against this backdrop, distribution and sales risks with negative effects on the asset, financial and earnings position of the Mutares Group and the portfolio companies cannot be ruled out if they materialize.

The materialization of these risks is counteracted regularly through active communication with customers and a systematic sales structure and work at the level of the respective investment. The goal is to conclude longer-term contracts, particularly for customers who account for a large share of sales revenue, in order to facilitate better planning. Intensive communication can lead to better opportunities for orders or large orders, especially if the order processing in the past was satisfactory for both sides.

Sustainability risks

Sustainability risks can include environmental, social or governance risks ("ESG", for short) and, if realized, could have a negative impact not only on the asset, financial and earnings position of the Mutares Group or the portfolio companies, but also on Mutares' reputation.

Environmental risks[29] include risks to the health of people, living creatures, the environment and nature and can arise from a company's business activities and its products ("inside-out view"). Causes can include waste, chemicals and raw materials that cause air, soil and water pollution. Mutares can be exposed to these risks at the portfolio company level, through the assumption of hidden soil and groundwater damage, for example, which could result in cost-intensive remediation requirements. Mutares examines potential environmental risks and their costs very carefully in the context of due diligence before acquiring a target company. Environmental risks can also arise as a result of an accident, for example, if harmful substances are released into the environment. The occurrence of such environmental risks is counteracted by taking an active approach to environmental protection and occupational safety as well as training employees at the portfolio companies' production sites.

Environmental risks can also consist of climate-related risks that are of a physical or transitory nature (so-called transition risks).

Physical climate risks

Physical climate risks comprise risks from direct damage to and/or costs for a company ("outside-in view") as a result of physical phenomena such as extreme weather events. A distinction is made between an increasing accumulation and intensity (acute climate risks) and longer-term changes in mean values and fluctuation ranges of various climate variables (chronic climate risks).

Mutares counters acute, physical climate risks that could have a negative impact on the net assets, financial position and results of operations of the Mutares Group or the portfolio companies, for example through a shutdown of operations or repair and investment costs, at the portfolio company level. Among other things, building damage insurance policies that insure the business premises can also include claims from natural disasters.

Chronic, physical climate risks can be relevant for portfolio companies that conduct their business activities in places that are more exposed to extreme weather events in the future, such as coastal locations. These are not yet directly affected by claims, but could be in the future due to the effects of climate change. If a portfolio company is affected by chronic, physical climate risks, this is countered by implementing physical measures such as flood protection.

Chronic, physical climate risks have not yet materialized for the Mutares Group, nor have any significant chronic, physical climate risks been identified.

Climate-related transition risks

Dealing with climate-related transition risks is of crucial importance for Mutares and the sustainable development of both the Group and many of its portfolio companies. Mutares therefore expanded the Group's ESG management and the related advice to portfolio companies in fiscal year 2024 and will continue this expansion in fiscal year 2025. Climate-related transition risks are already systematically addressed in the acquisition process and the risks identified are included as standard in the decision-making process for an acquisition.

Nevertheless, these extensive measures cannot completely rule out climate-related transition risks. This applies not only, but in particular, to climate-related transition risks that materialize as a result of new legislation, regulatory changes and mentality-related structural changes to relevant framework conditions and/or markets and have a negative impact on the business activities of individual portfolio companies.

For example, the increasing focus of consumers and growing regulation on climate protection leads to market risks for a company's products and services that do not contribute to a CO_2-neutral economy overall.

Mutares takes such foreseeable or potential changes to the framework conditions in the context of climate policy measures by the EU or national governments into account when making acquisition decisions. In addition, the optimization phase of a portfolio company regularly provides for the integration of sustainability aspects into day-to-day operations to an economically justifiable extent.

[29] Social and governance risks can be found in the comments on other risk areas, which means that environmental risks in particular are addressed under the heading of sustainability risk.

Supply chain risks

Procurement risks

In the area of purchasing, the portfolio companies are exposed to risks such as supplier default, late or poor-quality delivery and price fluctuations, particularly for raw materials. Mutares counters these risks by establishing a procurement management system and strictly monitoring the respective suppliers at the level of the portfolio companies. Nevertheless, these measures cannot always mitigate the global trend of increased procurement costs in virtually all industries. Depending on future developments, it cannot be ruled out that procurement risks and in particular a further increase in procurement prices could have a significantly negative impact on the asset, financial and earnings position of the Mutares Group and the portfolio companies, particularly if it is not possible to pass these price increases on to customers to an appropriate extent.

Mutares has adapted its internal processes to the requirements of the German Supply Chain Due Diligence Act (LkSG). Companies within the scope of the LkSG are obliged, among other tasks, to set up a risk management system for human rights and environmental risks. At the heart of this risk management system is a comprehensive risk analysis, which must be carried out once a year as well as when the Company expects human rights and environmental risks to have changed or increased significantly. As with other new laws, the implementation of the requirements of the Supply Chain Act also raises questions regarding the practical implementation of the regulations in operational practice. Mutares has therefore decided to implement the legal requirements with the advice of external experts. As part of the regular risk analysis carried out in fiscal year 2024, no specific risks were identified in the company's own field of business.

Production risks

The individual portfolio companies of the Mutares Group are exposed to various production risks. There is a risk that the optimization measures implemented by Mutares might not have an effect or may only have a delayed effect after the acquisition and that cost savings may not be implemented or could only be implemented with a delay. In addition, quality problems and delays in new and further product developments could lead to a loss of orders and customers at individual portfolio companies, which could have a negative impact on the asset, financial and earnings position of the respective portfolio company.

Against this backdrop, production risks with negative effects on the asset, financial and earnings position of the Mutares Group and the portfolio companies cannot be ruled out if they materialize.

Mutares addresses such risks by deploying qualified personnel and monitoring production processes closely.

In the project business, in which parts of the portfolio companies in the Engineering & Technology segment are mainly active, risks could arise from deviations from the schedules originally agreed with customers, which could result in postponed sales and profit realization or, in individual cases, contractual penalties. Risks can also arise due to deviations from agreed technical specifications, which could result in additional costs for the completion of the project or even contractual penalties. The scope and complexity of individual projects can lead to unexpected cost increases that are not compensated for by customers. In order to counter these specific project business risks, the portfolio companies concerned carry out extensive project management involving technical and commercial departments, both in the offer phase and in the further course of the projects.

Trade credit insurance

In the event of a change of ownership in particular (and especially in the case of asset deals), trade credit insurers subject their exposures to intensive scrutiny, with the risk of a deterioration in the insurance conditions or a reduction or termination of the limits/cover commitments. For individual portfolio companies, this could result in increased liquidity requirements due to advance payments required from suppliers. At the same time, risks could arise from increased bad debt losses if these cannot be adequately covered by taking out trade credit insurance. The materialization of these risks can have a negative impact on the asset, financial and earnings position of the Mutares Group and the respective portfolio companies.

Mutares counteracts these risks in the investments by means of strict accounts payable and accounts receivable management adapted to the circumstances and regularly attempts to reach an agreement with the seller on purchasing conditions and payment terms in the purchase agreement, provided that the seller remains a major supplier after the acquisition.

In order to prevent the risk of a deterioration in insurance conditions or a reduction or termination of limits/cover commitments, contact is generally made with trade credit insurers before or shortly after the acquisition and the current financial situation and restructuring plan for the investment are explained in detail. Proactive communication and regular reporting on the shareholdings to the trade credit insurers create a basis of trust that enables constructive cooperation.

Personnel risks

Mutares' business success depends to a large extent on experienced key personnel with outstanding cross-sector expertise in corporate transactions, financing and corporate law as well as operational restructuring and a high degree of resilience. In terms of recruiting and retaining these key personnel, Mutares is in global competition with renowned private equity firms and management consultancies, where this personnel profile is also in high demand. Against this backdrop, negative effects on the Mutares Group's asset, financial and earnings position due to the absence or unexpected departure of highly qualified key personnel in the Mutares holding company and in the portfolio companies cannot be ruled out in principle.

Mutares ensures through a bundle of measures that the Company has sufficient highly qualified personnel at its disposal. The Company offers an attractive working environment for entrepreneurial personalities through careful personnel selection, a high degree of autonomy for the restructuring managers employed and variable, highly performance-related remuneration.

Preventing staff turnover and recruiting qualified personnel is also a key success factor for the portfolio companies. Local factors – such as locations without an attractive local environment or high demand from other employers in the region – can represent an additional risk. Here, too, Mutares tries to create attractive conditions for qualified personnel by offering appropriate terms and conditions, which are generally also designed to be success-oriented.

IT risks and data security

The business and production processes and the internal and external communication of companies are based to a large extent on information technologies. Information security requirements are constantly changing and increasing – particularly with regard to the confidentiality, availability and integrity of personal data, but also increasingly with regard to authenticity, non-repudiation, binding nature and reliability. Regulatory requirements with regard to the implementation of information security-related requirements are also increasing and are of growing importance and significance across all industries. Against this backdrop, risks relating to IT processes and data security that could have a negative impact on the Mutares Group's asset, financial and earnings position cannot be ruled out.

One focus of the measures to avert IT risks is on reliable protection against unauthorized access, for example to sensitive information on potential transactions, the portfolio companies or economic information of the Mutares Group. Attacks on networks, infrastructure, applications, systems and the targeted interception of digital, analog and spoken information pose a risk to the Mutares Group. A significant disruption or failure of the systems used can lead to an impairment of the business and production systems up to and including a complete loss of information and data, unintentional disclosure or falsification of that information. This can potentially have negative financial consequences and/or reputational damage.

In light of this, the preparation, monitoring and training of IT documentation on the hardware used, software licenses, the network and security policies, including access and data protection security concepts, is an integral part of risk prevention at the Mutares Group. The IT structures and data flows in the Mutares Group are largely standardized and make use of advanced technologies. In order to prevent potential outages, data loss, data manipulation and unauthorized access to the IT network, Mutares uses current industry-specific standard software from well-known vendors. If necessary, this is supplemented and continuously developed further by the Group's own specific developments that are subject to continuous quality control. Back-up systems, mirrored databases and defined contingency planning secure the data stock in the long term and guarantee its availability. The IT systems are protected by special access and authorization concepts as well as effective and continuously updated antivirus software. An AI-based anomaly detection system has also been implemented to curb phishing attacks. Penetration tests are also carried out at regular intervals to ensure the security of the systems and identify potential vulnerabilities at an early stage. These tests help to uncover security gaps that could be exploited by attackers and enable suitable countermeasures to be taken.

All business processes of Mutares SE & Co. KGaA are recorded, evaluated and transferred to a data protection management system as part of DSGVO or GDPR compliance. All employees of Mutares SE & Co. KGaA have been provided with detailed guidelines and work instructions on data protection, data security and general information security. The IT infrastructure of Mutares SE & Co. KGaA is also continuously kept up to date with the latest technical developments.

Newly acquired portfolio companies of Mutares are regularly confronted with the challenge of replacing their current IT systems from the IT landscape of the former parent company and/or upgrading them to a state-of-the-art level in a timely, cost-effective manner and without system failures. Such changeover phases are also associated with the risks described above. Mutares generally pursues the approach of subjecting the Group companies to a technical modernization as part of the carve-out, replacing outdated systems and hardware and thereby increasing the IT security standard as well as identifying and implementing applicable standards and laws in the security context. As part of IT due diligence, IT and information risks are recorded and evaluated and mitigation measures are defined. The implementation of these measures is weighed up according to a dedicated cost-benefit ratio and, in addition to minimization, can also imply risk acceptance, avoidance or transfer (e.g. through appropriate insurance). The current implementation status of each portfolio company is monitored at regular intervals (at least quarterly). In addition, an annual meeting is held with the local management to coordinate the security strategy. The goal is always to use state-of-the-art systems and applications and cloud technologies to ensure the efficient and secure provision of business processes. Mutares strives to achieve a high level of transparency regarding the security level of each Group company and to ensure the pragmatic implementation of security measures in line with the respective security ambitions.

The generally observed increase in attacks on commercial enterprises with the aim of sabotage, blackmail or industrial espionage in recent years reinforces Mutares' approach of continuously reviewing and improving internal standards. To this end, Mutares has invested in cyber security, among other areas, in order to further conceptualize and implement information and IT security in accordance with leading standards and to continuously monitor and consistently establish relevant standards and laws within the Group.

Tax risks

Mutares SE & Co. KGaA and its portfolio companies operate worldwide and are therefore subject to various tax laws. Uncertainties affecting the Mutares Group's asset, financial and earnings position could therefore result in particular from ongoing changes in legislation, case law and different legal interpretations by the respective tax authorities and could take on considerable proportions under certain circumstances. In order to be able to react appropriately to the associated tax risks, changes in tax legislation are constantly monitored by the tax department and countered by taking appropriate measures. External experts are consulted where necessary.

Mutares, in cooperation with external advisors, monitors the progress of the legislative process closely in each country in which the Company operates. Mutares makes use of the exemption from accounting and further disclosures on deferred taxes in connection with Pillar Two income taxes, which was the subject of the amendments to IAS 12 published in May 2024.

Overall statement on the risk situation

Based on the information currently available to the Management Board from the systematic, multi-level risk management system, the Management Board cannot identify any risks that individually or in combination could jeopardize the continued existence of Mutares SE & Co. KGaA, the Mutares Group or individual material Group companies – with the exception of the insolvency of Serneke on January 7, 2025, referred to above. However, it is generally possible that further developments with regard to the external framework conditions, the respective effects of which cannot be fully reliably estimated at the time this Combined Management Report was prepared, could deviate from the Management Board's current expectations.

7.3 Opportunities for future development

The identification of opportunities and the entrepreneurial exploitation of opportunities identified represent the core of the Mutares business model.

In addition to the above presentation of the risks of the Mutares Group and, where relevant, of its portfolio companies, the following comments are made on their opportunities, insofar as these are of particular relevance in the opinion of the Management Board. The following comments are deliberately limited to the opportunities inherent in the business model, i.e. those arising from the activities of Mutares as a whole, after the opportunities in the portfolio companies themselves are presented in the reports from the portfolio companies (section 2.3). The order in which the following explanations are presented does not reflect the assessment of the opportunities in terms of their significance.

Opportunities inherent in the business model

The consistent strategic orientation of the Mutares business model and its further upscaling to a growing number of portfolio companies is by far the most significant opportunity for the Mutares Group.

The acquisition of companies in economically challenging situations or situations of upheaval (e.g. pending restructuring) with potential for operational improvement holds great potential for increasing value. To this end, extensive transformation plans are implemented at the acquired portfolio companies. The goal of the sale is to realize the potential for value appreciation and achieve a high return on invested capital.

As part of its business model, Mutares actively and systematically searches for target companies in situations of upheaval. In times of high uncertainty, additional opportunities may arise, particularly on the buy side. The pipeline for purchase transactions continues to include promising acquisition projects. In addition to Mutares' strong reputation with a successful track record in the private equity market for special situations, its financial flexibility is yet another pledge of confidence for its transaction partners.

When selecting investments, Mutares is not limited to specific regions or business models. Besides companies with a focus on activities in Europe, the focus is increasingly on targets in other core regions of Mutares and thus increasingly also in China, the US and India.

In addition to its domestic market of Germany, Mutares is also present in other strategic core markets in Europe, including France, Italy, Sweden and Spain. In addition, the Company expanded into China by opening an office in Shanghai in fiscal year 2023; additional offices were opened in the US, India and Dubai in fiscal year 2024. This should ensure a constant flow of deals thanks to a regional network.

Overall statement on the opportunity situation

The opportunities described above, which are derived from Mutares' business model, are not the only opportunities that arise for or in the Mutares Group and are enhanced in particular by the opportunities in the current portfolio and a possible exceptionally good business development in the portfolio companies (as described in the reports from the portfolio companies in section 2.3). The assessment of opportunities for future development is also subject to change, as the Group and the markets in which the portfolio companies operate are subject to continuous change. It is also possible that opportunities may not materialize.

8 FORECAST REPORT

This forecast is based on the expectations regarding the general economic development described in section 7.2 and the specific expectations regarding the likely further development of the individual portfolio companies as described in section 2.3. The forecast also expressly assumes that other risks, in particular the geopolitical risks described, do not materialize to a significant extent for the financial, asset and earnings position.

Against the background of the transactions concluded and signed in the current fiscal year 2025 up to the date of preparation of this combined management and Group management report, the assumptions regarding further intended transactions in the course of the year and the plans for the individual portfolio companies, the Management Board expects **revenues** for the Mutares Group to increase to between EUR 6.5 billion and EUR 7.5 billion in the fiscal year 2025 (fiscal year 2024: EUR 5.3 billion).

Taking the transactions completed and signed by the time of preparation and other transactions planned for the current fiscal year 2025 into account, (reported) **EBITDA** is again expected to reach at least a slightly positive level (fiscal year 2024: EUR 117.1 million), in particular due to the gains from bargain purchases in connection with the acquisitions.

Based on the current budgets and the start to fiscal year 2025 to date, the Management Board currently expects an extraordinary improvement in **adjusted EBITDA** compared to fiscal year 2024 due to the balance of opposing effects. Adjusted EBITDA is expected to be burdened by the negative earnings contributions from the newly acquired investments. On the other hand, from today's perspective, the Management Board expects the restructuring measures successfully initiated at the portfolio companies and the resulting increase in their respective profitability to make a clearly positive overall contribution to adjusted EBITDA, which amounted to EUR –85.4 million for fiscal year 2024.

Mutares SE & Co. KGaA's **net income** for the year is generated on the one hand from revenue from the advisory business and on the other hand from dividends from portfolio companies and, in particular, from exit proceeds from the sale of investments. The Management Board expects the latter to make a disproportionately high contribution to the net income of Mutares SE & Co. KGaA in fiscal year 2025. For this reason, the link between the expected net income of Mutares Holding and the revenues of the Mutares Group, as expressed in the past with a regular range of 1.8% to 2.2%, has been removed for the present forecast for fiscal year 2025. This is because in fiscal year 2024 in particular – primarily due to the contribution to earnings from the listing of Steyr Motors AG and the contribution of shares in Steyr Motors AG to a wholly owned subsidiary – it became apparent that individual investments can make a disproportionately high contribution to the net income of Mutares SE & Co. KGaA in terms of their contribution to the Group's revenue. Based on the current exit plans and taking into account the risk factors, the Management Board assumes that a sufficiently high net income can also be achieved for the fiscal year 2025 to ensure the ability of Mutares SE & Co. KGaA to pay dividends at least at the level of market expectations. Based on the current planning, the Management Board assumes a net profit for the year for Mutares SE & Co. KGaA in a range of EUR 130 million to EUR 160 million (fiscal year 2024: EUR 108.3 million).

General statement on the forecast

The benchmark for the success of Mutares SE & Co. KGaA and the Mutares Group is essentially the restructuring and development progress of the investments as well as completed M&A transactions, which contribute to an increase in value in the Group following a successful turnaround and further development of the investments depending on the situation.

Building on a fiscal year 2024 that the Management Board is generally satisfied with, the Management Board believes that the ambitious growth course – in terms of both the above-mentioned forecasts and the medium-term targets – is on a successful path thanks to the acquisitions made and the transformation programs initiated in the portfolio.

However, it is fundamentally possible that further developments with regard to the external framework conditions, the respective effects of which cannot be fully reliably estimated at the time of preparing this Combined Management Report, could deviate from the current expectations of the Management Board.

Munich, May 19, 2025

Mutares Management SE,
General Partner of Mutares SE & Co. KGaA

The Management Board

Robin Laik | Mark Friedrich | Johannes Laumann | Dr. Lennart Schley

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CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FROM JANUARY 1 TO DECEMBER 31, 2024

EUR million	Note	2024	2023
Revenues	6	5,261.6	4,689.1
Change in inventories		-18.8	-4.4
Other income	7	506.8	986.1
Cost of materials	8	-3,092.3	-2,799.5
Personnel expenses	9	-1,645.4	-1,369.6
Other expenses	10	-894.8	-744.8
Earnings before interest, taxes, depreciation and amortization (EBITDA)		**117.1**	**756.9**
Depreciation and amortization expenses	16, 17, 18	-463.8	-320.0
Earnings before interest and taxes (EBIT)		**-346.8**	**436.9**
Financial income	11	26.8	19.5
Financial expenses	11	-231.2	-92.9
Profit before taxes		**-551.1**	**363.5**
Income tax expense/income	12	91.2	3.6
Net income for the year		**-459.9**	**367.1**
Of which attributable to:			
Shareholders of the parent company		-406.3	397.1
Non-controlling interest		-53.6	-30.0
Earnings per share in EUR (basic)	14	**-19.10**	**19.08**
Earnings per share in EUR (diluted)	14	**-19.10**	**18.41**

EUR million	Note	2024	2023
Net income	13	**-459.9**	**367.1**
Other comprehensive income		**27.7**	**-16.2**
Items reclassified to profit or loss in the future if certain conditions are met			
Currency translation differences		2.5	5.2
Items not subsequently reclassified to profit or loss			
Actuarial gains/losses	37	4.1	-8.4
Change in fair value of financial assets/liabilities	35	21.1	-13.0
Total comprehensive income	**13**	**-432.2**	**350.9**
Of which attributable to:			
Shareholders of the parent company		-378.6	380.9
Non-controlling interest		-53.6	-30.0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

AS OF DECEMBER 31, 2024

EUR million	Note	12/31/2023	12/31/2022
Intangible assets	16	327.1	245.3
Property, plant and equipment	17	1,168.4	1,166.7
Right of use assets (RoU assets)	18	471.5	466.1
Shares in associated companies and joint ventures	44	38.3	37.0
Trade receivables and other receivables	23	3.7	0.7
Other financial assets	21	80.2	91.7
Income tax receivables	12	3.3	0.7
Other non-financial assets	22	2.7	2.3
Deferred tax assets	12	46.5	28.6
Contract costs		0.2	0.2
Non-current contract assets	20	4.1	5.2
Non-current assets		**2,146.0**	**2,044.5**
Inventories	19	698.5	673.4
Current contract assets	20	173.2	102.8
Trade receivables and other receivables	23	590.7	491.0
Other financial assets	21	115.9	225.5
Income tax receivables	12	8.5	9.9
Other non-financial assets	22	158.7	142.8
Cash and cash equivalents	25	412.1	520.1
Assets held for sale	24	66.8	138.6
Current assets		**2,224.4**	**2,304.2**
Total assets		**4,370.4**	**4,348.7**

EQUITY AND LIABILITIES

AS OF DECEMBER 31, 2024

EUR million	Note	12/31/2023	12/31/2022
Share capital	26	21.3	21.0
Capital reserves	27	141.7	139.0
Retained earnings	28	483.9	900.2
Other components of equity	29	32.1	9.1
Share of equity attributable to shareholders of the parent company		**679.0**	**1,069.3**
Non-controlling interests	30	-7.3	50.3
Total equity		**671.7**	**1,119.6**
Trade payables and other liabilities	34	4.7	5.6
Other financial liabilities	35	234.5	350.8
Lease liabilities	36	409.2	380.0
Provisions for pensions and other post-employment benefits	37	117.4	130.6
Other provisions	38	211.7	211.6
Other non-financial liabilities	39	6.5	1.2
Deferred tax liabilities	12	54.0	141.0
Non-current contract liabilities	20	32.5	3.8
Non-current liabilities		**1,070.5**	**1,224.6**
Trade payables and other liabilities	34	722.0	674.6
Other financial liabilities	35	881.8	342.4
Lease liabilities	36	99.2	86.9
Provisions	38	177.9	166.3
Income tax liabilities	12	20.5	24.3
Other non-financial liabilities	39	369.7	358.3
Current contract liabilities	20	340.3	220.4
Liabilities related to assets held for sale	24	16.8	131.3
Current liabilities		**2,628.2**	**2,004.5**
Total equity and liabilities		**4,370.4**	**4,348.7**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FROM JANUARY 1, 2023, TO DECEMBER 31, 2024

	Equity attributable to shareholders of the parent company						
EUR million	**Share capital**	**Capital reserve**	**Retained earnings**	**Other equity components**	**Total**	**Non-controlling interests**	**Total equity**
As of 01/01/2023	**20.6**	**134.9**	**526.6**	**30.6**	**712.7**	**1.4**	**714.0**
Net income for the year	0.0	0.0	397.1	0.0	397.1	-30.0	**367.1**
Other comprehensive income after income taxes	0.0	0.0	0.0	-16.2	-16.2	-0.1	**-16.2**
Complete comprehensive income for the fiscal year	**0.0**	**0.0**	**397.1**	**-16.2**	**380.9**	**-30.1**	**350.9**
Capital increase from conditional capital	0.4	2.9	0.0	0.0	3.3	0.0	**3.3**
Dividends paid	0.0	0.0	-36.1	0.0	-36.1	-1.2	**-37.3**
Recognition of share-based payments	0.0	1.2	0.0	0.0	1.2	0.0	**1.2**
Transactions with minority interests	0.0	0.0	0.0	0.0	0.0	87.5	**87.5**
Reclassification due to deconsolidation	0.0	0.0	12.6	-5.3	7.3	-7.3[1]	**0.0**
As of 12/31/2023	**21.0**	**139.0**	**900.2**	**9.1**	**1,069.3**	**50.3**	**1,119.6**
As of 01/01/2024	**21.0**	**139.0**	**900.2**	**9.1**	**1,069.3**	**50.3**	**1,119.6**
Net income for the year	0.0	0.0	-406.3	0.0	-406.3	-53.6	**-459.9**
Other comprehensive income after income taxes	0.0	0.0	0.0	27.7	27.7	0.0	**27.7**
Complete comprehensive income for the fiscal year	**0.0**	**0.0**	**-406.3**	**27.7**	**-378.6**	**-53.6**	**-432.2**
Capital increase from conditional capital	0.3	1.5	0.0	0.0	1.8	0.0	**1.8**
Dividends paid	0.0	0.0	-47.4	0.0	-47.4	-0.6	**-48.0**
Transactions in treasury shares	0.0	0.0	0.0	0.0	0.0	0.0	**0.0**
Recognition of share-based payments	0.0	1.3	0.0	0.0	1.3	0.0	**1.3**
Transactions with minority interests	0.0	0.0	32.7[2]	0.0	32.7	-3.3	**29.3**
Reclassification due to deconsolidation	0.0	0.0	4.7	-4.7	0.0	0.0	**0.0**
Cost of raising equity	0.0	-0.1	0.0	0.0	0.1	0.0	**-0.1**
As of 12/31/2024	**21.3**	**141.7**	**483.9**	**32.1**	**679.0**	**-7.3**	**671.7**

[1] Reclassifications relate in part to deconsolidation of non-controlling interests from previous years and the sale of non-controlling interests.
[2] Transactions with minority interests relate primarily to a status-preserving increase in shares (see note 30).

CONSOLIDATED STATEMENT OF CASH FLOWS

FROM JANUARY 1 TO DECEMBER 31, 2024

EUR million	Note	2024	2023
Net income for the year	13	-459.9	367.1
Bargain purchases gains (-) from business combinations	5	-268.9	-727.2
Gains (-)/losses (+) from deconsolidations	5, 7, 10	-70.4	-104.9
Depreciation, amortization, and impairment losses (+) on intangible assets, property, plant and equipment, and right of use assets	16, 17, 18	463.8	320.0
Gain (-)/loss (+) from the disposal of non-current assets	16, 17	-5.2	-27.3
Financial expenses (+)/financial income (-)	11	204.4	73.4
Income tax expense (+)/income (-)	12	-91.2	-3.6
Income tax payments (-)	12	-25,5	-11.1
Other non-cash expenses (+)/income (-)		31.5	31.9
Increase (-)/decrease (+) in inventories	19	48.9	71.1
Increase (-)/decrease (+) in trade receivables	23	12.0	106.6
Increase (+)/decrease (-) in trade payables	34	-65.5	-52.1
Variations in trade working capital		**-4.5**	**125.7**
Increase (-)/decrease (+) in contract assets	20	-2.6	-15.7
Increase (-)/decrease (+) in other assets	21, 22, 24	-131.3	-136.5
Increase (-)/decrease (+) in accruals	37, 38	-30.8	-45.7
Increase (-)/decrease (+) in contract liabilities	20	38.0	-5.2
Increase (-)/decrease (+) in other liabilities	35, 39, 24	62.4	128.4
Variations in other working capital		**-64.4**	**-74.8**
Currency translation effects		3.5	3.3
Cash flow from operating activities		**-286.9**	**-27.5**

EUR million	Note	2024	2023
Proceeds (+) from disposals of property, plant and equipment	17	48.4	67.8
Disbursement (-) for investments in property, plant and equipment	17	-130.5	-138.2
Proceeds (+) from disposals of intangible assets	16	4.6	0.2
Disbursement (-) for investments in intangible assets	16	-32.5	-26.3
Proceeds (+) from disposals of assets held for sale	24	0.0	17.1
Payments (-) for additions to the consolidation group	5	-32.9	-72.5
Proceeds (+) from additions to the consolidation group	5	198.0	426.4
Proceeds (+) from disposals from the consolidation group	5	69.5	171.3
Payments (-) from disposals from the consolidation group	5	-19.5	-2.0
Interest received (+)	11	17.5	8.3
Dividends received (+) from joint ventures	44	1.0	2.3
Cash flow from investing activities		**123.6**	**454.5**
Dividends paid (-) to shareholders of the parent company	28	-47.4	-36.1
Dividends paid (-) to non-controlling shareholders	30	-0.7	-1.5
Payments received (+) in connection with a capital increase from conditional capital	32	1.6	4.9
Proceeds (+) from partial disposal of shares without a loss of control	30	14.9	0.0
Proceeds from issuance (+)/payments for redemption (-) of bonds	35	271.0	69.2
Proceeds (+) from issuance of (financial) loans	35	107.8	92.1
Payments (-) for the repayment of (financial) loans	35	-73.2	-114.0
Payments (-) for the repayment of lease liabilities	36	-120.6	-106.5
Incoming payments (+)/outgoing payments (-) from (non-genuine) factoring	35	-5.8	5.4
Interest paid (-)	11	-92.0	-58.1
Cash flow from financing activities		**55.7**	**-144.6**
Change in cash and cash equivalents		**-107.7**	**282.5**
Effect of currency translation on cash and cash equivalents		-0.1	-0.1
Change in cash and cash equivalents due to IFRS 5 reclassification	24	-0.3	-8.6
Cash and cash equivalents at the beginning of the period	25	520.2	246.4
Cash and cash equivalents at the end of the period	25	**412.1**	**520.2**

A BASIC PRINCIPLES / GENERAL INFORMATION

1 Reporting company

Mutares SE & Co. KGaA, Munich (hereinafter referred to as "the Company" or also "Mutares" or, together with the direct and indirect subsidiaries[3], also "the Group") has its registered office in Munich and is registered there with the local court in the commercial register section B under number 250347. The registered office and at the same time the head office of the Company is on Arnulfstraße 19, 80335 Munich.

Mutares is an international private equity investor that focuses on special situations. After the acquisition, the business model comprises three phases of value creation that portfolio companies usually go through during their affiliation with Mutares: Realignment, Optimization and Harvesting. The initially identified potential for value appreciation of a portfolio company is then realized after transformation (restructuring, optimization and repositioning) and/or further development through its sale.

The traditional core region of Mutares is the EU; in addition to its home market of Germany, Mutares is present here with a number of local offices, including in France, Italy, Sweden and Spain. In addition, the opening of an office in Shanghai in fiscal year 2023 marked the expansion into China; additional offices were opened in the United States, India and Dubai in fiscal year 2024.

As of December 31, 2024, the portfolio of Mutares SE & Co. KGaA contained 32 operating investments or investment groups (previous year: 30), which are divided into the 4 segments Automotive & Mobility, Engineering & Technology, Goods & Services and Retail & Food.

2 Basis of preparation of the financial statements

The Consolidated Financial Statements of Mutares for fiscal year 2024, consisting of the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the Notes to the Consolidated Financial Statements, have been prepared in accordance with International Financial Reporting Standards (hereinafter referred to as "IFRS") of the International Accounting Standards Board (IASB), London, United Kingdom, and the IFRIC® interpretations of the IFRS Interpretations Committee (Committee) as adopted by the European Union as of December 31, 2024, as well as the additional commercial law provisions applicable pursuant to Section 315e of the German Commercial Code (HGB).

The Company's fiscal year is the calendar year.

The Consolidated Financial Statements have been prepared under the historical cost convention. This does not apply to selected financial instruments and share-based payments, which are measured at fair value. A corresponding explanation is provided in the context of the respective accounting and valuation methods (cf. note 53).

Historical cost is generally based on the fair value of the consideration paid in exchange for the asset. The fair value is the consideration that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants at the transaction date. It is irrelevant for the price whether it is directly observable or determined using a valuation technique.

If the fair value is determined using an evaluation procedure, it must be classified in one of the following three categories depending on the observable parameters available and the respective significance of the parameters for a valuation as a whole:

- **Level 1:** Input parameters are quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.
- **Level 2:** Input parameters are prices other than those quoted in Level 1 that are either directly observable for the asset or liability or can be derived indirectly.
- **Level 3:** Input parameters are unobservable for the asset or liability.

The Group determines at the end of each fiscal year whether transfers have occurred between levels in the hierarchy by reviewing the classification (based on the lowest level input parameter that is significant to the fair value measurement as a whole).

[3] The term "investment" is sometimes used as a synonym in the following.

The general responsibility for monitoring all significant fair value measurements, including Level 3 fair values, lies with the finance department, which reports directly to the Chief Financial Officer. Where necessary, selected external valuers are used to determine the fair value of significant assets and liabilities. Selection criteria include, for example, market knowledge, reputation, independence and compliance with professional standards. The finance department decides in discussions with the external valuers which valuation techniques and input factors are to be applied in each individual case.

As a rule, the Group classifies assets and liabilities as current if they are expected to be realized or settled within twelve months of the balance sheet date. Where assets and liabilities have both a current and a non-current portion, they are broken down into their maturity components and presented as current and non-current assets or liabilities in accordance with the balance sheet classification.

The Consolidated Statement of Comprehensive Income is prepared using the total cost method. Mutares SE & Co. KGaA prepares and publishes its Consolidated Financial Statements in euros (EUR). Unless stated otherwise, all figures are generally presented in millions of euros (EUR million for short). Differences of up to one unit (million, %) are rounding differences for computational reasons.

All IASs / IFRSs mandatory for December 31, 2024, and all interpretations (SIC / IFRIC) that have been adopted by the European Union by December 31, 2024, and are effective have been taken into account.

The Consolidated Financial Statements are prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, the Management Board considers information covering a period of at least twelve months from the date of preparation. On this basis, there are no known material uncertainties that could cast significant doubt on the Group's ability to continue as a going concern.

3 Estimates and discretionary decisions

The preparation of financial statements in conformity with IFRS requires estimates and discretionary decisions that affect the reported amounts and related disclosures. The estimates and discretionary decisions in these Consolidated Financial Statements relate primarily to purchase price allocations in the context of business combinations (in particular, determining the fair value of acquired assets and liabilities and estimating contingent purchase price components), the assessment of the recoverability of intangible assets, the valuation of leasing liabilities and corresponding rights of use, the uniform Group-wide determination of useful lives for property, plant and equipment and intangible assets as well as the recognition and measurement of retirement benefit plans / pension provisions, income taxes and deferred tax assets on loss carryforwards.

The future economic conditions can have a direct and indirect impact on the business performance, risks, results of operations and cash flows of the portfolio companies in the Mutares Group. The assumptions underlying the discretionary decisions and estimates are based on the knowledge currently available. In particular, the expected future business development and the circumstances prevailing at the time of preparation of the Consolidated Financial Statements are taken into account. The future economic and geopolitical development of the business environment, which is assumed to be realistic, is also taken as a basis. Due to the continued high level of uncertainty regarding future economic and geopolitical developments, the premises for discretionary decisions and estimates are subject to a higher degree of uncertainty than usual. In addition to the geopolitical tensions and conflicts that already exist, new bilateral or multilateral trade conflicts could significantly impair international trade and have a negative impact on the global economy; a specific risk in this regard is currently the distinctly protectionist trade policy of the US introduced by the administration of the new US president. Such trade conflicts arise when countries introduce protectionist trade barriers such as tariffs, import restrictions, import quotas or subsidies to protect their own industries; these measures often result in retaliatory measures by other countries. Should the conditions that occur deviate from the premises, or should developments occur that differ from the underlying assumptions and are beyond the company's control, the amounts that arise could differ from the originally expected estimates. The estimates are based on historical experience and other assumptions that are believed to be reasonable under the circumstances. The estimates and assumptions are reviewed on an ongoing basis. Changes in estimates are only recognized in the period in which they occur if the change affects only one period. Revisions to estimates that affect both the current and subsequent reporting periods are recognized accordingly in this and subsequent periods.

Further information on estimates and judgments in connection with climate risks can be found in Note 54.

3.1 Estimates

In the context of **business combinations**, estimates are generally made with regard to the determination of the fair value of the acquired assets and liabilities. Land and buildings are generally assessed based on standard land values or, like technical equipment and machinery, by an independent expert. For the valuation of intangible assets, independent external experts are generally consulted, depending on the type of asset and the complexity of the valuation. Depending on the type of asset and the availability of information, different valuation techniques are used, which can be broken down into cost, market price and capital value-oriented methods.

The total amount of net assets acquired from the business combinations in fiscal year 2024, for which the determination of the fair value was partly subject to estimation uncertainties, amounts to EUR 236.8 million (previous year: EUR 904.3 million). For further details, please refer to Note 5.

The fair value of contingent consideration in connection with business acquisitions and disposals, which is based on a fair value measurement in Level 3 in the subsequent measurement, is determined in accordance with generally accepted valuation methods based on discounted cash flow methods. The key input parameters are the expectations regarding the development of future profitability indicators (EBITDA or EBIT), cash flows, and discount rates. If contingent consideration in a business combination is linked to future exit proceeds from the sale of a portfolio company, no reliable estimate of fair value can generally be made at the date of the business combination due to the uncertainty surrounding the timing of the sale and the amount of the expected proceeds from the sale.

The accounting treatment of business combinations for which the measurement period of IFRS 3.45 has not yet expired is still provisional in some cases. For further details, please refer to Note 5.1.

If circumstances arise that indicate that the carrying amount of a group of **cash-generating units** (CGUs) may not be recoverable, the respective CGUs are tested for impairment. In addition, goodwill, assets with an indefinite useful life and assets under development are tested for impairment at least once a year. An impairment test was then carried out on some of the CGUs as of December 31, 2024, to determine whether the recoverable amount (higher of fair value less costs to sell and value in use) exceeds the carrying amount of the CGU. The recoverable amount as value in use is determined on the basis of the expected future net cash flows for a three- or five-year detailed planning phase followed by a perpetual annuity, assuming a growth rate of 1%. As a rule, three detailed planning years are considered. However, if a CGU cannot be assumed to have reached a steady state after the end of the three-year detailed planning phase, the detailed planning phase is extended to five years. This was done in the reporting year in particular for the CGUs in the Automotive & Mobility segment, as longer project durations in this segment usually require an extension. Assumptions are made about future sales prices and sales volumes, costs (cost-saving measures), and economic cycles. The fair value less costs to sell is determined on the basis of purchase prices/ unobservable input factors (level 3). The net cash flows are discounted using weighted capital costs. The impairment testing of cash-generating units resulted in the recognition of an impairment loss through profit or loss for six CGUs (cf. Note 16 “Intangible assets”, Note 17 “Property, plant and equipment” and Note 18 “Rights of use”).

The cost of capital used in the **impairment tests** ranges between 6.6% and 15.8% (previous year: between 8.0% and 16.3%) and between 8.2% and 15.0% for CGUs to which goodwill is allocated. In connection with the impairment tests carried out, sensitivity analyses were performed with regard to the key parameters, namely the cost of capital and expected future net cash flows. The hypothetical increase in the cost of capital used for discounting the expected future net cash flows by 1 percentage point or the reduction in the expected future net cash flows by 10 percentage points would lead to an additional impairment requirement of EUR 59.3 million and EUR 42.5 million respectively (previous year: EUR 19.4 million and EUR 13.6 million). The hypothetical increase in the cost of capital used to discount the expected future cash flows of a portfolio company in the Engineering & Technology segment, which in turn consists of two CGUs to which goodwill of EUR 80.6 million is allocated (refer to the explanations in Note 16) by 1 percentage point or a decrease in the expected future cash flows by 10 percentage points would not result in any additional impairment. Even if the key assumptions were to change in a manner that is still considered reasonable, namely an increase in the cost of capital or a decrease in the expected future cash flows, no further impairment would be expected. The increase in the additional impairment is mainly attributable to the general economic downturn. This is particularly evident in the decline in demand for the portfolio companies' products and services. For further detailed explanations in connection with impairments, please refer to Note 3.2 "Discretionary decisions", Note 16 "Intangible assets", Note 17 "Property, plant and equipment", Note 18 "Right-of-use assets" and Note 50 "Significant accounting policies".

Pension provisions for post-employment benefit plans exist in some of the portfolio companies, but not at Mutares SE & Co. KGaA itself. These are mapped on the basis of actuarial models. For this purpose, estimates are required and made with regard to, among other figures, the discount rate, the compensation, and life expectancy. Changes in market and economic conditions can lead to deviating probabilities of current developments for the parameters mentioned. Differences in significant parameters are calculated on the basis of sensitivity analyses. For details of the estimates made, please refer to the relevant explanatory notes on retirement benefit plans/pension provisions in Note 37.

Mutares estimates the expected **useful lives** of intangible assets with finite useful lives (Note 53.3) and property, plant and equipment (Note 53.4), and tests them for an **impairment loss** annually, both on an ad hoc basis and additionally for intangible assets with indefinite useful lives (including goodwill). The recoverable amount must be estimated. This corresponds to the higher of fair value less costs to sell and value in use.

Determining the recoverable amount regularly involves making estimates regarding the forecast and discounting of future cash flows. The management believes that the estimates made regarding the expected useful life and recoverability of certain assets, the assumptions about macroeconomic conditions and developments in the industries in which the portfolio companies of Mutares operate, and the estimate of the present values of future payments are appropriate. Nevertheless, changed assumptions or changed circumstances may make corrections necessary. These can lead to additional impairments or even reversals of impairments in the future, if the developments expected by Mutares cannot be fully realized. For details on the estimates made, please refer to the relevant explanations on assets in Note 16, Note 17 and Note 18.

Some **leases** in the Mutares Group include renewal and termination options. When determining the term of leases, Mutares considers all relevant facts and circumstances that provide an economic incentive to exercise or not exercise renewal or termination options. Any changes in the lease term are only taken into account if there is sufficient certainty that renewal or termination options will or will not be exercised during the lease term. This generally leads to remeasurement of the lease liability and a corresponding adjustment to the right of use not affecting profit or loss.

3.2 Discretionary decisions

In the process of applying the accounting policies, judgments are made that affect the Consolidated Financial Statements. The judgments described below also include estimates.

In accordance with IFRS 15, Mutares makes judgments in determining the amount and timing of **revenue from contracts with customers**. For contracts that are fulfilled over a period of time, both the input method (cost-to-cost) and the output method are applied, depending on the assessment of Mutares' ability to convey a true and fair view of the performance. For time-period related services, performance is deemed to be fulfilled when the service is rendered. For contracts that are fulfilled at a specific point in time, revenue recognition is based on the transfer of control over the good. As a rule, the assessment of the transfer of control is based on the agreed Incoterms.

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The companies of the Mutares Group are obliged to pay **income taxes**. Assumptions are required to determine the tax liabilities. There are business transactions and calculations for which the final taxation cannot be conclusively determined during the ordinary course of business. The Group measures the amount of provisions for expected tax payments on the basis of estimates as to whether and in what amount additional taxes will be due. If the final taxation of these transactions differs from the initial estimate, this will have an effect on the current and deferred taxes in the period in which the taxation is finally determined. For details of the discretionary decisions made, please refer to the explanatory notes on income taxes in Note 12.

For the recognition of deferred tax assets on loss carryforwards, Mutares estimates the future taxable income and the timing of the future realization and thus reversal of deferred tax assets. Estimates of the planned operating result, the result from reversing taxable temporary differences and realistic tax policies are consulted. Due to the uncertainty regarding future developments of the respective companies, Mutares must make reasonable assumptions regarding deferred tax assets on loss carryforwards. Accordingly, deferred tax assets are only recognized to the extent that future usability is sufficiently probable. For details on the discretionary decisions made, please refer to the explanations on deferred tax assets on loss carryforwards in Note 12.6.

If the respective assets do not generate cash inflows that are largely independent of other cash inflows, they are recognized in a cash-generating unit (CGU) and the **impairment test** is performed at the level of the cash-generating unit to which the assets to be tested are allocated.

In the accounting treatment of **leases**, Mutares regularly uses the incremental borrowing rate to discount the lease payments relevant to the measurement of the present value of the lease liabilities due to the lack of availability of the interest rate on which the lease is based. This is determined for each lease on a term-equivalent basis and on a currency-specific risk-equivalent basis and generally comprises three components. These generally comprise corresponding reference interest rates, company-specific credit risk premiums, and asset-specific adjustments. Mutares derives the reference interest rates from maturity-equivalent government bonds using a database. The credit risk premiums specific to companies are determined on the basis of capital market data via synthetic ratings. Contract-specific adjustments are implicitly taken into account.

Subsidiaries are companies controlled by Mutares SE & Co. KGaA. The Group gains control if it can exercise power over the subsidiary, is exposed to fluctuating returns on the investment and has the ability to use its power over the subsidiary to influence the amount of return on the investment. Authority arises from rights, above all from voting rights. In some cases, the authority over a company arises directly and solely from the voting rights. In other cases, the assessment is more complex and several factors must be considered.

All facts and circumstances must be taken into account when assessing whether Mutares controls a company. Even if Mutares holds a majority of the voting rights in another company, there may be facts and circumstances that prevent it from having power over that company. This may be the case, for example, if the voting rights are not substantial. Determining whether voting rights are substantial requires the use of judgment, taking all facts and circumstances into account. For example, Mutares may not have power in cases where it cannot decide on the relevant activities. In some circumstances, it may be difficult to determine whether Mutares' rights are sufficient to assert power over another company. To enable an assessment of power in such cases, Mutares assesses whether it has the practical ability to direct the relevant activities unilaterally.

B COMPOSITION OF THE GROUP

4 Scope of consolidation

In addition to the parent company, the consolidated Group of Mutares SE & Co. KGaA comprises 327 (previous year: 285) fully consolidated companies as of December 31, 2024. Of these, 108 (previous year: 93) companies have their registered office in Germany and 219 (previous year: 192) companies have their registered office abroad.

The scope of consolidation as of December 31, 2024, comprises the following investments divided into the four segments and national subsidiaries:

AUTOMOTIVE & MOBILITY SEGMENT

No.	Investment	Description
1	**Amaneos**	Amaneos SE, Frankfurt; MoldTecs-01 – 2022 GmbH, Bad Harzburg, and its subsidiaries; Light Mobility Solutions GmbH, Obertshausen; SFC companies in Europe, India and China; Elastomer Solutions GmbH, Wiesbaum, and its subsidiaries SFC China, Kuzan / China
2	**FerrAl United Group**	FerrAl United GmbH, Frankfurt; PrimoTECS S.p.A., Avigliana / Italy; Rasche Umformtechnik GmbH & Co. KG, Plettenberg, and its subsidiaries; Cimos d.d., Koper / Slovenia, and its subsidiaries; MMT-B SAS, Blanquefort / France; BEW Umformtechnik GmbH, Rosengarten, and its subsidiaries; Selzer Fertigungstechnik GmbH & Co. KG, Driedorf, and its subsidiaries; Gesenkschmiede Schneider, Aalen; Schöneweiss & Co. GmbH, Hagen; Falkenroth Umformtechnik GmbH, Schalksmühle; Jeco-Jellinghaus GmbH, Gevelsberg; Walor International, Laval / France and its subsidiaries in Europe and the United States KmB Technologie GmbH, Zerbst
3	**HILO Group**	KICO GmbH, Halver, and its subsidiaries; Innomotive Systems Hainichen GmbH, Hainichen, and its subsidiaries in China und Romania; High Precision Components Witten GmbH, Witten, Prinze Kinematics GmbH, Stromberg, and its subsidiaries
4	**Matikon Group**	Matikon GmbH & Co. KG, Horb am Neckar, and its subsidiaries
5	**Peugeot Motocycles Group**	Peugeot Motorcycles SAS, Mandeure / France, and its subsidiaries

ENGINEERING & TECHNOLOGY SEGMENT

No.	Investment	Description
6	**Byldis**	Byldis Group B.V, Amsterdam / Netherlands, and its subsidiaries
7	**Clecim**	Clecim SAS, Savigneux / France
8	**Donges Group**	Donges SteelTec GmbH, Darmstadt, and its subsidiaries
9	**Efacec Group**	Efacec Power Solutions SGPS, S.A., Porto / Portugal, and its subsidiaries
10	**Gemini Rail and ADComms Group**	Gemini Rail Services UK Ltd, Wolverton / United Kingdom and ADComms, Scunthorpe / United Kingdom
11	**Guascor Energy**	Guascor Energy S.A.U., Zumaia / Spain, and its subsidiaries
12	**La Rochette Cartonboard**	La Rochette Cartonboard SAS, Valgelon-La Rochette / France
13	**NEM Energy Group**	NEM Energy B.V., Zoeterwoude / Netherlands, Balcke-Dürr GmbH, Düsseldorf, and its subsidiaries in Germany
14	**Sofinter Group**	Sofinter S.p.A, Milan / Italy, and its subsidiaries
15	**Steyr Motors AG**	Steyr Motors AG, Steyr / Austria

On November 29, 2024, Mutares, through a subsidiary, formally completed the acquisition of Serneke Sverige AB and its subsidiaries ("Serneke" or the "Serneke Group"), a Swedish general contractor specializing in the construction of service and infrastructure properties, residential buildings, and commercial real estate. From Mutares' perspective, however, both the signing and completion of the purchase agreement were induced by active misrepresentation and the concealment of material information on the part of the seller. Consequently, the Mutares subsidiary (as the purchaser of Serneke) contested the purchase agreement in a letter dated January 2, 2025; if the challenge is successful, the agreement will be deemed null and void from the outset.

Despite the formal completion of the acquisition of all voting rights, the criteria defining control in accordance with IFRS 10 were not fulfilled in this case. While there was, in principle, a legal basis for the transfer of decision-making authority, the associated rights were not substantive within the meaning of IFRS 10.B23, as they could not be exercised in practice.

Mutares generally focuses on initiating a comprehensive restructuring or transformation program in the short term after an acquisition. Typical measures include stabilizing and realigning customer and supplier relationships, restructuring the financing base, deploying qualified specialist and management personnel, and continuing key operational projects. These activities are aimed at increasing the value of the acquired company and influencing the return on investment.

In this specific case, however, these decisive activities could not be carried out because, immediately after the acquisition was completed, a situation arose in which significant customer and supplier relationships were irreparably damaged and the financial situation of the Serneke Group was already so critical that no regular restructuring measures could be implemented. Providing additional liquidity was not economically justifiable, as it would not have remedied either the severe over-indebtedness or the loss of market confidence. These circumstances made it impossible to actually implement the control steps usually taken by Mutares.

The insolvency application already filed on January 7, 2025 – only a few weeks after the acquisition was completed – also makes it clear that Mutares did not have a short-term scope for action.

In accordance with IFRS 12 (in particular IFRS 12.7 and IFRS 12.9), Mutares discloses all material reasons for non-consolidation. These include in particular:

- **Unfulfilled assurances by the seller:**
  Among other things, the seller had contractually guaranteed a certain level of equity and intact customer/supplier relationships. In fact, the actual equity, which was deliberately influenced by the seller, was significantly below this commitment, and the Serneke Group was already in a near-insolvency state at the time of acquisition.

- **No ability to exercise formal voting and management rights:**
  Immediately after the acquisition was completed, the local management was exclusively concerned with preventing an immediate operational collapse. as a result, the usual restructuring and repositioning measures could not be implemented. The requirements of IFRS 10.B8/B15 (identification and management of relevant activities) could not be met in practice.

Avoiding insolvency is not a relevant activity within the meaning of IFRS 10. Merely securing liquidity to avoid insolvency is not a typical operating or strategic management process through which Mutares could influence the amount of variable returns. Consequently, the criterion of IFRS 10.7(c) was not met.

Due to these circumstances, the Serneke Group was not included in the Consolidated Financial Statements as of December 31, 2024. Mutares assumes that neither control (as defined by IFRS 10) nor significant influence (as defined by IAS 28) was ever established.

GOODS & SERVICES SEGMENT

No.	Investment	Description
16	**Alcura**	Alcura France SAS, Le Poinconnet / France
17	**Alterga (formerly: Eltel Networks)**	Alterga SA, Olsztyn / Poland; Alterga Engineering SA, Krakow / Poland
18	**Conexus**	Conexus S.p.A, Rome / Italy
19	**Ganter Group**	Ganter Interior GmbH, Waldkirch, and its subsidiaries
20	**GoCollective und ReloBus Group**[4]	GoCollective A / S., Kastrup / Denmark, and its subsidiaries; ReloBus Transport Polska Sp. Z.o.o., Torun / Poland;
21	**Greenview Group**	Greenview Group Holding Ltd., Carryduff / Northern Ireland
22	**Palmia**[5]	Palmia Oy, Helsinki / Finland, and its subsidiaries
23	**REDO**	Redo Oy, Vantaa / Finland
24	**Stuart (SRT Group)**	SRT Group SAS Paris / France, and its subsidiaries
25	**Terranor Group**	Terranor Oy, Helsinki / Finland, and its subsidiaries; Terranor AB, Stockholm / Sweden, and its subsidiaries; Terranor AS, Silkeborg / Denmark

[4] The Serbian unit MobiLitas, which was previously part of the Group, was sold in fiscal year 2024.
[5] Mutares sold Asteri Facility Solutions ("Asteri") at the end of fiscal year 2024 after successfully repositioning it.

RETAIL & FOOD SEGMENT

No.	Investment	Description
26	**FASANA**	FASANA GmbH, Euskirchen
27	**Gläserne Molkerei**	Gläserne Molkerei GmbH, Dechow, and its subsidiaries
28	**keeeper Group**	keeeper GmbH, Hille, and its Polish subsidiary
29	**Lapeyre Group**	Lapeyre Holding SAS, Paris / France, and its subsidiaries
30	**Natura**	Natura sp. z.o.o., Łódź / Poland, and its subsidiaries
31	**Prénatal**	Moeder & Kind B.V., Amersfoort / Netherlands, and its subsidiaries
32	**Temakinho**	Temakinho s.r.l., Milan / Italy

NATIONAL SUBSIDIARIES

No.	National subsidiaries	Description
1	**Mutares France**	Mutares France SAS, Paris / France
2	**Mutares Italy**	Mutares Italy Srl, Milan / Italy
3	**Mutares UK**	Mutares UK Ltd, London / United Kingdom
4 + 5	**Mutares Nordics**	Mutares Nordics Oy, Vantaa / Finland; Mutares Nordics AB, Stockholm / Sweden
6	**Mutares Iberia**	Mutares Iberia S.L., Madrid / Spain
7	**Mutares Austria**	Mutares Austria GmbH, Vienna / Austria
8	**Mutares Benelux**	Mutares Benelux B.V., Amsterdam / Netherlands
9	**Mutares Poland**	Mutares Poland Sp.z.o.o., Czestochowa / Poland
10	**Mutares Romania**	Mutares Services SRL, Cluj / Romania
11	**Mutares China**	Mutares Management Consulting (Shanghai) Co., Ltd., Shanghai / China
12	**Mutares India**	Mutares India Private Ltd., Mumbai / India
13	**Mutares US**	Mutares US Inc., Chicago, USA
14	**Mutares Middle East**	Mutares Consulting Services Middle East Limited, Dubai / UAE

Details of the scope of consolidation are provided in the list of shareholdings, which forms part of these Notes to the Consolidated Financial Statements as Annex 1.

5 Changes in the consolidated group

5.1 Acquisitions of subsidiaries

The acquisitions of subsidiaries in the two relevant reporting periods are listed below.

5.1.1 Acquisitions of subsidiaries in the fiscal year

The following subsidiaries were acquired and consolidated for the first time in the period from January 1 to December 31, 2024:

Acquisition of Prinz Kinematics

Effective January 2, 2024, Mutares acquired all the shares and voting rights in Prinz Kinematics GmbH ("Prinz") from AL-KO. PRINZ is an automotive supplier of kinematic systems specializing in the development and production of hinge and closure systems used in vehicle doors, tailgates and hoods for premium OEM customers. The acquisition strengthens the HILO Group in the Automotive & Mobility segment.

The consideration for the acquisition of the company amounted to EUR 1 and was paid at the time of acquisition. Acquisition-related incidental costs for the transaction were incurred only to an insignificant extent. These are included in other expenses in the Consolidated Statement of Comprehensive Income. The fair value of the acquired net assets was measured at EUR 18.7 million, resulting in a bargain purchase gain of EUR 18.7 million.

The following table presents the results of the purchase price allocation and the derivation of the bargain purchase gain recognized in other income:

EUR million	Fair value
Intangible assets	0.4
Property, plant and equipment	12.8
Right of use assets (RoU assets)	2.9
Other non-current assets	0.0
Non-current assets	**16.0**
Inventories	6.2
Current trade receivables and other receivables	3.4
Other current assets	7.1
Current assets	**16.7**
Deferred tax liabilities	0.1
Other non-current liabilities	3.4
Non-current liabilities	**3.4**
Current liabilities	**10.6**
Net assets	**18.7**
Bargain purchase gain	**18.7**
Consideration	**0.0**

The fair value of the acquired receivables based on the gross receivable amount of EUR 3.5 million amounted to EUR 3.4 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.1 million.

The Consolidated Financial Statements include revenue of EUR 41.1 million from the acquired company for the reporting period and earnings after taxes of EUR –2.4 million, adjusted for the effects of the initial consolidation in connection with the transaction. As the company was acquired with effect from January 2, 2024, any full-year contributions in terms of revenue and earnings to the Group's revenue and earnings are identical to the figures stated above.

Acquisition of Temakinho

On March 1, 2024, Mutares successfully acquired all shares and voting rights in Temakinho S.r.l. from Cigierre – Compagnia Generale Ristorazione S.p.A. The portfolio company strengthens the Retail & Food segment as a new platform investment and operates a restaurant chain offering Japanese-Brazilian sushi, meat dishes and beverages.

The fair value of the consideration transferred amounts to EUR 6.5 million. This consists of a fixed amount of EUR 4.9 million, which was paid at the time of execution, and an additional amount of EUR 1.0 million, which is to be paid in two equal installments twelve and 24 months after the completion of the transaction. The remaining EUR 0.6 million is to be paid in nine equal installments by March 2026. The present value of the deferred purchase price components amounted to EUR 1.6 million. Acquisition-related expenses for the transaction were in the mid-six digit range. These are recognized in the Consolidated Statement of Comprehensive Income under other expenses. The fair value of the net assets acquired was assessed at EUR 8.7 million, resulting in a gain of EUR 2.2 million from a bargain purchase. Temakinho was sold in March 2025 as part of a management buyout (see Notes 24 and 50).

The following table presents the results of the purchase price allocation and the derivation of the bargain purchase gain recognized in other income:

EUR million	Fair value
Intangible assets	5.3
Property, plant and equipment	7.3
Right of use assets (RoU assets)	5.2
Other non-current assets	0.2
Non-current assets	**18.0**
Inventories	0.4
Current trade receivables and other receivables	0.3
Other current assets	0.4
Current assets	**1.0**
Deferred tax liabilities	1.7
Other non-current liabilities	4.5
Non-current liabilities	**6.2**
Current liabilities	**4.2**
Net assets	**8.7**
Bargain purchase gain	**2.2**
Consideration	**6.5**

In the interim Consolidated Financial Statements as of June 30, 2024, net assets of EUR 7.9 million had been provisionally assumed, which at that time had led to a gain of EUR 1.4 million from a favorable acquisition ("bargain purchase").[6] This was due to the preliminary valuation of assets and liabilities at the time the interim Consolidated Financial Statements were prepared as of June 30, 2024.

The fair value of the acquired receivables based on the gross receivable amount of EUR 0.3 million amounted to EUR 0.3 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million.

The Consolidated Financial Statements for the fiscal year include revenue of EUR 10.4 million and earnings after taxes of EUR –7.2 million from the acquired company. If the company had already been acquired as of January 1, 2024, it would have contributed revenue of EUR 12.6 million and earnings after income taxes of EUR –11.0 million to the Group's earnings in the fiscal year.

Acquisition of the Greenview Group

With effect from April 19, 2024, Mutares completed the acquisition of Greenview Group Holdings Ltd. from several private individuals and Cordovan Capital Partners, thereby acquiring all shares and voting rights in the portfolio company. Greenview is based in the UK and is a provider of mechanical and electrical installations, heating installations and maintenance, property maintenance and enhancement, and a range of sustainable energy solutions, including domestic energy efficiency services. As a platform investment, Greenview strengthens the Goods & Services segment and our presence in the UK.

The consideration for the acquisition of the company amounted to GBP 1.00 (EUR 1.20) and was paid at the time of acquisition. Furthermore, an earn-out clause was agreed in the purchase agreement, which is based on the proceeds of a future sale less an agreed hurdle and which is valued at the acquisition date at a fair value of EUR 0, as neither the timing of the exit nor the possible proceeds from it can currently be reliably estimated. Acquisition-related incidental costs for the transaction were incurred only to an insignificant extent. These are recognized in the Consolidated Statement of Comprehensive Income under other expenses. The fair value of the acquired net assets was measured at EUR –1.8 million, resulting in goodwill of EUR 1.8 million, which reflects the originally expected positive future prospects of the Company (cf. Note 16). The transaction did not result in any goodwill that is deductible for tax purposes.

[6] In the following, information is provided on significant changes in the acquisitions made in the first half of 2024 compared to the information provided in the Consolidated Interim Financial Statements as of June 30, 2024.

The following table shows the results of the purchase price allocation and the derivation of goodwill included in intangible assets:

EUR million	Fair value
Intangible assets	6.5
Property, plant and equipment	0.1
Right of use assets (RoU assets)	0.6
Other non-current assets	0.5
Non-current assets	**7.7**
Inventories	0.2
Current trade receivables and other receivables	1.3
Other current assets	5.7
Current assets	**7.2**
Deferred tax liabilities	1.6
Other non-current liabilities	2.4
Non-current liabilities	**4.0**
Current liabilities	**12.7**
Net assets	**–1.8**
Goodwill	**1.8**
Consideration	**0.0**

In the interim Consolidated Financial Statements as of June 30, 2024, a preliminary net asset transfer of EUR –0.7 million had been provisionally assumed. This was due to the preliminary valuation of assets and liabilities at the time the interim Consolidated Financial Statements were prepared as at June 30, 2024.

The fair value of the acquired receivables based on a gross receivable amount of EUR 1.3 million at the acquisition date is EUR 1.3 million. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million.

The Consolidated Financial Statements for the fiscal year include revenue of EUR 16.2 million and earnings after taxes of EUR –9.6 million from the acquired company. If the company had been acquired on January 1, 2024, it would have contributed revenue of EUR 24.4 million and earnings after taxes of EUR –10.7 million to the Group's earnings in the reporting period.

Acquisition of Sofinter Group

The acquisition of 90% of the shares and voting rights in Sofinter S.p.a and its subsidiaries ("Sofinter") from Gammon and other minority shareholders was completed on April 22, 2024. The company, which is based in Italy, has four plants in Romania and Italy and specializes in the development and manufacture of industrial and large steam boilers. The acquisition strengthens the Engineering & Technology segment.

The consideration for the acquisition of 90% of the shares and voting rights amounted to EUR 12.3 million and was paid at the time of acquisition. At the time of execution, a subsidiary of Sofinter S.p.A. held 90% of the shares and voting rights in a second-tier subsidiary. At the time of execution, the minority shareholders had the right to tender their 10% interest in this company for a contractually defined seven-digit amount in the medium range. The consideration transferred for the tender of these shares was ultimately settled in shares in another indirect subsidiary of Sofinter S.p.A. Since the exercise of this put option of the non-controlling shareholders was already considered reasonably certain at the acquisition date, Mutares applied the "anticipated acquisition method" and already reflected the transaction in the opening balance sheet. Acquisition-related incidental costs for the transaction were incurred in the mid six-digit range. These are recognized in the Consolidated Statement of Comprehensive Income under other expenses. The fair value of the acquired net assets was valued at EUR –67.0 million, resulting in goodwill of EUR 80.7 million. This reflects the company's positive future prospects in the rapidly growing energy market, in which Sofinter is expected to participate to a large extent with the products and services it offers. The transaction did not result in any goodwill that is deductible for tax purposes.

The following table shows the results of the purchase price allocation and the derivation of goodwill included in intangible assets:

EUR million	Fair value
Intangible assets	21.7
Property, plant and equipment	51.6
Right of use assets (RoU assets)	3.9
Other non-current assets	18.6
Non-current assets	**95.8**
Inventories	13.4
Current trade receivables and other receivables	57.5
Other current assets	82.3
Current assets	**153.3**
Deferred tax liabilities	10.4
Other non-current liabilities	56.6
Non-current liabilities	**67.1**
Current liabilities	**248.9**
Net assets	**–67.0**
Sharing of non-controlling interests (NCI)	**–1.4**
Goodwill	**80.7**
Consideration	**12.3**

In the interim Consolidated Financial Statements as of June 30, 2024, the preliminary assumption had been that the acquired net assets amounted to EUR –71.3 million, which at that time had led to goodwill of EUR 85.0 million. The exercise of the right to sell shares as described above, which only became known at a later date, was not yet included in the fair values at the time of initial consolidation. Furthermore, the valuation of assets and liabilities in connection with customer projects and the valuation of intangible assets were still provisional at the time the interim Consolidated Financial Statements as of June 30, 2024 were prepared.

The shares in non-controlling interests were measured at fair value; the general valuation methods used to determine the fair value of the assets were applied (cf. Note 2).

The fair value of the acquired receivables based on the gross receivable amount of EUR 62.9 million amounted to EUR 59.1 million on the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 3.8 million.

The Consolidated Financial Statements for the fiscal year include revenue of EUR 140.4 million and earnings after taxes of EUR –18.2 million from the acquired company. If the company had already been acquired as of January 1, 2024, it would have contributed revenue of EUR 196.2 million and earnings after income taxes of EUR –15.4 million to the Group's earnings in the fiscal year.

The purchase price allocation for the acquisition described above has not yet been finalized. Mutares does not yet have all relevant information – namely the information on the assets and liabilities of the company to be valued in a final version, in particular due to the high complexity of Sofinter's business model. The disclosure of hidden reserves and liabilities is therefore currently still provisional.

Acquisition of FSL Ladenbau GmbH

Ganter Interior GmbH, an indirect subsidiary of Mutares in the Goods & Services segment, acquired FSL Ladenbau GmbH ("FSL Ladenbau") and its subsidiary from private owners on May 31, 2024. With the acquisition of 100% of the shares and voting rights in the company, Ganter intends to expand its geographical coverage in northern Germany and to grow its customer portfolio.

The consideration for the acquisition of all shares and voting rights in the company amounted to EUR 1.00 and was paid at the time of acquisition. Acquisition-related incidental costs for the transaction were incurred only to an insignificant extent. The fair value of the acquired net assets were measured at EUR –0.2 million, resulting in goodwill of EUR 0.2 million, which reflects the expected positive future prospects of the acquisition. The transaction did not result in any goodwill that is deductible for tax purposes.

The following table shows the results of the purchase price allocation and the derivation of goodwill included in intangible assets:

EUR million	Fair value
Intangible assets	0.0
Property, plant and equipment	0.4
Right of use assets (RoU assets)	1.6
Other non-current assets	0.0
Non-current assets	**2.0**
Inventories	0.0
Current trade receivables and other receivables	1.7
Other current assets	3.1
Current assets	**4.8**
Deferred tax liabilities	0.0
Other non-current liabilities	2.9
Non-current liabilities	**2.9**
Current liabilities	**4.1**
Net assets	**–0.2**
Goodwill	**0.2**
Consideration	**0.0**

The fair value of the acquired receivables based on the gross receivable amount of EUR 1.7 million amounted to EUR 1.7 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million.

The Consolidated Financial Statements for the fiscal year include revenue of EUR 7.3 million and earnings after taxes of EUR 0.7 million from the acquired company. If the company had already been acquired as of January 1, 2024, it would have contributed revenue of EUR 11.8 million and earnings after income taxes of EUR 1.0 million to the Group's earnings in the fiscal year.

Acquisition of Eltel Networks (now trading as Alterga)

Mutares completed the acquisition of all shares and voting rights in Eltel Networks Energetyka S.A. and Eltel Networks Engineering S.A. (together "Eltel") on June 6, 2024, in order to strengthen the Goods & Services segment and expand its presence in Poland. The portfolio companies now operate as Alterga and provide engineering and construction services for the power industry in Poland, including high-voltage projects involving planning, construction, commissioning and maintenance services.

The consideration for the acquisition of the companies amounted to EUR 1 and was paid for by the date of execution. Acquisition-related incidental costs for the transaction were incurred only to an insignificant extent. These are recognized in the Consolidated Statement of Comprehensive Income under other expenses. The fair value of the acquired net assets was measured at 14.5 million, resulting in a bargain purchase gain of 14.5 million.

The following table presents the results of the purchase price allocation and the derivation of the purchase gain recognized in other income:

EUR million	Fair value
Intangible assets	0.0
Property, plant and equipment	5.7
Right of use assets (RoU assets)	1.3
Other non-current assets	0.6
Non-current assets	**7.6**
Inventories	3.7
Current trade receivables and other receivables	4.5
Other current assets	9.1
Current assets	**17.3**
Deferred tax liabilities	0.9
Other non-current liabilities	1.5
Non-current liabilities	**2.4**
Current liabilities	**8.1**
Net assets	**14.5**
Bargain purchase gain	**14.5**
Consideration	**0.0**

In the interim Consolidated Financial Statements as of June 30, 2024, net assets of EUR 15.6 million had been provisionally assumed, which at that time had led to a gain of EUR 15.6 million from a bargain purchase.

The fair value of the acquired receivables based on the gross receivable amount of EUR 4.5 million amounted to EUR 4.5 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million.

The Consolidated Financial Statements include revenues from the acquired company for the reporting period of EUR 27.1 million and earnings after taxes of EUR –4.5 million. If the company had already been acquired as of January 1, 2024, it would have generated revenue of EUR 41.6 million and earnings after income taxes of EUR –3.7 million to the Group's earnings in the reporting period.

Acquisition of Cikautxo (now trading as SFC Solutions China)

To strengthen SFC Solutions' market presence as a global partner for plastic-based systems for the automotive industry, the acquisition of Cikautxo Rubber & Plastic Components (Kunshan) Co., Ltd. from Cikautxo S. Coop. was completed on June 14, 2024. Cikautxo specializes in the development and manufacture of rubber and plastic components for the automotive and household appliance industries. The add-on acquisition provides SFC Solutions with a location that can be used immediately for the manufacture of orders already placed in the past. The goal is to further expand SFC Solutions' manufacturing footprint in Asia, to better support existing customers and to develop new market opportunities.

The consideration for the acquisition of all shares and voting rights in the company amounted to EUR 6.5 million, after the adjustment of the original amount by EUR 0.2 million as a result of negotiations, of which EUR 4.0 million was paid at the time of execution. The remaining amount of EUR 2.5 million was settled at the end of fiscal year 2024. Acquisition-related incidental costs for the transaction were incurred only to an insignificant extent. These are recognized in the Consolidated Statement of Comprehensive Income under other expenses. The fair value of the acquired net assets was measured at EUR 13.9 million, resulting in a bargain purchase gain of EUR 7.4 million.

The following table presents the results of the purchase price allocation and the derivation of the purchase gain recognized in other income:

EUR million	Fair value
Intangible assets	0.0
Property, plant and equipment	11.5
Right of use assets (RoU assets)	0.0
Other non-current assets	0.0
Non-current assets	**11.5**
Inventories	2.6
Current trade receivables and other receivables	3.6
Other current assets	3.6
Current assets	**9.8**
Deferred tax liabilities	0.7
Other non-current liabilities	1.3
Non-current liabilities	**2.0**
Current liabilities	**5.4**
Net assets	**13.9**
Bargain purchase gain	**7.4**
Consideration	**6.5**

In the interim consolidated cinancial ctatements as of June 30, 2024, net assets of EUR 14.5 million had been provisionally assumed, which at that time had led to a gain of EUR 7.8 million from a bargain purchase. In addition, at that time the preliminary fair value of the consideration transferred before purchase price adjustment amounted to EUR 6.7 million.

The fair value of the acquired receivables based on the gross receivable amount of EUR 3.6 million amounted to EUR 3.6 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million.

The Consolidated Financial Statements for the fiscal year include revenue of EUR 6.6 million and earnings after taxes of EUR –3.3 million from the acquired company. If the company had already been acquired as of January 1, 2024, it would have contributed revenue of EUR 12.9 million and earnings after income taxes of EUR –3.4 million to the Group's earnings in the fiscal year.

Acquisition of KmB Technologie

With the closing of the acquisition on July 3, 2024, Mutares acquired 100% of the shares and voting rights in KmB Technologie GmbH from EMAG Industrial GmbH and Scherer Holding GmbH. The company, a manufacturer of workpieces for the automotive and mechanical engineering sector based in Germany, serves as an add-on acquisition for the FerrAl United Group and to strengthen the Automotive & Mobility segment.

The consideration for the acquisition of the company amounted to EUR 5.5 million, of which EUR 3.0 million was paid at the time of completion. The remaining EUR 2.5 million is due for payment one year after the transaction has been completed. In the context of the acquisition, loans from former shareholders with a nominal value of EUR 5.2 million were also acquired for EUR 4. Acquisition-related incidental costs for the transactions were incurred only to an insignificant extent. These are recognized in the Consolidated Statement of Comprehensive Income under other expenses. The fair value of acquired net assets was measured at EUR 12.3 million, resulting in a bargain purchase gain of EUR 6.8 million.

The following table presents the results of the purchase price allocation and the derivation of the purchase gain recognized in other income:

EUR million	Fair value
Intangible assets	8.1
Property, plant and equipment	8.8
Right of use assets (RoU assets)	5.0
Other non-current assets	0.0
Non-current assets	**21.9**
Inventories	6.2
Current trade receivables and other receivables	3.6
Other current assets	1.6
Current assets	**11.3**
Deferred tax liabilities	2.5
Other non-current liabilities	4.8
Non-current liabilities	**7.4**
Current liabilities	**13.5**
Net assets	**12.3**
Bargain purchase gain	**6.8**
Consideration	**5.5**

The fair value of the acquired receivables based on the gross receivable amount of EUR 3.6 million amounted to EUR 3.6 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million.

The Consolidated Financial Statements for the fiscal year include revenue of EUR 19.1 million and earnings after taxes of EUR –4.4 million from the acquired company. If the company had already been acquired as of January 1, 2024, it would have contributed revenue of EUR 40.8 million and earnings after income taxes of EUR –4.0 million to the Group's earnings in the fiscal year.

Acquisition of Hirschvogel Incorporated (now trading as Walor North America)

To underpin its strategic expansion in the US and as an add-on acquisition to strengthen the FerrAl United Group in the Automotive & Mobility segment, Mutares has completed the acquisition of Hirschvogel Incorporated from Hirschvogel Holding GmbH with effect from July 7, 2024. The company based in Columbus, Ohio (USA), is a specialist in forging and machining steel parts for OEMs and Tier 1 suppliers.

The consideration for the acquisition of 100% of the shares and voting rights in the company amounted to EUR 1 and was paid for at the time of execution. In the context of the acquisition, a shareholder loan with a nominal value of USD 10.8 million (approximately EUR 10.0 million) was also acquired for EUR 1. Acquisition-related costs for the transactions were incurred only to an insignificant extent in each case. These are recognized in the Consolidated Statement of Comprehensive Income under other expenses. The fair value of acquired net assets was measured at EUR 68.7 million, resulting in a bargain purchase gain of EUR 68.7 million.

The following table presents the results of the purchase price allocation and the derivation of the bargain purchase gain recognized in other income:

EUR million	Fair value
Intangible assets	0.8
Property, plant and equipment	41.1
Right of use assets (RoU assets)	0.7
Other non-current assets	0.0
Non-current assets	**42.6**
Inventories	15.7
Current trade receivables and other receivables	14.3
Other current assets	10.3
Current assets	**40.3**
Deferred tax liabilities	2.6
Other non-current liabilities	0.5
Non-current liabilities	**3.1**
Current liabilities	**11.1**
Net assets	**68.7**
Bargain purchase gain	**68.7**
Consideration	**0.0**

The fair value of the acquired receivables based on the gross receivable amount of EUR 14.3 million amounted to EUR 14.3 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million.

The Consolidated Financial Statements for the fiscal year include revenue of EUR 40.8 million and earnings after taxes of EUR –7.9 million from the acquired company. If the company had already been acquired as of January 1, 2024, it would have contributed revenue of EUR 88.5 million and earnings after income taxes of EUR –18.7 million to the Group's earnings in the fiscal year.

The purchase price allocation for the acquisition referred to above has not yet been finalized. Mutares does not yet have all relevant information – namely the information on the assets and liabilities of the company to be measured – in a final version. The disclosure of hidden reserves and liabilities is therefore currently still provisional.

Acquisition of Wilda Transport (now trading as Terranor Norvia)

Mutares completed the acquisition of all shares and voting rights in Wilda Transport och Entreprenad AB and NU Entreprenad AB from Wilton Invest AB on July 2, 2024. The companies will strengthen the Terranor Group as an add-on acquisition and thus Mutares' Goods & Services segment. The acquired truck companies specialize in the transportation of building materials and equipment, winter and summer maintenance, and road safety services, and mainly serve general contractors for road operations as customers.

The consideration for the acquisition of the companies amounted to SEK 5.0 million (approx. EUR 0.4 million) and was fully paid at the time of completion of the acquisition. Furthermore, an earn-out clause was agreed in the purchase agreement, which is based on the achievement of future exit proceeds of the acquired company and which is assessed at the time of acquisition with a fair value of EUR 0, since both the time of the exit and the possible proceeds cannot be reliably estimated at this time. Acquisition-related incidental costs for the transaction were incurred only to an insignificant extent. These are recognized in the Consolidated Statement of Comprehensive Income under other expenses. The fair value of the acquired net assets was measured at EUR –1.2 million, resulting in goodwill of EUR 1.6 million, which reflects the expected positive future prospects of the acquisition. The transaction did not result in any goodwill that is deductible for tax purposes.

The following table shows the results of the purchase price allocation and the derivation of goodwill included in intangible assets:

EUR million	Fair value
Intangible assets	0.0
Property, plant and equipment	3.5
Right of use assets (RoU assets)	2.5
Other non-current assets	0.0
Non-current assets	**6.1**
Inventories	0.0
Current trade receivables and other receivables	0.5
Other current assets	0.6
Current assets	**1.1**
Deferred tax liabilities	0.0
Other non-current liabilities	1.9
Non-current liabilities	**1.9**
Current liabilities	**6.4**
Net assets	**–1.2**
Goodwill	**1.6**
Consideration	**0.4**

The fair value of the acquired receivables based on the gross receivable amount of EUR 0.5 million amounted to EUR 0.5 million on the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million.

The Consolidated Financial Statements for the fiscal year include revenue of EUR 3.5 million and earnings after taxes of EUR –0.5 million from the acquired company. If the company had already been acquired as of January 1, 2024, it would have contributed revenue of EUR 7.3 million and earnings after income taxes of EUR –2.2 million to the Group's earnings in the reporting period.

The purchase price allocation for the acquisition mentioned above has not yet been finalized. Mutares does not yet have all relevant information – namely the information on the assets and liabilities of the company to be measured – in a final version. The disclosure of hidden reserves and liabilities is therefore currently still provisional.

Acquisition of fischer automotive (now trading as Matikon)

With effect from July 31, 2024, Mutares acquired 100% of the shares and voting rights in fischer automotive systems GmbH & Co. KG ("fischer automotive") and its subsidiaries from fischerwerke GmbH & Co. KG. The company will strengthen the Automotive & Mobility segment as a new platform investment and has since been renamed Matikon. Matikon develops, manufactures and markets kinematic components for vehicle interiors and exteriors, such as air vents, storage compartments, cup holders and electrically operated tailgates. The company manufactures and develops its products at its headquarters in Horb am Neckar, Germany, as well as of other plants in the Czech Republic, Serbia, China and the United States.

The consideration for the acquisition of the companies amounted to EUR 9.0 million. A provisional payment of EUR 11.3 million was made at the time of execution. The final consideration transferred after a purchase price adjustment of EUR 2.3 million in favor of Mutares is EUR 9.0 million. Acquisition-related ancillary costs for the transaction were incurred in the mid six-digit figures. These are recognized in the Consolidated Statement of Comprehensive Income under other expenses. The fair value of acquired net assets was measured at EUR 127.2 million, resulting in a bargain purchase gain of EUR 118.1 million.

The following table presents the results of the purchase price allocation and the derivation of the bargain purchase gain recognized in other income:

EUR million	Fair value
Intangible assets	1.5
Property, plant and equipment	51.4
Right of use assets (RoU assets)	11.3
Other non-current assets	3.7
Non-current assets	**68.0**
Inventories	33.5
Current trade receivables and other receivables	44.8
Other current assets	40.2
Current assets	**118.5**
Deferred tax liabilities	1.5
Other non-current liabilities	18.1
Non-current liabilities	**19.5**
Current liabilities	**39.7**
Net assets	**127.2**
Bargain purchase gain	**118.1**
Consideration	**9.0**

The fair value of the acquired receivables based on the gross receivable amount of EUR 45.6 million amounted to EUR 44.8 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.8 million.

The Consolidated Financial Statements for the fiscal year include revenue of EUR 80.8 million and earnings after taxes of EUR –18.8 million from the acquired company. If the company had already been acquired as of January 1, 2024, it would have contributed revenue of EUR 228.4 million and earnings after income taxes of EUR –25.3 million to the Group's earnings in the reporting period.

The purchase price allocation for the acquisition referred to above has not yet been finalized. Mutares does not yet have all relevant information – namely the information on the assets and liabilities of the company to be measured – in a final version. The disclosure of hidden reserves and liabilities is therefore currently still provisional.

Acquisition of Alcura

Mutares completed the acquisition of 100% of the shares and voting rights in Alcura France S.A.S and its subsidiaries from Alliance Healthcare Group France on December 18, 2024. The company will strengthen the Goods & Services segment as a new platform investment. Headquartered in Châteauroux, France, the company specializes in providing medical equipment to seniors, people with disabilities and other patients.

The consideration for the acquisition of the companies amounted to EUR 1 and was fully paid at the date of execution. In addition, Mutares committed itself to carrying out a capital increase of EUR 1.0 million in the target company immediately after the transaction. Acquisition-related incidental costs for the transaction were incurred in a negligible amount. These are recognized in the Consolidated Statement of Comprehensive Income under other expenses. The fair value of acquired net assets was measured at EUR 22.1 million, resulting in a bargain purchase gain of EUR 22.1 million.

The following table presents the results of the purchase price allocation and the derivation of the bargain purchase gain recognized in other income:

EUR million	Fair value
Intangible assets	0.3
Property, plant and equipment	19.9
Right of use assets (RoU assets)	5.0
Other non-current assets	0.2
Non-current assets	**25.5**
Inventories	4.2
Current trade receivables and other receivables	6.0
Other current assets	5.3
Current assets	**15.6**
Deferred tax liabilities	0.4
Other non-current liabilities	5.0
Non-current liabilities	**5.4**
Current liabilities	**13.5**
Net assets	**22.1**
Bargain purchase gain	**22.1**
Consideration	**0.0**

The fair value of the acquired receivables based on the gross receivable amount of EUR 7.7 million amounted to EUR 6.0 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 1.7 million.

Due to the acquisition being made close to the balance-sheet date, the consolidated interim financial statements do not include any revenue or earnings after taxes from the acquired company for the reporting period. If the company had already been acquired as of January 1, 2024, it would have generated revenue of EUR 54.9 million and contributed earnings after income taxes of EUR –5.6 million to the Group's earnings in the fiscal year.

The purchase price allocation for the acquisition presented is not yet final. Mutares does not yet have all the relevant information in its final version, namely the information on the assets and liabilities of the company to be valued and the consideration. The disclosure of hidden reserves and liabilities is therefore currently still provisional.

Acquisition of Natura

With effect from December 31, 2024, Mutares acquired 100% of the shares and voting rights of Natura sp. z o.o. and its subsidiaries from Pelion S.A. The company will strengthen the Retail & Food segment as a new platform investment. Headquartered in Łódź, Poland, Natura is a beauty retailer operating over 200 stores and an online shop across the country. The company's product portfolio includes a wide variety of items in categories such as hygiene, perfume, make-up, face and body care, and hair care, including both well-known international brands and high-quality private labels.

The consideration for the acquisition of the companies amounted to PLN 1 (approx. EUR 0.20) and was fully paid at the time of completion of the acquisition. Furthermore, an earn-out clause was agreed in the purchase agreement, which is based on the achievement of future exit proceeds of the acquired companies and which is assessed at the acquisition date with a fair value of EUR 0.0 million, since both the time of the exit and the possible proceeds cannot be reliably estimated at this time. Acquisition-related incidental costs for the transaction were incurred in the mid six-digit range. These are recognized in the Consolidated Statement of Comprehensive Income under other expenses. The fair value of acquired net assets was measured at EUR 20.9 million, resulting in a bargain purchase gain of EUR 20.9 million.

The following table presents the results of the purchase price allocation and the derivation of the bargain purchase gain recognized in other income:

EUR million	Fair value
Intangible assets	5.0
Property, plant and equipment	1.1
Right of use assets (RoU assets)	9.7
Other non-current assets	0.0
Non-current assets	**15.9**
Inventories	13.6
Current trade receivables and other receivables	2.0
Other current assets	12.1
Current assets	**27.7**
Deferred tax liabilities	0.7
Other non-current liabilities	6.0
Non-current liabilities	**6.7**
Current liabilities	**15.9**
Net assets	**20.9**
Bargain purchase gain	**20.9**
Consideration	**0.0**

The fair value of the acquired receivables based on the gross receivable amount of EUR 2.0 million amounted to EUR 2.0 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million.

Due to the acquisition being made close to the balance-sheet date, the Consolidated Interim Financial Statements do not include any revenue or earnings after taxes from the acquired company for the reporting period. If the company had already been acquired as of January 1, 2024, it would have generated revenue of EUR 86.4 million and contributed earnings after income taxes of EUR –15.9 million to the Group's earnings in the reporting period.

The purchase price allocation for the acquisition mentioned above has not yet been finalized. Mutares does not yet have all the relevant information in its final version, namely the information on the company's assets and liabilities to be assessed and the consideration. The disclosure of hidden reserves and liabilities is therefore still preliminary.

Profit from the favorable acquisition of the acquired subsidiaries
All acquisitions, with the exception of the acquisitions of Greenview, Sofinter, FSL Ladenbau and Wilda, which resulted in goodwill, resulted in a bargain purchase gain from the comparison of the acquisition costs of the acquired companies and the revalued net assets, which is recognized in the Consolidated Statement of Comprehensive Income under other income. The acquisition price favorable to Mutares may be due, on the one hand, to the seller's efforts to realign the business activities and focus on core activities. While the acquired market segments appear unattractive to other investors, the acquisition is lucrative for Mutares as companies in transition situations fit into the Group's strategic direction. Mutares sees opportunities in its extensive operational industry and turnaround experience, which will be used to lead the acquired portfolio companies on a stable path of profitable growth. In addition, there may be some selling pressure on the seller side – among other factors due to upcoming (major) investments or costs resulting from the shutdown of activities.

During the one-year period under IFRS 3, there was an aggregate adjustment of EUR 10.4 million in the net assets transferred in fiscal year 2024 at Byldis, Stuart and Efacec, three portfolio companies acquired in the second half of fiscal year 2023. The gain from the bargain purchase decreased accordingly; an amount of EUR 10.4 million is included as a reduction of other income in the Consolidated Statement of Comprehensive Income for fiscal year 2024.

5.1.2. Acquisitions of subsidiaries in the previous year
The following subsidiaries were acquired and consolidated for the first time in the period from January 1 to December 31, 2023:

Acquisition of Peugeot Motocycles Group ("PMTC")
On January 31, 2023, Mutares completed the acquisition of 50% of the shares and a controlling 80% stake in Peugeot Motocycles (SAS) from Mahindra & Mahindra. PMTC designs and manufactures two- and three-wheeled scooters distributed by subsidiaries, importers and dealers in France and internationally on three continents. The acquisition serves to strengthen the Automotive & Mobility segment.

The consideration of EUR 7.0 million for the acquisition of the company was paid at the time of acquisition. Acquisition-related incidental costs for the transaction were incurred only to an insignificant extent. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The acquired net assets were assessed at a fair value of EUR 108.1 million, resulting in a gain of EUR 15.0 million from a bargain purchase. Part of the acquired assets is a joint venture in China, which is included in the other non-current assets in the table below with a fair value of EUR 37.6 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	25.6
Property, plant and equipment	21.9
Right of use assets (RoU assets)	1.2
Other non-current assets	43.8
Non-current assets	**92.5**
Inventories	23.6
Current trade receivables and other receivables	13.2
Other current assets	94.2
Current assets	**131.0**
Deferred tax liabilities	15.9
Other non-current liabilities	17.8
Non-current liabilities	**33.6**
Current liabilities	**81.7**
Net assets	**108.1**
Minority interest	**86.1**
Bargain purchase gain	**15.0**
Consideration	**7.0**

In connection with the acquisition, Peugeot Motocycles issued a floating-rate mandatory convertible bond in a nominal amount of EUR 74.1 million with a term of ten years, which was fully subscribed to by the previous shareholder and current minority shareholder (Mahindra & Mahindra). This mandatory convertible bond is a compound financial instrument that contains both an equity and a debt component. The nominal amount of EUR 64.1 million was classified as equity due to the fixed conversion ratio. The conversion of the contractually agreed (compound) interest, on the other hand, is based on the fair value of the shares at the time of conversion, meaning that they are to be treated as debt. Consequently, a financial liability of EUR 10.0 million was recognized in the amount of the fair value of the (compound) interest expected at the time of issue, which is subsequently measured at amortized cost.

The shares in non-controlling interests were measured at fair value; the general valuation methods used to determine the fair value of the assets were applied.

The other current assets acquired include cash and cash equivalents of EUR 83.9 million, which were used in part to repay bank loans of EUR 39.6 million and a loan from the former shareholder of EUR 3.9 million following the completion of the transaction in accordance with the agreement. The fair value of assets from promised compensation payments recognized in the opening balance sheet amounts to EUR 4.2 million and corresponds to provisions from legal disputes in the same amount.

The fair value of the acquired receivables based on a gross receivable amount of EUR 15.5 million at the acquisition date is EUR 13.2 million. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 2.3 million.

The Consolidated Financial Statements for fiscal year 2023 include revenue of EUR 105.2 million and earnings after taxes of EUR –8.1 million from the acquired company. If the company had already been acquired as of January 1, 2023, it would have generated revenue of EUR 111.2 million and contributed a result after income taxes of EUR –9.5 million to the Group’s result in fiscal year 2023.

Acquisition of Palmia

To strengthen the Goods & Services segment and its presence in Finland, Mutares completed the acquisition of all shares and voting rights in Palmia Oy from the City of Helsinki on February 7, 2023. Palmia is a Finnish service provider for schools, daycare centers, hospitals and other public sector facilities. Its services include food services, cleaning services, security services and building maintenance services.

The purchase price for the acquisition of the company amounted to EUR 0.4 million and was paid at the time of acquisition. Acquisition-related incidental costs in the low six-figure range were incurred. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The net assets acquired were measured at a fair value of EUR –2.2 million, resulting in goodwill of EUR 2.6 million, which reflects the expected positive future prospects of the company. The transaction did not result in any goodwill that is deductible for tax purposes.

The following table shows the results of the purchase price allocation and the derivation of goodwill included in intangible assets:

EUR million	Fair value
Intangible assets	4.4
Property, plant and equipment	5.2
Right of use assets (RoU assets)	8.9
Other non-current assets	2.6
Non-current assets	**21.1**
Inventories	0.7
Current trade receivables and other receivables	9.5
Other current assets	2.2
Current assets	**12.4**
Deferred tax liabilities	1.1
Other non-current liabilities	5.8
Non-current liabilities	**6.9**
Current liabilities	**28.8**
Net assets	**–2.2**
Goodwill	**2.6**
Consideration	**0.4**

The fair value of the acquired receivables based on the gross receivable amount of EUR 9.5 million amounted to EUR 9.5 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million.

The Consolidated Financial Statements for fiscal year 2023 include revenue of EUR 123.5 million and earnings after taxes of EUR –5.7 million from the acquired company. If the company had already been acquired as of January 1, 2023, it would have generated revenue of EUR 134.8 million and contributed a result after income taxes of EUR –6.5 million to the Group's result in fiscal year 2023.

Acquisition of a plant from Magna in Bordeaux (now trading as Manufacturing Mobility of Tomorrow – Bordeaux ("MMT-B"))

Effective March 1, 2023, Mutares completed the full acquisition of Manufacturing Mobility of Tomorrow – Bordeaux SAS ("MMT-B") including a French plant active in the production of gearboxes from the automotive supplier Magna. The acquisition strengthens the Automotive & Mobility segment as synergy effects can be expected with the activities of other portfolio companies in the segment, particularly within the FerrAl United Group.

The consideration for the acquisition of the company amounted to EUR 10.3 million. This consists of a purchase price payment of EUR 5.0 million at the time of acquisition, two deferred payments with a present value of EUR 9.6 million and an offsetting purchase price adjustment with a present value of EUR 4.3 million. There are also two earn-out clauses, which are calculated on the basis of an adjusted EBITDA figure defined in the purchase agreement and revenue in subsequent years and which were measured at a fair value of EUR 0 at the time of acquisition. Acquisition-related incidental costs for the transaction were incurred only to an insignificant extent. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The net assets acquired were measured at a fair value of EUR 103.3 million, resulting in a bargain purchase gain of EUR 92.9 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	0.0
Property, plant and equipment	79.7
Right of use assets (RoU assets)	0.4
Other non-current assets	0.0
Non-current assets	**80.1**
Inventories	11.4
Current trade receivables and other receivables	29.7
Other current assets	43.5
Current assets	**84.5**
Deferred tax liabilities	12.6
Other non-current liabilities	14.5
Non-current liabilities	**27.1**
Current liabilities	**34.3**
Net assets	**103.3**
Bargain purchase	**92.9**
Consideration	**10.3**

The fair value of the acquired receivables based on a gross receivable amount of EUR 29.7 million at the acquisition date is EUR 29.7 million. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million. Environmental pollution was discovered at the production site that does not meet the recognition criteria for a provision or a contingent liability and was therefore not taken into account.

The former shareholder has also agreed to compensate MMT-B for expenses in connection with restructuring and transformation measures. On this basis, MMT-B recognized other income of EUR 23.7 million in fiscal year 2023.

The Consolidated Financial Statements for fiscal year 2023 include revenue of EUR 104.2 million and earnings after taxes of EUR –6.5 million from the acquired company. If the company had already been acquired as of January 1, 2023, it would have generated revenue of EUR 144.4 million and contributed a result after income taxes of EUR –3.5 million to the Group's result in fiscal year 2023.

Acquisition of BEW Umformtechnik

Effective April 28, 2023, Mutares completed the acquisition of a majority stake of 87.5% in BEW-Umformtechnik GmbH ("BEW") from Marigold Capital and from the minority shareholder and Managing Director of the company. BEW is a manufacturer of forgings in raw, pre-formed or ready-to-install versions. BEW produces parts and components for transmissions, axles and steering systems in commercial vehicles, passenger cars, agricultural, material handling and construction machinery as well as for applications in general mechanical engineering and in the valves and hydraulics industry. The acquisition strengthens the Automotive & Mobility segment as synergy effects can be expected with the activities of other portfolio companies in the segment, particularly within the FerrAl United Group.

The consideration for the acquisition of the company amounted to EUR 5.7 million. Of this amount, EUR 2.8 million was paid at the time of acquisition. An additional amount of EUR 2.1 million is due as a deferred purchase price within twelve months of completion of the transactions. The remaining 12.5% of the shares are to also be transferred to Mutares by means of a payment of EUR 0.7 million fixed in the purchase agreement, which is to be made by the end of 2024. This acquisition obligation represents a synthetic forward, which means that Mutares applies the "anticipated acquisition method" and recognizes all of the company's assets and liabilities at the time of acquisition. Acquisition-related incidental costs for the transaction were incurred only to an insignificant extent. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The net assets acquired were measured at a fair value of EUR 6.5 million, resulting in a bargain purchase gain of EUR 0.8 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	0.8
Property, plant and equipment	3.4
Right of use assets (RoU assets)	5.3
Other non-current assets	0.0
Non-current assets	**9.5**
Inventories	8.4
Current trade receivables and other receivables	3.7
Other current assets	1.5
Current assets	**13.6**
Deferred tax liabilities	0.7
Other non-current liabilities	4.9
Non-current liabilities	**5.6**
Current liabilities	**11.0**
Net assets	**6.5**
Bargain purchase gain	**0.8**
Consideration	**5.7**

The fair value of the acquired receivables based on the gross receivable amount of EUR 3.7 million amounted to EUR 3.7 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million.

The Consolidated Financial Statements for fiscal year 2023 include revenue of EUR 32.4 million and earnings after taxes of EUR –0.7 million from the acquired company. If the company had already been acquired as of January 1, 2023, it would have generated revenue of EUR 51.6 million and contributed a result after income taxes of EUR 0.4 million to the Group's result in fiscal year 2023.

Acquisition of Arriva's activities in Denmark, Poland and Serbia (now trading as GoCollective A/S, ReloBus Transport Sp.z.o.o. and MobiLitas d.o.o)

Effective May 15 and June 15, 2023, Mutares completed the acquisition of the Danish, Polish and Serbian business activities of the Arriva Group, which belonged to Deutsche Bahn AG. These cover a broad range of transportation and mobility services, e.g. rail, bus, ferries and car sharing. The acquisition of this new platform is intended to further strengthen the Goods & Services segment and its presence in the Nordic countries. The companies were included in the Consolidated Financial Statements for the first time as of May 31, 2023. No significant business transactions were identified in the period between the acquisition date and initial consolidation.

The consideration for 100% of the shares and voting rights in the companies amounted to EUR 9.5 million, of which EUR 3 was paid at the time of acquisition. An additional amount of EUR 9.5 million is due as a deferred purchase price on June 30, 2024. Acquisition-related incidental costs in the mid six-digit range were incurred. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The net assets acquired were measured at a fair value of EUR 158.7 million, resulting in a bargain purchase gain of EUR 149.2 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	35.8
Property, plant and equipment	156.3
Right of use assets (RoU assets)	10.1
Other non-current assets	1.1
Non-current assets	**203.3**
Inventories	14.0
Current trade receivables and other receivables	24.8
Other current assets	42.5
Current assets	**81.3**
Deferred tax liabilities	0.0
Other non-current liabilities	34.9
Non-current liabilities	**34.8**
Current liabilities	**91.1**
Net assets	**158.7**
Bargain purchase gain	**149.2**
Consideration	**9.5**

The fair value of the acquired receivables based on the gross receivable amount of EUR 25.3 million amounted to EUR 24.8 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.5 million.

Arriva's Danish business activities include Arriva Insurance A/S, an insurance company that provides insurance services exclusively to units of the Group and is obliged by regulatory requirements to maintain a certain level of liquidity. These blocked funds amounted to EUR 10.1 million at the time of acquisition and can be used for the company's day-to-day business but cannot be transferred to other companies in the Group.

The Consolidated Financial Statements for the fiscal year include revenue of EUR 177.1 million and earnings after taxes of EUR –27.0 million from the acquired company. If the company had already been acquired as of January 1, 2023, it would have contributed revenue of EUR 479.7 million and earnings after income taxes of EUR –58.3 million to the Group's earnings in fiscal year 2023.

Acquisition of Gläserne Molkerei

With effect from August 14, 2023, Mutares successfully completed the acquisition of Gläserne Molkerei GmbH and its subsidiaries from the Emmi Group. With two production sites in the north of Germany, Gläserne Molkerei specializes in the production of pure organic dairy products. The wide range of products includes organic milk, butter, yogurt, buttermilk, and cheese. The company is the first platform acquisition to strengthen the new Retail & Food segment.

The consideration for 100% of the shares and voting rights in the company amounted to EUR 1, which was paid at the time of acquisition. In addition, Mutares acquired a loan of EUR 1.7 million from the former shareholder against the company, which is recognized in the balance sheet of Gläserne Molkerei in a nominal value of EUR 8.0 million. Acquisition-related incidental costs for the transaction were incurred only to an insignificant extent. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The net assets acquired were measured at a fair value of EUR 30.1 million, resulting in a bargain purchase gain of EUR 30.1 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	1.7
Property, plant and equipment	20.6
Right of use assets (RoU assets)	0.1
Other non-current assets	1.7
Non-current assets	**24.2**
Inventories	3.9
Current trade receivables and other receivables	8.7
Other current assets	13.3
Current assets	**25.9**
Deferred tax liabilities	3.5
Other non-current liabilities	5.8
Non-current liabilities	**9.3**
Current liabilities	**10.6**
Net assets	**30.1**
Bargain purchase gain	**30.1**
Consideration	**0.0**

The fair value of the acquired receivables based on the gross receivable amount of EUR 9.5 million amounted to EUR 8.7 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.8 million.

The Consolidated Financial Statements for fiscal year 2023 include revenue of EUR 39.1 million and earnings after taxes of EUR 0.8 million from the acquired company. If the company had already been acquired as of January 1, 2023, it would have generated revenue of EUR 97.1 million and contributed a result after income taxes of EUR –4.2 million to the Group's result in fiscal year 2023.

Acquisition of Recover Nordic (now trading as "REDO")

Effective August 31, 2023, Mutares completed the acquisition of Recover Nordic (now operating as Redo Oy ("REDO")) from Recover Group as a platform acquisition to strengthen the Goods & Services segment. The company is a Finnish provider of expert emergency response and building restoration services with a comprehensive service offering and a nationwide geographic footprint. REDO offers the entire value chain of services for inspection, demolition, drying and reconstruction of water and fire damage, odor, and moisture.

The consideration for the acquisition of 100% of the shares and voting rights in the company amounted to EUR 1 and was paid at the time of acquisition. There is also an earn-out agreement, which was measured at a fair value of EUR 0 at the time of acquisition. The range of the agreed earn-out obligation cannot be reliably estimated due to uncertainties regarding the time horizon and the amount of the future achievable selling price. Acquisition-related incidental costs in the low six-digit euro range have been recognized. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The net assets acquired were measured at a fair value of EUR 1.2 million, resulting in a bargain purchase gain of EUR 1.2 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	0.8
Property, plant and equipment	1.1
Right of use assets (RoU assets)	2.8
Other non-current assets	0.1
Non-current assets	**4.7**
Inventories	0.0
Current trade receivables and other receivables	3.4
Other current assets	2.1
Current assets	**5.4**
Deferred tax liabilities	0.2
Other non-current liabilities	1.5
Non-current liabilities	**1.7**
Current liabilities	**7.3**
Net assets	**1.2**
Bargain purchase gain	**1.2**
Consideration	**0.0**

The fair value of the acquired receivables based on the gross receivable amount of EUR 5.4 million amounted to EUR 5.4 million at the acquisition date. Accordingly, the best estimate made at the acquisition date for contractual cash flows that are not expected to be collected is EUR 0.0 million.

The Consolidated Financial Statements for fiscal year 2023 include revenue of EUR 12.3 million and earnings after taxes of EUR –1.2 million from the acquired company. If the company had already been acquired as of January 1, 2023, it would have generated revenue of EUR 35.4 million and contributed a result after income taxes of EUR –2.0 million to the Group's result in fiscal year 2023.

Acquisition of the Selzer Group

With effect from August 31, 2023, Mutares acquired 100% of the shares and voting rights in Selzer Fertigungstechnik GmbH & Co. KG and its subsidiaries from INDUS that serves as an add-on acquisition for the FerrAl United Group in the Automotive & Mobility segment. The company manufactures, among other products, ready-to-install metal components and assemblies for automotive transmissions, brakes and engines as well as industrial applications.

The consideration for the acquisition of the company amounted to EUR 1.2 million. EUR 1.2 million of this was paid at the time of acquisition. Acquisition-related incidental costs for the transaction were incurred only to an insignificant extent. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The acquired net assets were assessed at a fair value of EUR 50.3 million, resulting in a gain of EUR 49.1 million from a bargain purchase.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	1.5
Property, plant and equipment	51.0
Right of use assets (RoU assets)	5.9
Other non-current assets	4.6
Non-current assets	**62.9**
Inventories	23.7
Current trade receivables and other receivables	7.8
Other current assets	4.2
Current assets	**35.7**
Deferred tax liabilities	4.9
Other non-current liabilities	7.2
Non-current liabilities	**12.0**
Current liabilities	**36.3**
Net assets	**50.3**
Bargain purchase gain	**49.1**
Consideration	**1.2**

The fair value of the acquired receivables in relation to a gross receivable amount of EUR 10.7 million amounted to EUR 7.8 million at the time of acquisition. Accordingly, the best possible estimate made at the time of acquisition for contractual cash flows that are not expected to be collected amounted to EUR 2.9 million.

The Consolidated Financial Statements for fiscal year 2023 include revenue from the acquired company of EUR 19.4 million and earnings after taxes of EUR –44.6 million. If the company had already been acquired on January 1, 2023, it would have contributed revenue of EUR 66.7 million and earnings after taxes of EUR –96.4 million to the Group's earnings in fiscal year 2023. Effects from consolidation measures of EUR 29.9 million have already been eliminated from earnings after taxes.

The purchase price allocation for the acquisition presented was not yet finalized as of December 31, 2023. At that time, Mutares did not yet have all relevant information – namely, information about the company's assets and liabilities to be valued – in its final version. The disclosure of hidden reserves and liabilities was therefore still preliminary.

Acquisition of assets of Holland Industrial Construction Systems Coöperatief and its subsidiaries ("Byldis")

Effective October 10, 2023, Mutares successfully completed the acquisition of assets of Holland Industrial Construction Systems Coöperatief and its subsidiaries from the insolvency estate. The activities, now combined under Byldis Group B.V. ("Byldis"), serve as a platform investment to strengthen the Engineering & Technology segment. The company designs, manufactures and assembles prefabricated and off-site construction elements for tall to mid-rise buildings on the European construction market.

The consideration for the acquisition of the company amounted to EUR 2.6 million, of which EUR 1.6 million was paid by Mutares and EUR 1.0 million by a third party on behalf of Mutares at the time of acquisition. Acquisition-related incidental costs for the transaction were incurred in the low six-figure range. These are recognized in the Consolidated Statement of Comprehensive Income under other expenses. The net assets acquired were measured at a fair value of EUR 4.6 million, resulting in a bargain purchase gain of EUR 3.0 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	0.2
Property, plant and equipment	5.7
Rights of use	7.9
Other non-current assets	0.0
Non-current assets	**13.8**
Inventories	0.7
Receivables and other current assets	4.4
Other current assets	9.0
Current assets	**14.0**
Deferred tax liabilities	0.0
Other non-current liabilities	7.1
Non-current liabilities	**7.1**
Current liabilities	**16.2**
Net assets	**4.6**
Bargain purchase gain	**3.0**
Consideration	**1.6**

The fair value of the acquired receivables in relation to a gross receivable amount of EUR 7.2 million amounted to EUR 4.8 million at the time of acquisition. Accordingly, the best possible estimate made at the time of acquisition for contractual cash flows that are not expected to be collected amounted to EUR 2.4 million.

The Consolidated Financial Statements include revenue of EUR 19.0 million and earnings after taxes of EUR –1.2 million from the acquired activities for fiscal year 2023. If the activities had already been acquired on January 1, 2023, they would have contributed revenue of EUR 87.9 million and earnings after taxes of EUR –4.7 million to the Group's earnings in fiscal year 2023.

Acquisition of Gesenkschmiede Schneider, Schöneweiss & Co., Falkenroth Umformtechnik

Effective October 16, 2023, Mutares acquired four forging companies, Gesenkschmiede Schneider GmbH, Schöneweiss & Co. GmbH, Falkenroth Umformtechnik GmbH and Jeco Jellinghaus GmbH from CIE Forgings Germany, ultimately held by CIE Automotive S.A. The companies specialize in forging and machining technologies for the truck market and strengthen the FerrAl United Group in the Automotive & Mobility segment.

The consideration for 100% of the shares in the companies amounted to EUR 22.5 million. In addition to the shares, a loan to Schöneweiss was acquired from the former shareholder at a nominal value of EUR 1.6 million. The seller also granted the acquirer two loans of EUR 12.0 million. In total, the purchase price payment at the time of acquisition therefore amounted to EUR 12.0 million. Acquisition-related incidental costs for the transaction were incurred in the mid six-figure range. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The net assets acquired were measured at a fair value of EUR 58.3 million, resulting in a bargain purchase gain of EUR 35.8 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	2.3
Property, plant and equipment	52.2
Rights of use	8.7
Other non-current assets	1.0
Non-current assets	**64.1**
Inventories	42.1
Receivables and other current assets	12.5
Other current assets	4.6
Current assets	**59.2**
Deferred tax liabilities	4.4
Other non-current liabilities	29.4
Non-current liabilities	**33.9**
Current liabilities	**31.2**
Net assets	**58.3**
Bargain purchase gain	**35.8**
Consideration	**22.5**

The fair value of the acquired receivables in relation to a gross receivable amount of EUR 12.8 million amounted to EUR 12.5 million at the time of acquisition. Accordingly, the best possible estimate made at the time of acquisition for contractual cash flows that are not expected to be collected amounted to EUR 0.3 million.

The Consolidated Financial Statements for fiscal year 2023 include revenue of EUR 37.8 million and earnings after taxes of EUR –8.4 million from the acquired company. If the company had already been acquired on January 1, 2023, it would have contributed revenue of EUR 214.9 million and earnings after taxes of EUR 4.3 million to the Group's earnings in fiscal year 2023. The result was adjusted for non-recurring special effects, mainly due to the reversal of provisions no longer required, as well as insurance compensation totaling EUR 25.4 million.

Acquisition of Walor International

As of October 31, 2023, Mutares acquired Walor International SAS and its subsidiaries from the shareholders Lorinvest, BNP Paribas Développement and Sodero Gestion to complement the Automotive & Mobility segment. The acquisition serves to strengthen the FerrAl United Group in the Automotive & Mobility segment. As a manufacturer of forged and machined steel parts, Walor offers a comprehensive range of products for powertrains, steering systems, bodyshells and passive safety applications for passenger cars.

The consideration for the acquisition of 100% of the shares and voting rights in the company amounted to EUR 15.7 million, of which EUR 14.4 million was paid at the time of acquisition and EUR 1.3 million is deferred and will be paid over a period of six years. Acquisition-related incidental costs for the transaction were incurred in the high six-digit euro range. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The net assets acquired were measured at a fair value of EUR 83.4 million, resulting in a bargain purchase gain of EUR 67.7 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	4.6
Property, plant and equipment	66.8
Rights of use	12.4
Other non-current assets	4.7
Non-current assets	**88.5**
Inventories	32.4
Receivables and other current assets	21.9
Other current assets	24.0
Current assets	**78.3**
Deferred tax liabilities	5.3
Other non-current liabilities	23.5
Non-current liabilities	**28.7**
Current liabilities	**54.7**
Net assets	**83.4**
Bargain purchase gain	**67.7**
Consideration	**15.7**

The fair value of the acquired receivables in relation to a gross receivable amount of EUR 23.3 million amounted to EUR 21.9 million at the time of acquisition. Accordingly, the best possible estimate made at the time of acquisition for contractual cash flows that are not expected to be collected amounted to EUR 1.4 million.

The Consolidated Financial Statements for fiscal year 2023 include revenue from the acquired company of EUR 38.3 million and earnings after taxes of EUR –4.1 million. If the company had already been acquired on January 1, 2023, it would have contributed revenue of EUR 254.6 million and earnings after taxes of EUR –9.4 million to the Group's earnings in fiscal year 2023.

Acquisition of Efacec Group

On October 31, 2023, Mutares completed the acquisition of Efacec Power Solutions SGPS, S.A. and its subsidiaries from the Portuguese state (Participações Públicas (SGPS)) and MGI Capital as part of the reprivatization process initiated at the end of 2022. Efacec specializes in the manufacture and supply of critical equipment and solutions in the energy, technology and mobility sectors and strengthens the Engineering & Technology segment as a platform investment.

The consideration for the acquisition of 100% of the shares and voting rights in the companies amounted to EUR 15.0 million and was established at the time of acquisition. At the same time, there was also a subsequent payment from the seller to the acquired company based on the closing accounts of EUR 20.1 million. Acquisition-related incidental costs for the transaction were incurred in the lower seven-digit range. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The net assets acquired were measured at a fair value of EUR 173.1 million, resulting in a bargain purchase gain of EUR 158.1 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	31.7
Property, plant and equipment	70.0
Rights of use	2.4
Other non-current assets	22.9
Non-current assets	**127.1**
Inventories	41.0
Receivables and other current assets	74.0
Other current assets	197.4
Current assets	**312.4**
Deferred tax liabilities	0.0
Other non-current liabilities	87.5
Non-current liabilities	**87.4**
Current liabilities	**179.0**
Net assets	**173.1**
Bargain purchase gain	**158.1**
Consideration	**15.0**

The fair value of the acquired receivables in relation to a gross receivable amount of EUR 107.9 million amounted to EUR 74.0 million at the time of acquisition. Accordingly, the best possible estimate made at the time of acquisition for contractual cash flows that are not expected to be collected amounted to EUR 33.9 million. These are attributable to risks from projects of the acquired company existing at the time of acquisition. In connection with the acquisition, contingent liabilities of EUR 6.5 million were recognized from Efacec's project list available at the time of acquisition, which represent the fair value of the negative margins of the individual projects from this list as well as any legal disputes. At the same time, related contingent assets of EUR 16.3 million were capitalized due to contractually agreed compensation payments by the seller, the amount of which is capped at EUR 30.0 million.

The Consolidated Financial Statements include revenue of EUR 30.9 million and earnings after taxes of EUR –15.8 million from the acquired company for fiscal year 2023. If the company had already been acquired on January 1, 2023, it would have contributed revenue of EUR 145.2 million and earnings after taxes of EUR –158.0 million to the Group's earnings in fiscal year 2023.

The purchase price allocation for the acquisition presented was not yet finalized as of December 31, 2023. At that time, Mutares did not yet have all relevant information – namely, information about the company's assets and liabilities to be valued – in its final version. The disclosure of hidden reserves and liabilities was therefore still preliminary.

Acquisition of Stuart ("SRT Group")

On November 30, 2023, Mutares acquired 100% of the shares and voting rights in SRT Group S.A.S. from Geopost SA. The company operates in the Goods & Services segment and strengthens Mutares' presence in the logistics and transportation sector in Europe. The company is a provider of urban on-demand delivery services in the field of city and last-mile logistics. Stuart relies on its platform solution, which connects customers with a fleet of independent couriers.

The consideration for the acquisition of the company amounted to EUR 1, which was paid at the time of acquisition. Acquisition-related incidental costs for the transaction were incurred in the lower seven-digit range. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses.

The net assets acquired were measured at a fair value of EUR 91.7 million, resulting in a bargain purchase gain of EUR 91.7 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	20.5
Property, plant and equipment	3.6
Rights of use	8.3
Other non-current assets	38.9
Non-current assets	**71.4**
Inventories	1.0
Receivables and other current assets	36.7
Other current assets	32.8
Current assets	**70.5**
Deferred tax liabilities	4.8
Other non-current liabilities	6.1
Non-current liabilities	**10.9**
Current liabilities	**39.3**
Net assets	**91.7**
Bargain purchase gain	**91.7**
Consideration	**0.0**

The fair value of the acquired receivables in relation to a gross receivable amount of EUR 38.3 million amounted to EUR 36.7 million at the time of acquisition. Accordingly, the best possible estimate made at the time of acquisition for contractual cash flows that are not expected to be collected amounts to EUR 1.6 million. The fair value of assets from promised compensation payments recognized in the opening balance sheet amounts to EUR 16.0 million and corresponds to provisions from legal disputes in the same amount. There are also externally managed assets with a fair value of EUR 22.8 million, which are reported under current assets and serve to finance the operating business through 2026. A contingent liability was identified with regard to pension benefits, the fair value of which could not be reliably determined as of the reporting date and was therefore not recognized. This could result in benefits of up to a mid-eight-digit euro amount.

The Consolidated Financial Statements for fiscal year 2023 include revenue from the acquired company of EUR 8.3 million and earnings after taxes of EUR −2.6 million. If the company had already been acquired on January 1, 2023, it would have contributed revenue of EUR 121.9 million and earnings after taxes of EUR −46.3 million to the Group's earnings in fiscal year 2023.

The purchase price allocation for the acquisition presented was not yet finalized as of December 31, 2023. At that time, Mutares did not yet have all relevant information – namely, information about the company's assets and liabilities to be valued – in its final version. The disclosure of hidden reserves and liabilities, as well as the final assessment of all components of the consideration, was therefore still preliminary.

Acquisition of Prénatal

With effect from November 30, 2023, Mutares acquired 100% of the shares and voting rights in Prénatal Moeder en Kind B.V. (now trading as Moeder & Kind B.V.) and its subsidiary in the Netherlands from PRG Retail Group. Prénatal is a retailer of textiles for expectant mothers and children, hard goods and toys. The company offers its products via a network of stores and an e-commerce platform and serves to strengthen the Retail & Food segment.

The consideration for the acquisition of the company amounted to EUR 1, and was paid at the time of acquisition. Acquisition-related incidental costs for the transaction were incurred in the low six-digit range. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The net assets acquired were measured at a fair value of EUR 6.0 million, resulting in a bargain purchase gain of EUR 6.0 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	3.5
Property, plant and equipment	4.8
Rights of use	24.8
Other non-current assets	0.8
Non-current assets	**33.9**
Inventories	18.8
Receivables and other current assets	0.9
Other current assets	5.7
Current assets	**25.5**
Deferred tax liabilities	0.5
Other non-current liabilities	28.1
Non-current liabilities	**28.6**
Current liabilities	**24.8**
Net assets	**6.0**
Bargain purchase gain	**6.0**
Consideration	**0.0**

The fair value of the acquired receivables in relation to a gross receivable amount of EUR 0.9 million amounted to EUR 0.9 million at the time of acquisition. Accordingly, the best possible estimate made at the time of acquisition for contractual cash flows that are not expected to be collected amounted to EUR 0.0 million.

The Consolidated Financial Statements for fiscal year 2023 include revenue of EUR 8.1 million and earnings after taxes of EUR –0.9 million from the acquired company. If the company had already been acquired on January 1, 2023, it would have contributed revenue of EUR 105.0 million and earnings after taxes of EUR 1.2 million to the Group's earnings in fiscal year 2023.

The purchase price allocation for the acquisition presented was not yet finalized as of December 31, 2023. At that time, Mutares did not yet have all relevant information – namely, information about the company's assets and liabilities to be valued – in its final version. The disclosure of hidden reserves and liabilities, as well as the final assessment of all components of the consideration, was therefore still preliminary.

Acquisition of High Precision Components

With effect from December 1, 2023, Mutares acquired 100% of the shares and voting rights in High Precision Components Witten GmbH ("High Precision") from the company Westebbe Verwaltungs and the shareholder-Managing Director of the investment. HPC Witten specializes in the production of hinges for tailgates and hoods as well as transmission parts and body frame structures and manufactures the products by stamping, fineblanking, CNC machining, welding and laser cutting. The company strengthens the HILO Group (formerly KICO and ISH Group) in the Automotive & Mobility segment.

The consideration for the acquisition of the company amounted to EUR 3.0 million and was paid at the time of acquisition. Acquisition-related incidental costs for the transaction were only incurred to an insignificant extent. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The net assets acquired were measured at a fair value of EUR 12.9 million, resulting in a bargain purchase gain of EUR 9.9 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	0.7
Property, plant and equipment	17.9
Rights of use	0.7
Other non-current assets	0.0
Non-current assets	**19.2**
Inventories	8.1
Receivables and other current assets	1.3
Other current assets	2.5
Current assets	**11.8**
Deferred tax liabilities	4.1
Other non-current liabilities	6.5
Non-current liabilities	**10.6**
Current liabilities	**7.6**
Net assets	**12.9**
Bargain purchase gain	**9.9**
Consideration	**3.0**

The fair value of the acquired receivables in relation to a gross receivable amount of EUR 1.4 million amounted to EUR 1.4 million at the time of acquisition. Accordingly, the best possible estimate made at the time of acquisition for contractual cash flows that are not expected to be collected amounted to EUR 0.0 million.

The Consolidated Financial Statements include revenue from the acquired company of EUR 4.0 million and earnings after taxes of EUR –1.1 million for the fiscal year 2023. If the company had already been acquired on January 1, 2023, it would have contributed revenue of EUR 53.6 million and earnings after taxes of EUR –0.4 million to the Group's earnings in fiscal year 2023.

Acquisition of Team Tex

Effective December 18, 2023, Mutares successfully completed the acquisition of 83.08% of TeamTex Management SAS and its subsidiaries ("TeamTex") from Nania Developpement and Crédit Mutuel Equity. The company specializes in the manufacture and distribution of child restraint systems (car seats) and the sale of baby carriages and baby accessories. The transaction strengthens the Retail & Food segment as a new platform. In fiscal year 2024, deconsolidation took place due to insolvency (see note 5.2.1).

The consideration for the acquisition of the company amounted to EUR 5.1 million and was paid at the time of acquisition. Acquisition-related incidental costs for the transaction were incurred in the low six-digit range. These are recognized in the Consolidated Statement of Comprehensive Income for the fiscal year 2023 under other expenses. The net assets acquired were measured at a fair value of EUR 18.6 million, resulting in a bargain purchase gain of EUR 10.4 million.

The following table shows the results of the purchase price allocation and the derivation of the gain from a bargain purchase, which is recognized in other income for the fiscal year 2023:

EUR million	Fair value
Intangible assets	3.5
Property, plant and equipment	7.2
Rights of use	4.7
Other non-current assets	2.2
Non-current assets	**17.6**
Inventories	7.9
Receivables and other current assets	5.2
Other current assets	11.6
Current assets	**24.6**
Deferred tax liabilities	2.2
Other non-current liabilities	4.6
Non-current liabilities	**6.8**
Current liabilities	**16.8**
Net assets	**18.6**
Non-controlling interests	**3.1**
Bargain purchase gain	**10.4**
Consideration	**5.1**

The fair value of the acquired receivables in relation to a gross receivable amount of EUR 6.6 million amounted to EUR 5.2 million at the time of acquisition. Accordingly, the best possible estimate made at the time of acquisition for contractual cash flows that are not expected to be collected amounted to EUR 1.5 million.

Minority interests were measured at fair value; the general valuation methods used to determine the fair value of the assets were applied.

Due to the completion of the acquisition at the end of fiscal year 2023, the Consolidated Financial Statements do not include any revenue from the acquired company and – with the exception of the bargain purchase gain – no earnings after taxes. If the company had already been acquired on January 1, 2023, it would have contributed revenue of EUR 59.6 million and earnings after taxes of EUR –2.2 million to the Group's earnings in fiscal year 2023.

Bargain purchase gain from the acquired subsidiaries in the previous year

All acquisitions in fiscal year 2023, with the exception of the acquisition of Polar Frakt and Palmia, which resulted in goodwill, resulted in a bargain purchase gain from the comparison of the acquisition costs of the acquired companies and the revalued net assets, which is reported under other income in the Consolidated Statement of Comprehensive Income. The favorable purchase price for Mutares may have been due to the seller's efforts to realign the business activities and focus on core activities. While the acquired market segments appear unattractive to other investors, the acquisition is lucrative for Mutares, as companies in transitional situations fit into the Group's strategic orientation. Mutares sees opportunities in the extensive operating industrial and restructuring experience, which should help to guide the acquired portfolio companies onto a stable path of profitable growth. In addition, there could be a certain amount of pressure to sell on the seller's side, due to upcoming (major) investments or costs resulting from the closure of activities, for example.

Within the one-year period of IFRS 3, an adjustment in the amount of EUR 6.2 million was made to the consideration transferred in the first half of 2023 for SFC Solutions Automotive France and Conexus (formerly SIX Energy S.p.A.), two portfolio companies acquired in the second half of fiscal year 2022, and in the second half of 2023 for Steyr Motors and Guascor Energy, two companies acquired in the second half of 2022, following the conclusion of negotiations with the sellers. The gain from the bargain purchase increased by a total of EUR 6.2 million as a result; a corresponding amount is included as an increase in other income in the Consolidated Statement of Comprehensive Income for fiscal year 2023.

5.2 Deconsolidation of subsidiaries

The deconsolidations of subsidiaries in the two relevant reporting periods are listed below.

5.2.1 Deconsolidation of subsidiaries in the fiscal year

The following subsidiaries were deconsolidated in the period from January 1 to December 31, 2024:

Sale of VALTI

The sale of 100% of the shares in VALTI S.A.S. to the company's management was completed at the beginning of January 2024. The company – a portfolio company that was allocated to the Engineering & Technology segment until the sale – is a manufacturer of seamless precision steel tubes and was acquired by Vallourec Tubes in fiscal year 2022. As the sale was already highly probable as of December 31, 2023, the assets and liabilities were measured and reported as held for sale in the Consolidated Financial Statements for fiscal year 2023 in accordance with the provisions of IFRS 5. The deconsolidation loss recognized in the reporting period amounted to EUR 3.1 million and is included in other expenses.

Sale of the Frigoscandia Group

The portfolio company Frigoscandia from the Goods & Services segment was sold to Dachser in March 2024. The company, headquartered in Helsingborg, Sweden, is a provider of temperature-controlled logistics on the Nordic market. Frigoscandia was acquired by Posten Norge in 2021 and successfully realigned until its sale. As the sale was already highly probable as of December 31, 2023, the assets and liabilities were measured and reported as held for sale in the Consolidated Financial Statements for fiscal year 2023 in accordance with the provisions of IFRS 5. The deconsolidation gain amounted to EUR 56.6 million and is reported under other income.

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Sale of the iinovis Group

Mutares completed the sale of all shares in iinovis Group, a portfolio company in the Automotive & Mobility segment, to Accursia Capital on May 7, 2024. The company, based in Munich, Germany, is a service provider for automotive and industrial engineering with core competencies in the areas of simulation, testing, electrics/electronics and vehicle development for passenger cars and motorcycles. The acquisition was made in fiscal year 2020 from the Velmet Automotive Group. The deconsolidation gain amounted to EUR 5.4 million and is reported under other income.

Sale of Balcke-Dürr Nuklearservice

The sale of 100% of the shares in Balcke-Dürr Nuklearservice GmbH to Cyclife Germany GmbH was completed with effect from June 7, 2024. Until the sale, Balcke-Dürr Nuklearservice GmbH was part of the NEM Energy Group from the Engineering & Technology segment and is a service provider for the decommissioning and dismantling of nuclear facilities in Germany. The company offers a wide range of nuclear decommissioning and engineering services. The deconsolidation gain amounts to EUR 3.9 million and is included in other income.

Sale of Repartim Group

In May 2024, Mutares announced that it had entered into exclusive negotiations with an institutional investor regarding the sale of Repartim Group. The transaction was finally completed in July 2024. The portfolio company, which is allocated to the Goods & Services segment and is based in Tours, France, is a specialist in home repairs and emergencies. The deconsolidation gain amounted to EUR 5.6 million and is reported under other income.

Sale of MobiLitas

On October 3, 2024, Mutares completed the sale of all shares in MobiLitas, a portfolio company from the Goods & Services segment, to Saniva. MobiLitas is a Serbia-based provider of public, regional and international transportation services with accompanying services in the field of tourism and passenger transport. The acquisition was made in 2023 as part of Arriva from Deutsche Bahn. The deconsolidation loss recognized in fiscal year 2024 amounted to EUR 7.5 million and is included in other expenses.

Sale of Asteri

The sale of 100% of the shares in Asteri Facility Solutions AB (“Asteri”) to SOL Facility Services AB was completed with effect from December 19, 2024. Until the sale, Asteri was allocated to the Engineering & Technology segment and operates in the area of soft facility management. The company is headquartered in Stockholm and offers its services throughout Sweden, with a focus on the greater Stockholm, Gothenburg and Malmö areas. The deconsolidation gain amounted to EUR 5.3 million and is included in other income

Insolvency of TeamTex

Together with the local management, a Mutares team began repositioning this portfolio company in the relevant markets immediately after the acquisition of the majority stake in TeamTex in December 2023. At the same time, the cost structures were analyzed and measures to reduce them were implemented and the challenges in the production process were addressed. A new EU standard for car seats that came into force in 2024 led to additional challenges on the revenue side due to competition from Asian imports. At the same time, TeamTex’s situation and preparations for the change in standard were significantly worse than the sellers had presented before the acquisition. Accordingly, despite visible successes in restructuring, the measures introduced in the months following the acquisition were unable to offset the negative business development. As a result, the management of TeamTex initiated insolvency proceedings in July 2024. At the same time, Mutares and the management of TeamTex initiated legal action against the sellers of TeamTex. The company finally ceased its activities in October 2024 due to a lack of prospects for continuation and has been in liquidation since then. TeamTex was therefore deconsolidated in fiscal year 2024. The deconsolidation loss recognized in the reporting period amounted to EUR 0.8 million and is included in other expenses.

In addition, the net assets of an Italian operating site of Guascor Energy, the operating part of the network activities of Conexus and the business of the liquidated companies Walor Bogny S.A.S. and Walor Vouziers S.A.S. were deconsolidated from the Walor Group in fiscal year 2024.

The disposal of net assets, the consideration less costs to sell and the gains from deconsolidation are shown below:

EUR million	Carrying amount
Intangible assets	1.6
Property, plant and equipment	9.5
Rights of use	16.3
Other non-current assets	4.2
Non-current assets	**31.6**
Inventories	9.3
Receivables and other current assets	35.4
Other current assets	150.0
Current assets	**194.7**
Deferred tax liabilities	3.5
Other non-current liabilities	32.8
Non-current liabilities	**36.2**
Current liabilities	**182.7**
Disposal of net assets	**7.3**
Result from deconsolidations	**70.4**
Consideration less costs to sell	**77.7**

5.2.2 Deconsolidation of subsidiaries in the previous year

The following subsidiaries were deconsolidated in the period from January 1 to December 31, 2023

Sale of Japy Tech

The sale of 100% of the shares in Japy Tech SAS to the company's management was successfully completed with effect from January 5, 2023. Japy Tech – a portfolio company that was allocated to the Engineering & Technology segment until the sale – is a manufacturer of cooling tanks and other milk cooling solutions based in Dijon, France, and supplies products to the global dairy industry. The company was acquired by GEA Farm Technologies at the end of 2020. The deconsolidation result amounted to EUR 0.0 million, as the sale was already highly probable as of December 31, 2022, and the company's assets and liabilities were accordingly measured as held for sale in accordance with IFRS 5.

Sale of Ganter France

In December 2022, Ganter Construction Interiors GmbH signed a put option with the Malvaux Group on the sale of 100% of the shares in its subsidiary, Ganter France S.A.R.L. The transaction was finally completed in March 2023. The business, which is allocated to the Goods & Services segment and is based in Saint Nazaire, France, specializes mainly on the interior outfitting of cruise ships as well as furniture and furnishings. The deconsolidation gain amounted to EUR 0.1 million and is reported under other income for the fiscal year 2023.

Sale of Lacroix + Kress

On January 10, 2023, Mutares concluded an agreement on the sale of all shares in Lacroix & Kress GmbH, a portfolio company from the Engineering & Technology segment, to Superior Essex Global LLC. The transaction was finally completed in March 2023. The company is a manufacturer of oxygen-free copper drawing that has two production sites in Germany. The deconsolidation gain of EUR 0.7 million is reported under other income for the fiscal year 2023.

Sale of FDT Flachdach Technologie

In addition, a purchase agreement was signed in January 2023 on the sale of 100% of the shares in FDT Flachdach Technologie GmbH ("FDT") to Holcim Group. Until the sale, FDT was allocated to the Engineering & Technology segment as part of the Donges Group. The transaction was completed in March 2023. The deconsolidation gain amounted to EUR 11.7 million and is reported under other income for the fiscal year 2023.

Sale of SABO-Maschinenfabrik GmbH

With effect from September 12, 2023, Mutares sold SABO-Maschinenfabrik GmbH, a company from the Engineering & Technology segment, to SABO Holding GmbH. SABO-Maschinenfabrik GmbH is a supplier of high-quality lawn mowers and garden care products for private and commercial customers. The company manufactures its products in Gummersbach, Germany. The deconsolidation loss amounted to EUR 9.1 million and is reported under other operating expenses for the fiscal year 2023.

Sale of Special Melted Products

Effective September 19, 2023, Mutares sold Special Melted Products ("SMP"), a portfolio company from the Engineering & Technology segment, to Cogne Acciai Speciali. SMP, based in Sheffield, UK, is a supplier of nickel-based special steels and superalloys used in critical applications in the aerospace, oil and gas and nuclear industries. The deconsolidation result amounted to EUR 106.1 million and is reported under other income for the fiscal year 2023.

Sale of the Plati Group

On November 8, 2023, Mutares sold Plati Group, a portfolio company from the Automotive & Mobility segment, to Accursia Capital. The Plati Group is a global supplier of wire harnesses and cabling and has two production sites in Poland and Ukraine as well as a sales office in Italy. The deconsolidation loss amounted to EUR 3.6 million for the fiscal year 2023 and is reported under other expenses for the fiscal year 2023.

In fiscal year 2023, a deferred purchase price receivable from the sale of STF Balcke-Duerr S.r.l. in the previous year was also written down following negotiations with the purchaser. This resulted in expenses of EUR 1.0 million included in other expenses for the fiscal year.

The disposal of net assets, the consideration less costs to sell and the gains from deconsolidation are shown below:

EUR million	Carrying amount
Intangible assets	10.9
Property, plant and equipment	36.8
Rights of use	5.0
Other non-current assets	1.6
Non-current assets	**54.4**
Inventories	34.1
Receivables and other current assets	38.3
Other current assets	118.8
Current assets	**191.2**
Deferred tax liabilities	3.5
Other non-current liabilities	12.9
Non-current liabilities	**16.3**
Current liabilities	**164.3**
Disposal of net assets	**64.9**
Result from deconsolidations	**104.9**
Consideration less costs to sell	**169.8**

C NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

6 Revenues from contracts with customers

The development of revenues by segment and region is presented in the Notes to the Consolidated Financial Statements in accordance with IFRS 8 under segment reporting (see Note 15).

7 Other income

Other income breaks down as follows:

EUR million	2024	2023
Gains from favorable acquisition (“Bargain purchases”)	268.9	727.2
Gains from deconsolidation	82.9	118.6
Other own work capitalized	25.7	6.4
Income from foreign currency translation	22.1	6.0
Income from other services	18.4	17.3
Income from the utilization of raw materials and waste	15.0	11.2
Income from the disposal of fixed assets	10.0	7.0
Income from risk provisioning	5.8	4.1
Insurance compensation and damages	3.8	2.4
Income from letting and leasing	2.7	4.5
Miscellaneous other income	51.5	81.4
Other income	**506.8**	**986.1**

Gains from bargain purchases are presented in detail in Note 5.1 “Acquisitions of subsidiaries”, while gains from deconsolidation are presented in Note 5.2 “Deconsolidation of subsidiaries”.

In fiscal year 2024, miscellaneous other income includes income of EUR 9.8 million from the compensation payment by the seller of a portfolio company acquired in fiscal year 2023 in the Automotive & Mobility segment, primarily for partial retirement agreements with employees. In addition, other income includes EUR 9.5 million from compensation under a service agreement of a portfolio company in the Goods & Service segment.

8 Cost of materials

The breakdown of cost of materials is as follows:

EUR million	2024	2023
Cost of raw materials, consumables and supplies	2,385.6	2,131.6
Expenses for services rendered	706.7	667.9
Cost of materials	**3,092.3**	**2,799.5**

9 Personnel expenses

Personnel expenses are broken down as follows:

EUR million	2024	2023
Wages	611.6	502.4
Salaries	559.3	466.8
Other compensations	160.4	136.5
Employees benefit expenses	23.2	21.1
Other social security expenses	291.0	242.8
Personnel expenses	**1,645.4**	**1,369.6**

In fiscal years 2024 and 2023, personnel expenses for share-based payments, the service cost relating to defined benefit obligations, and personnel expenses for defined contribution plans were recognized. For further information, please refer to the notes in the respective notes to the financial statements (note 32, “Contingent capital and share-based compensation”, and note 37, “Pension plans/pension provisions and similar obligations”).

10 Other expenses

The breakdown of other expenses is as follows:

EUR million	2024	2023
Selling expenses	186.1	169.3
Administration	115.7	93.2
Legal and consulting costs	97.8	82.2
Maintenance and servicing	89.1	68.9
Rent, leasing and license fees[7]	77.6	72.9
Advertising and travel expenses	68.5	52.6
Claims, guarantee and warranty	66.2	50.3
Basic levies and other taxes	25.0	23.9
Expenses from foreign currency conversion	21.6	10.9
Expenses for risk provisions	21.4	10.9
Contributions, fees, donations, incidental financing costs	19.5	14.8
Vehicle fleet	18.7	18.0
Losses from deconsolidations	12.5	13.7
Expenses for the General Partner	12.1	12.5
Losses from the disposal of non-current assets	7.8	6.4
Research and development expenses	7.1	8.7
Expenses from the valuation of assets and liabilities held for sale	11.1	22.6
Other miscellaneous expenses	36.9	13.0
Other operating expenses	**894.8**	**744.8**

[7] Of which leasing expenses from short-term leases EUR 29.7 million.

With regard to losses from deconsolidations, please refer to Note 5.2 “Deconsolidation of subsidiaries”.

11 Financial result

The breakdown of the financial result is as follows:

EUR million	2024	2023
Interest and similar income	22.1	10.7
Exchange rate gains	4.1	3.2
Income from changes in the value of derivatives	0.6	5.7
Financial income	**26.8**	**19.5**
Impairment of financial assets	91.7	0.0
Interest expense from loans and borrowings	58.9	27.8
Interest expense from lease liabilities	24.3	21.0
Interest expense on bonds	11.1	0.9
Interest expense from compounding provisions and financial liabilities	9.0	5.6
Exchange rate losses	7.8	7.2
Expense from changes in value of earn-out liabilities	4.7	1.3
Expenses from changes in the value of derivatives	1.6	1.2
Interest expense from factoring	0.8	10.7
Other interest and similar expenses	21.3	17.1
Financial expenses	**231.2**	**92.9**
Financial result	**-204.4**	**-73.4**

The impairment of financial assets relates to the impairment of the shares in Serneke. In connection with the acquisition of Serneke, a subsidiary of Mutares (as the buyer of Serneke) incurred a liability to the seller of SEK 1,055 million (approximately EUR 92 million) (please also refer to the comments in Note 35), which led to an initial measurement of the shares in Serneke in the corresponding amount. Based on the situation described in note 4, “Scope of consolidation”, a complete impairment loss on the shares was subsequently recognized.

12 Income taxes

12.1 Income taxes and tax reconciliation

The income taxes recognized in the Consolidated Statement of Comprehensive Income are broken down as follows:

EUR million	2024	2023
Current income tax		
Tax expense for the current period	-17.7	-15.9
Adjustments were made in the current period for current taxes from previous years	-1.4	-0.2
Deferred taxes		
Income from deferred taxes	122.6	36.4
Expense from deferred taxes	-12.2	-16.7
Income taxes	**91.2**	**3.6**

The following table shows a reconciliation of the differences between the tax expense expected in the respective fiscal year (i.e. earnings before taxes multiplied by the expected tax rate) and the tax expense reported in each case. The income tax rates applicable to Mutares SE & Co. KGaA as the parent company are applied to the consolidated result, taking into account a corporation tax rate of 15.0% (previous year: 15.0%) plus the solidarity surcharge of 5.5% (previous year: 5.5%) and a trade tax rate of 17.2% (previous year: 17.2%), resulting in a total income tax rate of approximately 33.0% (previous year: approximately 33.0%)

The tax rates applicable to the Group companies for income taxes range between 8.75% and 33.0% (previous year: 8.75% and 33.0%).

EUR million	2024	2023
Earnings before taxes	**-551.1**	**363.5**
Domestic tax rate parent company (in %)	33%	33%
Tax expense at the domestic tax rate of the parent company	**181.7**	**-119.9**
Causes of over/underpayments		
Utilization of non-capitalized loss carryforwards	1.5	8.9
Non-capitalized deferred taxes on temporary differences and loss carryforwards	-153.4	-103.8
Subsequently capitalized deferred taxes on temporary differences and loss carryforwards	49.7	15.8
Other non-tax-deductible expenses incl. withholding tax	0.0	0.0
Tax benefits	-53.1	-52.5
Tax effect on reversal of negative goodwill	1.5	0.0
Tax rate differences	108.9	278.9
Tax-exempt income	-57.4	-23.8
Tax back payments and refunds from previous years	11.8	6.4
Change in the valuation allowance for deferred tax assets	0.3	-0.2
Change in valuation allowance for deferred tax assets	0.0	-9.5
Change in tax rate	0.0	0.0
Other effects	-0.2	3.3
Reported income tax income	**91.2**	**3.6**

12.2 Deferred taxes recognized in equity and in other comprehensive income

EUR million	2024	2023
Deferred taxes recognized directly in equity	–3.3	–5.2
Deferred taxes recognized in other comprehensive income	0.3	2.8
Deferred taxes on the remeasurement of the defined benefit obligation	0.3	2.7
Total	**–3.0**	**–2.4**

12.3 Current tax refund claims and liabilities

Current tax refund claims and liabilities break down as follows:

TAX ASSETS

EUR million	12/31/2024	12/31/2023
Tax refund claims with a remaining term longer than 1 year		
Income tax receivables	3.3	0.7
Tax refund claims with a remaining term less than 1 year		
Income tax receivables	8.5	9.9
Tax refund claims	**11.8**	**10.6**

TAX LIABILITIES

EUR million	12/31/2024	12/31/2023
Tax liabilities with a remaining term longer than 1 year		
Income tax liabilities	0.0	0.5
Tax liabilities with a remaining term less than 1 year		
Income tax liabilities	20.5	24.3
Tax liabilities	**20.5**	**24.8**

12.4 Deferred tax assets and liabilities

Deferred tax assets and liabilities are composed as shown below:

EUR million	Deferred taxes beginning of year	Recognized in profit or loss in the income statement	Recognized in other comprehensive income	Acquisitions / dis-posals	Exchange rate differences	Changes in income tax rates	Ending balance Deferred taxes
Goodwill	-0.3	0.0	0.0	-2.6	0.0	0.0	-2.9
Other intangible assets	-20.0	3.9	0.0	-9.8	0.0	0.0	-25.9
Property, plant and equipment	-174.5	71.8	-1.9	-0.6	-4.5	-0.3	-110.0
Non-current receivables from finance leases	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-current financial assets	-9.3	2.5	0.0	0.0	0.0	0.0	-6.8
Financial assets measured at fair value through profit or loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Inventories	0.9	-0.3	0.0	0.4	0.0	0.0	1.0
Trade receivables	1.7	0.1	0.0	0.0	0.0	0.0	1.8
Current receivables from finance leases	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other assets and receivables	-6.4	-1.7	0.0	0.1	0.0	0.0	-8.0
Non-current liabilities from leases	44.1	4.7	0.0	-0.9	0.0	0.1	48.0
Non-current financial liabilities	0.0	0.0	0.0	0.0			0.0
Pension obligations	13.2	-1.2	0.3	0.0	0.0	0.0	12.3
Translation differences of foreign operations	-0.1	0.1	0.0	0.0	0.0	0.0	0.0
Non-current provisions	2.3	0.4	0.0	4.4	0.0	0.0	7.1
Liabilities from deliveries and services	1.7	-8.0	0.0	0.0	0.0	0.1	-6.2
Current liabilities from leases	6.0	2.5	0.0	0.0	0.0	0.0	8.5
Current financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current provisions	8.2	-5.6	0.0	0.3	-0.3	0.1	2.7
Other current liabilities	1.9	8.2	0.0	2.0	0.0	-0.1	12.0
Subtotal	**-130.6**	**77.4**	**-1.6**	**-6.7**	**-4.8**	**-0.1**	**-66.4**
Tax losses	22.2	24.2	0.0	7.8	0.0	0.0	54.2
Other deferred taxes	-3.9	7.6	1.9	-0.9	0.1	-0.1	4.7
Total	**-112.3**	**109.2**	**0.3**	**0.2**	**-4.7**	**-0.2**	**-7.5**

12.5 Temporary differences

No deferred tax assets are recognized for so-called "outside basis differences", i.e. differences between the IFRS equity value of an investment and the carrying amount for tax purposes, of EUR –303.0 million (previous year: EUR –759.2 million), as the company can control the timing of the reversal and a reversal is not expected in the foreseeable future. If the deferred tax assets meet the recognition criteria, they would be recognized at 5% of the applicable tax rate.

In addition, no deferred tax assets are recognized for temporary differences of EUR 2.4 million (previous year: EUR 4.9 million), as it is unlikely that taxable income will be available for offsetting in the future.

12.6 Unused tax losses and unused tax credits

Deferred tax assets of EUR 21.2 million were recognized for existing corporate income tax and trade tax loss carryforwards and other tax credits (previous year: EUR 21.4 million). In this context, deferred tax assets were recognized in the current period for which the conditions for recognition had already been met in the previous period.

Deferred tax assets for unused tax losses and tax credits of EUR 8.6 million (previous year: EUR 6.4 million) were recognized with regard to Group companies that generated a negative result in the current period or in the previous period. They were capitalized as it is considered probable on the basis of planning that taxable income will be available to offset these losses in the future. This arises in particular in cases where companies have generated start-up losses or where it is assumed that the restructuring measures will result in positive earnings in the foreseeable future.

EUR 7.8 million is attributable to deferred tax assets, which were taken into account as part of the purchase price allocations (previous year: EUR 2.2 million).

In addition, no deferred tax assets are recognized for corporate income tax and trade tax loss carryforwards and other tax credits of EUR 2,579.2 million (previous year: EUR 2,885.6 million), as there are legal or economic restrictions on their future usability.

EUR 140.8 million of unused tax losses and tax credits in the fiscal year are subject to a time limit of less than 5 years (previous year: EUR 131.2 million). In addition, EUR 86.5 million (previous year: EUR 74.1 million) can be used for up to a maximum of 10 years; there is no time limit on the use of unused tax losses and tax credits of EUR 2,351.9 million (previous year: EUR 2,409.6 million) under current tax legislation. Depending on the jurisdiction, however, there are regular restrictions on the amount of utilization (so-called minimum taxation), i.e. existing tax losses and tax credits may not be offset against taxable profits of a year without restriction; instead, they are only offset as a percentage of the taxable profit, for example.

12.7 Uncertain tax liabilities/claims

There were no uncertain tax positions in the fiscal year.

In addition, the application of IFRIC 23 had no material impact on the Consolidated Financial Statements, as it did not change the measurement of the tax liabilities or assets recognized in the balance sheet.

IFRIC 23 deals with the recognition of current and deferred tax liabilities where there are uncertainties regarding income tax treatment. Such uncertainties can arise if the application of the respective applicable tax law to a specific transaction is not clear and therefore also depends on the interpretation by the tax authorities. However, Mutares SE & Co. KGaA is not aware of any such (disputed) interpretations when preparing the financial statements. IFRIC 23 stipulates that an entity should only recognize these uncertainties in the tax liabilities or assets recognized in the balance sheet if it is probable that the corresponding tax amounts will be paid or refunded. It can be assumed that the tax authorities will exercise their right to review declared amounts and have full knowledge of all related information. In such cases, Mutares SE & Co. KGaA always assesses the tax issues individually and measures them at the most probable amount.

12.8 Outlook on the application of the minimum taxation rules / Pillar 2

With the law to implement Council Directive (EU) 2022/2523 to ensure global minimum taxation and other accompanying measures, Germany should comply with the obligation (applicable to all countries in the EU) to transpose the EU Directive on global minimum taxation ("Pillar Two"), which came into force at the end of 2022, into national law by 12/31/2023 at the latest. The regulations on global minimum taxation provide for the taxation of the worldwide profits of large companies (with an annual turnover of at least EUR 750 million) at an effective tax rate of at least 15%. Technically, the global minimum taxation is implemented via a primary surtax, a secondary surtax and a recognized national surtax.

The Act to Ensure Global Minimum Taxation for Corporate Groups (Minimum Tax Act – MinStG), which contains the regulations on global minimum taxation in Germany, had already entered into force as of the balance sheet date and is generally applicable to all fiscal years from January 1, 2024.

The Mutares Group falls within the scope of these regulations.

Mutares has accordingly carried out an initial indicative analysis in cooperation with external advisors to determine the basic impact and the jurisdictions from which the Group is exposed to possible effects in connection with Pillar Two Top-up Taxes. The first step was to check whether the CbCR safe harbor regulations were relevant. If a country was not excluded from the Pillar Two calculation after checking the safe harbor regulations, the effective tax rate was calculated on a simplified basis. Only insignificant effects from the payment of a Pillar Two Top-up tax were identified from this first indicative analysis, of less than EUR 0.5 million.

Mutares, in cooperation with external advisors, closely monitors the progress of the legislative process in each country in which Mutares operates.

13 Consolidated and comprehensive income

The Group result of EUR –459.9 million (previous year: EUR +367.1 million) includes non-controlling interests of EUR –53.6 million (previous year: EUR –30.0 million).

The total comprehensive income of EUR –432.2 million (previous year: EUR +350.9 million) includes non-controlling interests of EUR –53.6 million (previous year: EUR-30.0 million).

14 Earnings per share

Earnings per share are as follows:

		2024	2023
Consolidated earnings after taxes attributable to the shareholders of the parent company	EUR million	–406.3	397.1
Weighted average number of shares to calculate earnings per share			
Undiluted	Quantity	21,275,881	20,812,744
Diluted	Quantity	21,899,881	21,565,440
Earnings per share			
Undiluted	EUR	–19.10	19.08
Diluted	EUR	–19.10	18.41

Basic earnings per share are calculated by dividing the consolidated earnings after taxes attributable to the shareholders of the parent company by the weighted average number of shares in circulation during the fiscal year (number of shares used to calculate basic earnings per share: 21,275,881). Diluted earnings per share are calculated on

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the assumption that all potentially dilutive securities and share-based payment plans are converted or exercised (number of shares used to calculate diluted earnings per share: 21,275,881). The stock options issued and exercisable as part of share-based payment have a potential impact on the dilution of earnings per share. For information on share-based payment, please refer to our comments in Note 32 below. As part of the 2019, 2021 and 2023 stock option programs, an additional 675,676 stock options may be issued to members of the Management Board and employees of the company as well as employees of subsidiaries, which could dilute earnings per share in the future. There were no transactions with treasury shares or options between the reporting date of December 31, 2024, and the date of preparation of the Consolidated Financial Statements.

15 Segment information

In accordance with IFRS 8, operating segments are to be defined on the basis of internal reporting on Group divisions, which is regularly reviewed by the company's chief operating decision maker with regard to decisions on the allocation of resources to these segments and the assessment of their profitability. Information reported to the Management Board as the chief operating decision maker for the purpose of allocating resources to the Group's operating segments and assessing their performance relates to the products and services that are produced or rendered. The Management Board has decided to structure the reporting accordingly. No operating segment has been aggregated in order to arrive at the level of the Group's reportable segments.

As of December 31, 2024, the portfolio of Mutares SE & Co. KGaA comprised 32 operating investments or investment groups (previous year: 30) that are divided into the four segments Automotive & Mobility, Engineering & Technology, Goods & Services and Retail & Food.

The composition of the individual segments is explained above under Note 4 on the scope of consolidation. The four segments offer the following products and services, among others:

- The portfolio companies in the **Automotive & Mobility** segment operate worldwide and supply well-known international original equipment manufacturers (OEMs) for passenger cars and commercial vehicles. Various specialized portfolio companies operate in this segment, offering different systems and solutions. Some portfolio companies are global partners for plastic-based systems used in the automotive industry. Others are suppliers of mechanically processed multi-material solutions and systems that are also used in vehicles. There are also system suppliers offering comprehensive automotive engineering. In addition, there is a manufacturer specializing in two- and three-wheeled motor scooters.

- The portfolio companies in the **Engineering & Technology** segment serve customers from various industries, including the energy and chemical industries, public infrastructure, and the railway sector. They offer a wide range of specialized solutions, including prefabricated concrete components for buildings, high-end solutions for steel processing, building envelopes and steel structures, as well as energy, technology, and mobility solutions. Other activities include industrial and technological services for the railway industry, the manufacture of gas and diesel engines, folding carton packaging, steam generators with heat recovery, industrial and large steam boilers, and special diesel engines and electric auxiliary drives.

- The **Goods & Services** segment comprises a variety of specialized portfolio companies serving customers in various industries. These portfolio companies offer solutions for home care, manufacture infrastructure elements for electricity supply, and provide services for telecommunications and energy infrastructure. They also act as general contractors in interior construction and shopfitting and operate public transportation. Other activities include mechanics, electrical engineering, heating and sustainable energy, building management, comprehensive building renovation services, urban on-demand delivery services, and road operation and maintenance services.

- The **Retail & Food** segment comprises portfolio companies that are active as manufacturers and distributors of household products, paper napkins, organic dairy products, and home furnishings, among other things. They also operate drugstores, retail stores for baby and children's fashion, and a restaurant chain serving Japanese-Brazilian cuisine.

With regard to the changes in the segments due to acquisitions and disposals, please refer to the comments in Note 5 "Acquisitions of subsidiaries" and Note 5.2 "Deconsolidation of subsidiaries".

The investments and investment groups in the four segments are each made up of several legal entities. The allocation of the legal entities to the segments is clear; there are therefore no so-called zebra companies. All four segments generate income and expenses within the meaning of IFRS 8.5.

The individual segments are reported and managed in accordance with IFRS. The accounting policies of the reportable segments also apply in principle to transactions between the reportable segments and correspond to the Group's accounting policies described in Note 53. Sales between segments are offset at standard market prices.

As the chief operating decision maker, the Management Board also measures the success of the segments using a performance indicator adjusted for special effects, which is referred to as "Adjusted EBITDA" in internal management and reporting. The basis for calculating this alternative performance measure is the reported Group EBITDA (earnings before interest, taxes, depreciation and amortization), adjusted for gains from bargain purchases, restructuring and other one-time expenses and income as well as deconsolidation effects. This alternative performance measure is intended to make operating developments within the segments transparent and enable key decision-makers to assess the operating earnings power of the individual segments.

The reconciliation of reported EBITDA to the performance indicator of adjusted EBITDA is as follows:

EUR million	2024	2023
EBITDA	**117.1**	**756.9**
Bargain purchase gains	-268.9	-727.2
Restructuring and other non-recurring expenses/income	136.9	78.7
Deconsolidation effects	-70.4	-104.9
Adjusted EBITDA	**-85.4**	**3.5**

With regard to gains from bargain purchases, please refer to the comments in Note 5.1 on the acquisition of subsidiaries, and with regard to deconsolidation effects, please refer to the comments in Note 5.2 on the deconsolidation of subsidiaries.

Restructuring and other one-time expenses or income for fiscal year 2024 include expenses for severance payments and social plans in connection with the restructuring programs at portfolio companies amounting to EUR 61.6 million (previous year: EUR 31.5 million) and are largely attributable to the portfolio companies acquired in the previous year and in the fiscal year – in particular Stuart and Efacec – as well as the implementation of a comprehensive reduction in the workforce through a social plan at Lapeyre. Expenses for carve-out activities (particularly in the IT area) amounted to EUR 10.8 million in fiscal year 2024 (previous year: EUR 15.9 million), while consulting expenses in connection with M&A, restructuring, and legal advice amounted to EUR 9.8 million (previous year: EUR 7.8 million). Furthermore, other restructuring or one-time expenses of EUR 53.8 million (previous year: EUR 22.0 million), which, in addition to a large number of individual items in various portfolio companies, are mainly attributable to the extensive revaluation of the acquired projects still in progress at Byldis. Other restructuring or one-time expenses in the previous year included, among other things, effects from the accounting of assets held for sale in accordance with IFRS 5 of EUR 22.6 million.

	Segments											
	Automotive & Mobility		Engineering & Technology		Goods & Services		Retail & Food		Corporate / Consolidation [8]		Mutares Group	
EUR million	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Revenues	2,223.2	1,878.3	1,142.0	933.9	1,037.1	1,037.1	859.1	840.0	0.1	0.0	5,261.6	4,689.1
Other income	287.6	346.1	50.5	307.0	135.6	262.6	31.9	75.6	1.2	-5.2	506.8	986.1
of which bargain purchase gains	219.7	271.6	-10.4	162.5	36.5	246.5	23.1	46.5	0.0	0.0	268.9	727.1
Cost of materials	-1,348.5	-1,171.0	-765.3	-653.2	-504.3	-535.5	-474.2	-439.8	-0.1	0.0	-3,092.3	-2,799.5
Personnel expenses	-653.5	-534.0	-281.6	-209.7	-434.6	-368.8	-212.9	-190.4	-62.8	-66.7	-1,645.4	-1,369.6
Other expenses	-363.7	-278.9	-198.6	-151.7	-143.3	-120.7	-252.2	-250.1	63.0	56.6	-894.8	-744.8
EBITDA	130.1	232.2	-49.9	227.6	91.1	272.0	-55.7	40.7	1.4	-15.5	117.0	756.9
Adjusted EBITDA	45.9	3.3	-10.9	-14.5	18.1	38.3	-51.8	-8.8	5.1	-14.7	-85.4	3.5
Depreciation and amortization	-166.7	-167.7	-53.6	-32.1	-94.2	-66.1	-146.9	-52.6	-2.4	-1.5	-463.8	-320.0
of which impairment losses	-22.3	-61.6	-3.9	-3.4	-17.5	0.0	-78.9	-0.1	0.0	0.0	-122.7	-65.1
Timing of the revenue recognition with third parties												
At a certain point in time	2,193.3	1,835.9	541.9	605.0	613.7	693.5	859.1	840.0	0.2	0.0	4,208.2	3,974.2
Over a period of time	29.9	42.4	600.1	329.0	423.4	343.5	0.0	0.0	0.0	0.0	1,053.4	714.9

[8] In addition to consolidation effects, the "Corporate / Consolidation" column mainly includes personnel expenses and other expenses of Mutares SE & Co. KGaA and the national subsidiaries.

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The non-current assets of the units are broken down geographically according to the location of the assets as follows:

EUR million	31,12,2024	31,12,2023
Europa	**1,830.5**	**1,827.7**
France	644.4	793.5
Germany	415.2	432.1
Italy	172.8	24.5
Denmark	155.0	170.7
Poland	63.4	49.4
Finland	26.3	26.2
Sweden	23.7	79.7
Spain	23.0	27.7
Croatia	21.5	20.4
Austria	11.8	8.9
United Kingdom	7.9	10.3
Other countries in Europe	265.5	184.3
Rest of the world	**143.3**	**57.9**

The non-current assets of the segments comprise intangible assets, property, plant and equipment, right-of-use assets and other non-current non-financial assets.

In fiscal year 2024, as in the previous year, no revenue with any customer amounted to more than 10% of total third-party revenue in the Mutares Group.

Sales are broken down geographically by market as follows, based on the location of the respective customer:

EUR million	2024	2023
Europa	**4,633.3**	**4,348.4**
Germany	1,338.6	1,278.7
France	922.1	995.3
Italy	290.5	228.6
Denmark	281.2	214.7
Poland	178.7	189.9
Finland	271.0	437.1
Sweden	236.1	171.2
United Kingdom	227.1	81.2
Netherlands	155.2	51.1
Spain	149.0	121.4
Switzerland	96.2	142.1
Austria	61.8	76.3
Czech Republic	52.1	33.0
Belgium	23.7	24.9
Other countries in Europe	350.0	303.0
Asia	**338.8**	**188.4**
America	**225.0**	**109.6**
Africa	**64.5**	**42.7**
Revenues	**5,261.6**	**4,689.1**

Revenue for each group of comparable products and services is not disclosed as the necessary information is not available and the cost of determining it is excessively high.

The reconciliation of earnings before taxes to the sum of the reported segment EBITDAs is as follows:

EUR million	2024	2023
Earnings before taxes	**–551,1**	**363,5**
Corporate / Consolidation	–1,4	15,5
Depreciation and amortization	463,8	320,0
Financial result	204,4	73,3
Earnings before interest, taxes, depreciation and amortization and interest (EBITDA) of the segments	**115,6**	**772,4**

D INFORMATION ON ASSETS

16 Intangible assets

The development of intangible assets was as follows:

ACQUISITION OR PRODUCTION COSTS

EUR million	Self-created	Software	Patents, concessions, etc.	Advance payments and those under development	Goodwill	Total
Balance as of 01/01/2023	**0.8**	**21.2**	**133.3**	**11.1**	**7.0**	**173.4**
Additions	3.3	8.6	0.8	13.6	0.1	**26.3**
Disposals	0.0	-0.2	-8.1	-0.1	0.0	**-8.4**
Reclassifications	7.4	1.2	1.3	-8.4	0.0	**1.5**
Change in the scope of consolidation	24.6	10.7	87.2	11.1	2.7	**136.2**
Exchange rate effects	0.0	-0.1	-0.4	0.0	-0.1	**-0.5**
Reclassification IFRS 5	0.0	-7.3	-13.1	-3.0	-1.1	**-24.4**
Balance as of 12/31/2023	**36.1**	**34.1**	**201.0**	**24.3**	**8.6**	**304.1**
Additions	18.6	2.9	7.2	14.4	0.2	**43.3**
Disposals	-5.6	-6.0	-0.6	-0.1	-0.3	**-12.6**
Reclassifications	18.3	7.2	-15.5	-9.9	0.0	**0.1**
Change in the scope of consolidation	0.2	1.3	41.0	5.9	84.0	**132.4**
Exchange rate effects	0.1	0.1	0.3	0.0	0.0	**0.5**
Reclassification IFRS 5	-0.1	-0.2	-5.0	0.0	0.0	**-5.3**
Balance as of 12/31/2024	**67.6**	**39.4**	**228.4**	**34.6**	**92.5**	**462.5**

ACCUMULATED DEPRECIATION AND VALUE ADJUSTMENTS

EUR million	Self-created	Software	Patents, concessions, etc.	Advance payments and those under development	Goodwill	Total
Balance as of 01/01/2023	**7.6**	**-8.7**	**-28.4**	**0.0**	**0.0**	**-29.5**
Current amortization	-3.3	-5.7	-25.4	0.0	0.0	**-34.4**
Unscheduled amortization	-4.4	-0.5	-4.4	-0.6	0.0	**-9.8**
Disposals	0.0	0.2	8.1	0.0	0.0	**8.3**
Reclassifications	0.0	0.1	-0.1	0.0	0.0	**0.0**
Changes in the scope of consolidation	0.0	0.2	0.8	0.0	0.0	**0.9**
Exchange rate effects	0.0	-0.1	0.0	0.0	0.0	**-0.1**
Reclassification IFRS 5	0.0	2.1	3.7	0.0	0.0	**5.8**
Balance as of 12/31/2023	**-0.1**	**-12.4**	**-45.7**	**-0.6**	**0.0**	**-58.8**
Current amortization	-21.1	-9.2	-24.6	0.0	0.0	**-54.9**
Unscheduled amortization	-8.8	-2.4	-16.7	0.0	-1.8	**-29.7**
Disposals	2.0	5.4	0.3	0.1	0.0	**7.8**
Reclassifications	-1.3	0.0	1.3	0.0	0.0	**0.0**
Changes in the scope of consolidation	0.0	0.0	0.0	0.0	0.0	**0.0**
Exchange rate effects	-0.1	0.0	-0.2	0.0	0.0	**-0.3**
Reclassification IFRS 5	0.0	0.1	0.4	0.0	0.0	**0.5**
Balance as of 12/31/2024	**-29.4**	**-18.5**	**-85.2**	**-0.5**	**-1.8**	**-135.4**
Net carrying amounts						
On 01/01/2023	8.3	12.5	104.9	11.2	7.0	**143.9**
On 31/12/2023	36.0	21.7	155.3	23.7	8.6	**245.3**
On 01/01/2024	36.0	21.7	155.3	23.7	8.6	**245.3**
On 12/31/2024	**38.2**	**20.9**	**143.2**	**34.1**	**90.7**	**327.1**

With regard to additions and disposals resulting from changes in the scope of consolidation, please refer to the comments in Note 5.1 “Acquisitions of subsidiaries” and Note 5.2 “Deconsolidation of subsidiaries”.

Intangible assets of EUR 49.5 million (previous year: EUR 137.5 million) were acquired as part of the acquisitions made in the fiscal year; please refer to the comments above (Note 5.1 “Acquisitions of subsidiaries”).

In the fiscal year, research and development expenditure recognized as an expense amounted to EUR 7.1 million (previous year: EUR 8.7 million). In addition, development costs of EUR 18.6 million (previous year: EUR 3.3 million) were capitalized in the Group.

The reclassifications in accordance with IFRS 5 mainly relate to intangible assets of Temakinho (see Note 24).

Please refer to Note 35 for information on intangible assets pledged as collateral as of December 31, 2024.

16.1 Intangible assets with indefinite useful lives

With the exception of the goodwill referred to below, as in the previous year, there were no intangible assets with indefinite useful lives as of December 31, 2024 and no intangible assets with indefinite useful lives were acquired as part of company acquisitions in the fiscal year.

16.2 Goodwill

In the fiscal year, the acquisition of a subsidiary in the Engineering & Technology segment resulted in goodwill of EUR 80.6 million. For the purpose of the impairment test, this goodwill was allocated to the subsidiary, which in turn consists of two cash-generating units.

The calculation of the realizable amount, in the form of the utility value, is based on the budget prepared by the company's management. The cash flow forecasts presented in this budget for three years plus the phase for the perpetual annuity are based on the main assumptions of expected project awards and with regard to project execution and are discounted at a cost of capital rate of 14.5% as of December 31, 2024.

Expectations regarding project awards are based on the management's market expectations based on public tenders and discussions with customers about tenders expected in the next few years. Project execution is forecast based on past experience regarding achievable margins and the expected development of costs, taking into account inflation and the realignment of the supplier base.

Cash flows for the period exceeding three years were extrapolated using a constant annual growth rate of 1%.

In addition, the acquisition of three further subsidiaries in the Goods & Services segment in fiscal year 2024 resulted in goodwill totaling EUR 3.6 million of which an impairment loss of EUR 1.8 million was already recognized in the reporting year for a cash-generating unit. Details can be found in Note 5.1.1. The acquisition of two subsidiaries in the Goods & Services segment in previous years also resulted in goodwill totaling EUR 8.6 million. The goodwill described is allocated to individual legal entities, each of which forms a separate cash-generating unit.

Mutares tests goodwill for impairment annually and additionally if there are indications that goodwill could be impaired. In fiscal year 2024, this resulted in an impairment of EUR 1.8 million in the goodwill of a cash-generating unit in the Engineering & Technology segment due to the deterioration of the originally expected positive future prospects, as the restructuring measures did not materialize as expected. In this impairment test, the recoverable amount corresponded to the fair value less costs to sell. After disposals of EUR 0.3 million, the carrying amount of goodwill as of December 31, 2024, totaled EUR 90.7 million (previous year: EUR 8.6 million).

For details on scenario analyses of the goodwill allocated to the subsidiary in the Engineering & Technology segment with regard to the significant assumptions used, please refer to Note 3.1.

16.3 Impairment of intangible assets

In the fiscal year, the comparison of the recoverable amount with the carrying amounts of individual assets or cash-generating units led to impairments of intangible assets totaling EUR 18.2 million at three cash-generating units. The recoverable amount corresponds in all cases to the value in use of the asset or the cash-generating unit. This applies to one such unit in the Automotive & Mobility, one unit in the Engineering & Technology segment, one unit in the Goods & Services segment and two further units in the Retail & Food segment. One cash-generating unit in the Retail & Food segment is a subgroup that manufactures and distributes home furnishings products. The other cash-generating units are individual companies in the automotive supply, packaging, and urban delivery solutions sectors, as well as a provider of child restraint systems that was deconsolidated in fiscal year 2024 due to insolvency.

For the five cash-generating units, the comparison of the value in use with the carrying amounts in the context of the negative impact on profitability and thus reduced expected cash inflows due to external conditions led to an impairment loss, which is recognized in the Consolidated Statement of Comprehensive Income under depreciation and amortization. This is mainly due to the expected decline in demand and market disruptions. In the cash-generating unit in the Automotive & Mobility segment, this is primarily reflected in the already communicated decline in orders from automotive manufacturers. In the cash-generating unit in the Engineering & Technology segment, the cash-generating unit from the Goods & Services segment and the two cash-generating units from the Retail & Food segment, customer demand for products and services is estimated to be lower than in the previous year. The impairment loss is mainly attributable to acquired brands (EUR 8.4 million), internally generated (EUR 5.6 million) and acquired software (EUR 2.1 million), and customer lists (EUR 1.8 million).

The cost of capital used to discount the future cash flows of these CGUs as part of the estimate of the value in use lies within a range of between 6.1% and 15.8% (previous year: 8,0% and 16,3%).

Please refer to Note 3.1 for information on scenario analyses with regard to important assumptions used.

In addition, impairment losses of EUR 10.3 million were recognized in the fiscal year on individual intangible assets within other cash-generating units, mainly on acquired patents and concessions in the form of brands (EUR 6.1 million) of a CGU from the Engineering & Technology segment in connection with a valuation as part of a sale already completed in fiscal year 2025 (we refer to the explanations in Note 50, "Events after the reporting date") and internally generated intangible assets in the form of patents (EUR 3.3 million) of a cash-generating unit in the Automotive & Mobility segment, as the benefits of the patents are no longer considered relevant to the business model.

17 Property, plant and equipment

The development of property, plant and equipment is as follows:

ACQUISITION OR PRODUCTION COSTS

EUR million	Land and buildings	Technical equipment and machinery	Operating and office equipment	Advance payments and assets under construction	Total
Balance as of 01/01/2023	**407.2**	**394.9**	**54.5**	**50.5**	**907.1**
Additions	26.4	60.6	22.0	32.9	**141.9**
Disposals	–43.0	–21.8	–23.5	–15.3	**–103.6**
Reclassifications	0.8	19.0	–5.2	–16.1	**–1.5**
Change in the scope of consolidation	135.5	143.6	215.8	22.3	**517.2**
Exchange rate effects	1.1	–1.2	1.0	–0.3	**0.6**
Reclassification IFRS 5	–8.3	–8.3	–6.4	0.0	**–23.0**
Balance as of 12/31/2023	**519.7**	**586.8**	**258.2**	**74.0**	**1,438.7**
Additions	11.4	42.6	28.5	62.7	**145.2**
Disposals	–22.5	–38.1	–44.8	–9.4	**–114.8**
Reclassifications	9.9	34.5	6.7	–51.1	**0.0**
Change in the scope of consolidation	96.1	91.6	10.6	5.9	**204.3**
Exchange rate effects	2.1	2.8	0.4	0.4	**5.7**
Reclassification IFRS 5	–68.0	–4.3	–1.7	–0.5	**–74.5**
Balance as of 12/31/2024	**548.7**	**715.9**	**257.9**	**82.0**	**1,604.6**

ACCUMULATED DEPRECIATION AND VALUE ADJUSTMENTS

EUR million	Land and buildings	Technical equipment and machinery	Operating and office equipment	Advance payments and assets under construction	Total
Balance as of 01/01/2023	**-33.1**	**-94.7**	**-14.2**	**-0.7**	**-142.8**
Attributions	0.1	0.0	0.3	0.0	**0.4**
Current amortization	-27.6	-74.8	-25.3	0.0	**-127.7**
Unscheduled amortization	-8.9	-29.3	-1.3	-0.9	**-40.4**
Disposals	7.1	10.6	15.4	0.0	**33.2**
Reclassifications	0.0	0.0	0.0	0.0	**0.0**
Changes in the scope of consolidation	0.6	5.4	0.3	0.0	**6.3**
Exchange rate effects	-0.1	0.2	-0.1	0.0	**0.0**
Reclassification IFRS 5	0.7	-0.4	-1.3	0.0	**-1.0**
Balance as of 12/31/2023	**-61.2**	**-183.0**	**-26.2**	**-1.6**	**-272.0**
Current amortization	-36.1	-97.3	-44.1	0.0	**-177.7**
Unscheduled amortization	-36.2	-26.9	-3.4	-0.6	**-67.0**
Disposals	7.4	20.1	43.4	0.1	**70.9**
Reclassifications	0.1	-0.2	0.1	0.0	**0.0**
Changes in the scope of consolidation	0.0	0.7	0.1	0.0	**0.9**
Exchange rate effects	-0.3	-0.9	-0.1	0.0	**-1.2**
Reclassification IFRS 5	9.0	0.7	0.3	0.0	**9.9**
Balance as of 12/31/2024	**-117.3**	**-286.8**	**-29.9**	**-2.1**	**-436.2**
Net carrying amounts					
On 01/01/2023	374.0	300.2	40.3	49.7	**764.2**
On 12/31/2023	458.5	403.8	232.0	72.4	**1,166.7**
On 01/01/2024	458.5	403.8	232.0	72.4	**1,166.7**
On 12/31/2024	**431.4**	**429.1**	**228.0**	**79.9**	**1,168.4**

Property, plant and equipment of EUR 215.1 million was acquired as part of the acquisitions made in the fiscal year (previous year: EUR 567.6 million); please refer to the explanations above (Note 5.1 “Acquisitions of subsidiaries”).

The reclassifications in accordance with IFRS 5 mainly relate to intangible assets of Lapeyre and Temakinho (see Note 24).

With regard to property, plant and equipment pledged as collateral as of December 31, 2024, see Note 35.

Impairment of property, plant and equipment

The impairment losses on property, plant and equipment in fiscal year 2024 relate to two cash-generating units in the Automotive & Mobility segment, one cash-generating unit in the Engineering & Technology segment, one in the Goods & Services segment, and two cash-generating units from the Retail & Food segment. The comparison of the recoverable amount with the carrying amounts of the cash-generating units led to impairment losses of EUR 64.9 million on property, plant and equipment. The two CGUs in the Retail & Food segment are a subgroup that manufactures and distributes home furnishings and a company that produces child restraint systems; the latter was deconsolidated in fiscal year 2024 due to insolvency. The other cash-generating units comprise two companies that operate as automotive suppliers, a company that offers packaging, and a company for urban delivery solutions.

- For two cash-generating units in the Automotive & Mobility segment, the comparison of the value in use with the carrying amounts in the context of the negative impact on profitability and thus reduced cash inflows due to external conditions led to an impairment loss of EUR 17.6 million, which is recognized in the Consolidated Statement of Comprehensive Income under depreciation and amortization. This is mainly due to reduced expectations with regard to customer call-offs. The impairment loss is attributable to technical equipment and machinery (EUR 16.2 million) as well as other operating and office equipment (EUR 1.4 million).

- For one cash-generating unit in the Engineering & Technology segment, the comparison of the value in use with the carrying amounts in the context of the negative impact on profitability and thus reduced cash inflows due to external conditions led to an impairment loss of EUR 1.8 million, which is recognized in the Consolidated Statement of Comprehensive Income under depreciation and amortization. This is mainly due to reduced expectations with regard to customer call-offs. The impairment loss is attributable to land and building (EUR 1.2 million) as well as technical equipment and machinery (EUR 0.6 million).

- Impairments of EUR 44.9 million, primarily for land and buildings (EUR 34.1 million) and technical equipment and machinery (EUR 10.1 million), were identified in two cash-generating units of the Retail & Food segment and recognized in the Consolidated Statement of Comprehensive Income under depreciation and amortization. The reason for the indicated impairment was the negative impact on profitability due to a decline in customer demand for the products and services of the cash-generating units and the associated reduction in expectations with regard to future cash inflows when comparing the value in use and the carrying amount.

- For one cash-generating unit in the For one cash-generating unit in the Goods & Services segment, there was an impairment loss of EUR 0.6 million.

The cost of capital used to discount the future cash flows of these CGUs as part of the estimate of the value in use lies within a range of between 6.1% and 15.8% (previous year: 8,0% and 16,3%).

Please refer to Note 3.1 for information on scenario analyses with regard to the most important assumptions used.

In addition, impairment losses of EUR 2.2 million were recognized on individual items of property, plant and equipment within other cash-generating units, mainly on the vehicle fleet (EUR 1.1 million).

18 Rights of use

Mutares has leases for buildings, office space, technical equipment and machinery as well as other equipment, operating and office equipment, vehicles and, to an insignificant extent, software.

The development of the rights of use is as follows:

CHANGE IN RECOGNIZED RIGHT-OF-USE ASSETS

EUR million	Intangible assets	Land and buildings	Vehicle fleet	Technical equipment and machinery, OOE[9]	Total
Balance as of 01/01/2023	**0.1**	**399.6**	**38.5**	**45.4**	**483.6**
Additions	0.3	84.1	22.5	15.9	**122.8**
Change in the scope of consolidation	0.1	85.5	6.6	10.0	**102.2**
Exchange rate effects	0.0	–1.8	–0.3	0.1	**–2.0**
Reclassification IFRS 5	0.0	–63.9	–13.1	–0.7	**–77.7**
Change due to revaluation	0.0	18.4	–6.7	–4.8	**6.9**
Balance as of 12/31/2023	**0.5**	**521.9**	**47.5**	**65.9**	**635.8**
Additions	0.2	89.3	20.8	37.8	**148.2**
Change in the scope of consolidation	0.0	15.1	9.4	3.8	**28.2**
Exchange rate effects	0.0	0.9	–0.2	–1.1	**–0.4**
Reclassification IFRS 5	0.0	–3.8	0.0	0.0	**–3.8**
Change due to revaluation	–0.1	–38.0	–14.8	–17.2	**–70.2**
Balance as of 12/31/2024	**0.6**	**585.4**	**62.7**	**89.2**	**738.0**

[9] Operating and office equipment

ACCUMULATED AMORTIZATION AND IMPAIRMENT

EUR million	Intangible assets	Land and buildings	Vehicle fleet	Technical equipment and machinery, OOE[10]	Total
Balance as of 01/01/2023	**–0.1**	**–78.5**	**–15.7**	**–13.5**	**–108.0**
Current amortization	–0.1	–58.8	–8.8	–8.3	**–75.9**
Unscheduled amortization	0.0	–11.9	–0.3	–2.1	**–14.2**
Change in the scope of consolidation	0.0	0.4	0.3	0.1	**0.8**
Exchange rate effects	0.0	0.4	0.2	–0.1	**0.5**
Reclassification IFRS 5	0.0	21.3	5.5	0.3	**27.1**
Balance as of 12/31/2023	**–0.2**	**–127.1**	**–18.8**	**–23.6**	**–169.7**
Current amortization	0.0	–58.0	–8.7	–10.9	**–77.6**
Unscheduled amortization	0.0	–25.9	0.0	0.0	**–26.0**
Change in the scope of consolidation	0.0	5.6	0.2	0.2	**6.1**
Exchange rate effects	0.0	–0.3	0.1	1.0	**0.7**
Reclassification IFRS 5	0.0	0.0	0.0	0.0	**0.0**
Balance as of 12/31/2024	**–0.2**	**–205.7**	**–27.2**	**–33.3**	**–266.5**
Net carrying amounts					
On 01/01/2023	0.0	321.1	22.8	31.9	**375.8**
On 12/31/2023	0.3	394.8	28.7	42.3	**466.1**
On 01/01/2024	0.3	394.8	28.7	42.3	**466.1**
On 12/31/2024	**0.4**	**379.6**	**35.5**	**56.0**	**471.5**

[10] Operating and office equipment

The leases entered into by the Group are generally subject to restrictions. These result from restrictions on termination or subleasing. Some leases also include an option to acquire the underlying leased asset in full at the end of the lease or to extend the lease for a further term. In some cases, corresponding maintenance, servicing and/or insurance obligations are associated with the lease.

In the fiscal year, subsidiaries from all four segments sold properties and machinery as part of sale and leaseback transactions. The effect on earnings from the sale and leaseback transactions amounted to EUR –0.3 million in the fiscal year (previous year: EUR –0.2 million). This is reported under other operating expenses.

Please refer to Note 36 “Lease liabilities” for information on the corresponding lease liabilities.

The reclassifications in accordance with IFRS 5 mainly relate to rights of use of Temakinho (see Note 24).

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Impairment of rights of use

The comparison of the recoverable amount with the carrying amounts of a cash-generating unit in the Retail & Food segment and another from the Goods & Services segment resulted in an impairment loss of EUR 26.0 million in relation to the rights of use, mainly for buildings, which is recognized in the Consolidated Statement of Comprehensive Income under depreciation and amortization. This relates entirely to rights of use for buildings of the two cash-generating units. The reason for the indicated impairment was the negative impact on profitability and the associated reduction in expectations with regard to future cash inflows due to declining demand for the products and services of the cash-generating unit, which operate as a subgroup in the manufacture and sale of home furnishings and as a provider of urban delivery solutions.

The cost of capital used to discount the future cash flows of these CGUs as part of the estimate of the value in use ranges between 12.2% and 14.7% (previous year: 10.0% and 15.4%).

Please refer to Note 3.1 for information on scenario analyses with regard to the most important assumptions used.

19 Inventories

Inventories break down as follows:

EUR million	12/31/2024	12/31/2023
Raw materials and supplies	282.9	277.2
Work in progress, unfinished services	143.6	123.7
Finished products and goods	231.3	241.1
Advance payments on inventories	40.7	31.4
Inventories	**698.5**	**673.4**

Inventories recognized as an expense in fiscal year 2024 amounted to EUR 2,385.6 million (previous year: 2,131.6 million).

For information on inventories pledged as collateral as of December 31, 2024, please see Note 35.

The impairment of inventories to the lower net realizable value recognized in the Consolidated Statement of Comprehensive Income amounted to EUR 14.3 million as of the reporting date (previous year: EUR 21.8 million).

The reversals of impairment losses recognized for inventories in the Consolidated Statement of Comprehensive Income amounted to EUR 11.8 million (previous year: EUR 10.8 million) and resulted from changes in economic conditions that indicate an increase in net realizable values.

20 Contract balances

The contract balances are made up of contract assets and contract liabilities and are broken down by maturity as follows:

EUR million	12/31/2024	12/31/2023
Non-current receivables from contracts with customers	3.7	0.7
Current receivables from contracts with customers	537.2	455.8
Receivables from contracts with customers	**541.0**	**456.5**
Non-current contract assets	4.1	5.2
Current contract assets	173.2	102.8
Contract assets	**177.3**	**108.0**
Non-current contract liabilities	32.5	3.8
Current contract liabilities	340.3	220.4
Contract liabilities	**372.8**	**224.2**

The contract assets as of the balance sheet date largely result from long-term projects that meet the criteria for revenue recognition over time. The contract assets represent the legal claim from goods and services provided that exceed the payments received. In the Engineering & Technology segment, contract assets mainly pertain to services with revenue recognition over time in the area of plant and construction projects, while in the Automotive & Mobility segment they pertain to series production, as well as production of prototypes and customer tools. The contract liabilities as of December 31, 2024, largely result from advance payments received from customers in connection with long-term production contracts.

The change in contract balances in fiscal year 2024 is the result of ongoing business activities and the associated changes in project progress and invoicing, particularly in the Engineering & Technology segment, as well as changes in the composition of the Group. Revenue of EUR 62.4 million (previous year: EUR 40.7 million) was realized in the fiscal year from contracts with customers that were included in contract liabilities at the beginning of the period. Contract liabilities of EUR 3.4 million (December 31, 2023: EUR 0.0 million), which were reported under non-current contract liabilities at the beginning of the period, were reclassified as current contract liabilities as of December 31, 2024.

A total transaction price of EUR 537.1 million (December 31, 2023: EUR 451.3 million) has been allocated to the performance obligations that have not been fulfilled or not fully fulfilled as of December 31, 2024. The management assumes that EUR 241.3 million of this amount will be recognized as revenue in the coming year (December 31, 2023: EUR 159.0 million) and EUR 295.8 million (December 31, 2023: EUR 292.2 million) in subsequent periods. The outstanding performance obligations mainly relate to construction contracts of Balcke-Dürr, the Donges Group and, in the case of the Terranor Group, to obligations from long-term maintenance contracts. In addition, the Alterga Group has outstanding performance obligations in connection with construction and long-term maintenance contracts. In accordance with IFRS 15, the transaction price for performance obligations with a maximum term of one year is not disclosed.

In connection with the project business of a portfolio company in the Engineering & Technology segment acquired in fiscal year 2023, uncertainties were identified in fiscal year 2024 for three legacy projects acquired as part of the transaction when estimating the progress of the projects and the associated costs. For this reason, a scenario analysis was used to determine the potential impact on the contract assets if additional costs are incurred in the future. The analysis concluded that no scenario would have a material effect on the contract assets for the Consolidated Financial Statements.

21 Other financial assets

Other financial assets are as follows:

EUR million	12/31/2024	12/31/2023
Receivables from company acquisitions	52.5	79.3
Deposits	52.2	52.8
Retentions from factoring	47.3	58.3
Creditors with debit balances	10.7	22.7
Securities	8.2	3.3
Loans	6.7	4.0
Supplier bonuses	5.0	10.1
Deposit of cash and fixed-term deposits	3.6	5.6
Derivatives	1.2	1.1
Indemnification payments from business acquisitions	0.0	4.8
Miscellaneous other financial assets	8.7	75.1
Other financial assets	**196.1**	**317.2**
current	115.9	225.5
non-current	80.2	91.7

Receivables from business combinations of EUR 52.5 million (December 31, 2023: EUR 79.3 million) relate to the acquisitions of SRT Group, EFACEC and Lapeyre in past years.

22 Other non-financial assets

Other non-financial assets are as follows:

EUR million	12/31/2024	12/31/2023
Value added tax receivables	94.4	74.3
Prepaid expenses and deferred charges	45.5	37.6
Other tax refund claims	8.4	8.9
Advance payments made	6.2	8.8
Miscellaneous other assets	6.9	15.5
Other assets	**161.4**	**145.1**
current	158.7	142.8
non-current	2.7	2.3

In the previous year, miscellaneous other assets included EUR 0.4 million (December 31, 2023: EUR 0.6 million) in connection with defined benefit plans in accordance with IAS 19.

23 Trade receivables and other receivables

Trade receivables and other receivables are broken down as follows:

EUR million	12/31/2024	12/31/2023
Trade receivables	593.1	472.2
Less expected credit losses	-76.7	-63.3
Receivables from (non-genuine) factoring	24.6	48.0
Other receivables	53.4	34.8
Trade receivables and other receivables	**594.4**	**491.7**
current	590.7	491.0
non-current	3.7	0.7

Trade receivables and other receivables are non-interest-bearing and, with the exception of receivables of EUR 3.7 million (previous year: EUR 0.7 million), have a term of up to a maximum of one year.

Expected credit losses are initially recognized in allowance accounts unless it can already be assumed at the time the reason for the impairment arises that the receivable will be fully or partially uncollectible. In such cases, the carrying amount of the receivables is derecognized directly through profit or loss.

Please refer to Note 42.1 for the calculation of impairment losses.

As in the previous year, there were no trade receivables measured at fair value through other comprehensive income as of December 31, 2024.

With regard to receivables pledged as collateral as of December 31, 2024, please see Note 35.

The expected credit losses for trade receivables and other receivables developed as follows:

EUR million	2024	2023
Balance as of 01/01	**63.4**	**15.5**
Changes in the scope of consolidation	5.6	42.2
Reclassification to disposal groups	-2.4	-0.1
Additions	11.5	22.9
Utilization	-1.2	-17.1
Balance as of 12/31	**76.8**	**63.4**

Assignment of trade receivables

Mutares Group companies sell trade receivables to factoring companies in return for the granting of rights of recourse. These trade receivables are not derecognized from the balance sheet as Mutares retains substantially all the risks and rewards of ownership. This primarily relates to the credit risk. The amounts received from the sale of trade receivables and services are reported as other financial liabilities. Depending on the agreement with the respective factoring company, customers settle the corresponding outstanding items directly with the respective Mutares company, which then forwards the amounts received to the factoring companies. The carrying amount of trade receivables not derecognized amounted to EUR 24.6 million as of the reporting date (December 31, 2023: EUR 48.0 million). The corresponding liabilities amounted to EUR 29.9 million as of the reporting date (previous year: EUR 36.2 million). Due to the short-term nature of the trade receivables sold and the associated liabilities, the fair value approximates the carrying amount. The net position from this amounted to EUR –5.3 million (December 31, 2023: EUR –11.9 million).

Mutares also sold trade receivables with a carrying amount of EUR 109.1 million (December 31, 2023: EUR 149.8 million) to third parties on the basis of factoring agreements, whereby essentially all risks and rewards associated with ownership were transferred. The receivables were therefore derecognized in accordance with IFRS 9.3.2.6(a). Retentions in connection with these assigned receivables amounted to EUR 41.1 million (December 31, 2023: EUR 41.9 million) and are recognized under other current financial assets. Due to the short-term nature of the trade receivables sold, the fair value approximates the carrying amount. In the event of default by the customer, Mutares is exposed to a remaining payment risk of EUR 13.6 million (December 31, 2023: EUR 19.2 million) vis-à-vis the factoring company. The amounts to be repaid to the factoring company would be considered short-term and represent the maximum risk of loss for Mutares.

24 Assets held for sale and disposal groups

Temakinho was sold at the beginning of fiscal year 2025 as part of a management buy-out. As of the reporting date December 31, 2024, the sale was already highly probable. Accordingly, the assets and liabilities of the portfolio company are reported as held for sale as of the reporting date in accordance with IFRS 5

The assets and liabilities of the company reported under IFRS 5 are broken down as follows:

EUR million	12/31/2024
Intangible assets	4.7
Property, plant and equipment	5.9
Rights of use	3.8
Other non-current assets	0.2
Non-current assets	**14.7**
Inventories	0.4
Receivables and other current assets	0.2
Other current assets	0.5
Current assets	**1.1**
Deferred tax liabilities	1.5
Other non-current liabilities	10.1
Non-current liabilities	**11.6**
Current liabilities	**5.2**

Furthermore, the sale of two plants and one investment from the Automotive & Mobility segment was highly probable as of the reporting date December 31, 2024, so that the assets and liabilities were classified as held for sale as of the reporting date in accordance with IFRS 5. The transaction was completed in the first quarter of fiscal year 2025. Subsequently, it is planned that both plants will be used as part of a sale and leaseback. The fair value of the plants reclassified as held for sale in accordance with IFRS 5 amounts to EUR 5.0 million. In this context, expenses of EUR 6.4 million were incurred from the measurement of the reclassified assets, which are recognized in the statement of comprehensive income under other expenses.

On the reporting date, the sale of two production lines and associated inventories and other contracts of a portfolio company in the Automotive & Mobility segment was highly probable, and the assets recognized in the balance sheet were therefore reclassified as held for sale in accordance with IFRS 5. The transaction was completed in the first quarter of fiscal year 2025.

In addition, the sale of production facilities of an investment from the Retail & Food segment was highly probable as at the reporting date. The transactions are expected to be completed in summer 2025. It is then planned that the investment will continue to use the properties (sale and leaseback). The fair value of the properties reclassified as held for sale in accordance with IFRS 5 amounts to EUR 43.3 million. In this context, expenses of EUR 2.5 million were incurred from the measurement of the reclassified assets, which are recognized in the Consolidated Statement of Comprehensive Income under other expenses.

As of December 31, 2023, the assets and liabilities held for sale mainly related to those of Frigoscandia and Valti. The sale of the companies was completed in the first quarter of fiscal year 2024.

25 Cash and cash equivalents

Cash and cash equivalents are as follows:

EUR million	12/31/2024	12/31/2023
Bank balances	357.3	472.4
Cash equivalents	54.1	47.0
Cash on hand	0.8	0.8
Cash and cash equivalents	**412.1**	**520.2**

As of December 31, 2024, cash and cash equivalents of EUR 9.0 million were restricted (previous year: EUR 15.7 million). For information on cash and cash equivalents pledged as collateral as of December 31, 2024, please see Note 35.

As part of an acquisition in fiscal year 2023, GoCollective Insurance A/S, an insurance company that provides insurance services exclusively to Group entities and is required by regulatory provisions to maintain a certain level of liquidity, was acquired. These blocked funds amounted to EUR 6.3 million as of December 31, 2024 (December 31, 2023: EUR 10.9 million) and can be used for the company’s day-to-day business but cannot be transferred to other Group companies.

E DISCLOSURES ON EQUITY AND LIABILITIES

The individual components of equity and their development for fiscal years 2023 and 2024 are presented in the Consolidated Statement of Changes in Equity.

26 Subscribed capital

The subscribed capital of Mutares SE & Co. KGaA is fully paid in and consists of 21,348,256 (December 31, 2023: 21,058,756) no-par value registered shares with a notional interest in the share capital of EUR 1.00 each as of December 31, 2024. In fiscal year 2024, the subscribed capital was increased by EUR 0.3 million to EUR 21.3 million as part of the exercise of stock options in connection with a stock option program for members of the Management Board and selected employees (289,500 shares) by means of fulfilment from the conditional capital.

27 Capital reserve

The capital reserve amounted to EUR 141.9 million as of December 31, 2024 (December 31, 2023: EUR 139.0 million) and mainly consisted of the premium on the issue of shares in the parent company of EUR 139.0 million (December 31, 2023: EUR 134.2 million). Furthermore, the capital reserve was increased by EUR 2.8 million (previous year: EUR 4.9 million) in connection with the exercise of share-based compensation of the parent company in fiscal year 2024; see the comments under Note 32 below.

28 Retained earnings

By resolution of the Annual General Meeting on June 4, 2024, a partial amount of EUR 47,382,201.00 of the company's net retained earnings of EUR 184,192,268.13 as of December 31, 2023, was distributed in the form of a dividend of EUR 2.25 per dividend-bearing share and the remaining amount of EUR 136,810,067.13 was carried forward to new account.

The Management Board of the General Partner of Mutares SE & Co. KGaA will propose to the Annual General Meeting to resolve to use the distributable profit of Mutares SE & Co. KGaA under commercial law for fiscal year 2024 of EUR 245.1 million to distribute a dividend of EUR 2.00 per no-par value share entitled to dividend and to carry forward the remainder to new account. This corresponds to a total amount of EUR 42.7 million with regard to the shares currently in circulation. The remaining amount of EUR 202.4 million is to be carried forward to new account.

29 Other equity components

Other equity components include the revaluation reserve for the recognition of actuarial gains and losses in connection with pension obligations, the foreign currency translation reserve and the reserve for changes in the fair value of financial assets and liabilities. The development in the fiscal year and the previous year is shown in the Consolidated Statement of Changes in Equity. Details of the development of the above-mentioned components are shown in the following table:

EUR million	Actuarial gains/losses	Currency equalization	Fair value changes of financial assets/liabilities	Other	Total
Balance as of 01/01/2023	37.6	-7.6	2.3	0.3	32.5
Other comprehensive income after income taxes	-8.4	5.2	-13.0	0.0	**-16.2**
Changes in the scope of consolidation	-5.7	0.0	0.4	0.0	**-5.3**
Balance as of 12/31/2023	**23.5**	**-2.4**	**-10.3**	**0.3**	**11.0**
Other comprehensive income after income taxes	4.1	2.5	21.1	0.0	**27.7**
Changes in the scope of consolidation	-10.3	1.8	0.3	0.0	**-8.2**
Balance as of 12/31/2024	**17.3**	**1.9**	**11.1**	**0.3**	**30.5**

EUR million	Non-controlling shareholders	Attributable to the shareholders of the parent company
Balance as of 01/01/2023	**-1.9**	**30.6**
Other comprehensive income after income taxes	-0.1	-16.2
Changes in the scope of consolidation	0.1	-5.3
Balance as of 12/31/2023	**-1.9**	**9.1**
Other comprehensive income after income taxes	0.0	27.7
Changes in the scope of consolidation	3.5	-4.7
Balance as of 12/31/2024	**1.6**	**32.1**

30 Non-controlling interests

As of the reporting date, non-controlling interests at Mutares were mainly held in Peugeot Motocycles, Steyer Motors and Sofinter and – due to management participation programs – also in the acquisition companies of various operating portfolio companies.

There are no restrictions on Mutares' ability to access or use the assets and settle the liabilities of its subsidiaries.

The following tables relate exclusively to the above-mentioned subsidiaries in which non-controlling shareholders hold shares:

EUR million	12/31/2024	12/31/2023
Non-current assets	1,277.6	1,189.3
Current assets	1,346.8	1,405.7
Non-current liabilities	578.2	599.2
Current liabilities	1,445.3	1,239.3
Share of equity attributable to shareholders of the parent company	614.4	708.0
Non-controlling shareholders	**–7.3**	**50.3**

EUR million	2024	2023
Revenues	3,179.4	2,923.9
Other income and expenses (cumulative)	–3,495.7	–2,843.3
Earnings after taxes	**–316.2**	**80.6**
Profit after taxes attributable to shareholders of the parent company	–262.6	110.5
Profit after taxes attributable to non-controlling interests	–53.6	–30.0
Other comprehensive income attributable to the shareholders of the parent company	–0.2	–0.1
Other comprehensive income attributable to non-controlling interests	0.0	–0.1
Other result	**–0.2**	**–0.1**
Total comprehensive income attributable to the shareholders of the parent company	–262.8	106.7
Total comprehensive income attributable to non-controlling interests	–53.6	–30.1
Overall result	**–316.5**	**80.4**

EUR million	2024	2023
Dividends paid to non-controlling shareholders	0.6	1.5
Cash flow from operating activities	–203.4	–48.5
Cash flow from investing activities	57.3	92.3
Cash flow from financing activities	0.3	–56.3
Total net cash flows	**–145.8**	**–12.4**

In connection with the company acquisition in fiscal year 2023, Peugeot Motocycles issued a floating-rate mandatory convertible bond with a nominal amount of EUR 74.1 million and a term of ten years, which was fully subscribed to by the previous shareholder and current minority shareholder. In December 2024, Mutares acquired part of the mandatory convertible bond of EUR 32.7 million for EUR 1, thereby increasing the shares attributable to Mutares; no additional voting rights were acquired in connection with this transaction (see Consolidated Statement of Changes in Equity). As part of this transaction, the liability component of the mandatory convertible bond in the amount of EUR 11.1 million was reclassified as an equity component of the non-controlling interests.

In connection with the partial exit of a subsidiary without loss of control, the capital increase without subscription rights of Mutares and the sale of shares to non-controlling minorities resulted in an increase in non-controlling interests of EUR 16.0 million.

31 Authorized capital

By resolution dated May 23, 2019, the Annual General Meeting of the company resolved to cancel the Authorized Capital 2015/I and instead authorized the Management Board, with the approval of the Supervisory Board, to increase the company's share capital by a total of up to EUR 7.7 million by issuing up to 7,748,146 new no-par value registered shares against cash and/or non-cash contributions in the period up to May 22, 2024 ("Authorized Capital 2019/I"). On September 28, 2021, the Management Board of the company's General Partner, Mutares Management SE, resolved, with the approval of the Supervisory Board, to increase the company's share capital from EUR 15.5 million to EUR 20.6 million by issuing 5.1 million new no-par value registered ordinary shares. The capital increase with subscription rights for the company's limited liability shareholders was carried out in return for cash contributions, making partial use of the existing Authorized Capital 2019/I. This still amounted to EUR 2,608 thousand after the partial utilization. By resolution dated July 10, 2023, the Annual General Meeting of the company resolved to cancel the Authorized Capital 2019/I and thus reduce the Authorized Capital 2019/I to EUR 0. Instead, the Management Board was authorized, with the approval of the Supervisory Board, to increase the share capital once or several times in the period up to July 9, 2028, by a total of up to EUR 8,254,692.00 by issuing up to 8,254,692 new no-par value registered shares against cash and/or non-cash contributions ("Authorized Capital 2023/I"). By resolution dated June 4, 2024, the Annual General Meeting of the company resolved to cancel the Authorized Capital 2023/I and thus reduce the Authorized Capital 2023/I to EUR 0. In its place, the General Partner was authorized, with the approval of the Supervisory Board, to increase the share capital on one or more occasions in the period up to June 3, 2029, by a total of up to EUR 8.4 million by issuing up to 8,423,502 new no-par value registered shares in return for cash and/or non-cash contributions ("Authorized Capital 2024/I").

32 Conditional capital and share-based payment

32.1 Conditional capital

The Annual General Meeting of the company on May 23, 2019, created Conditional Capital 2019/I of EUR 3,000 thousand to grant shares upon the exercise of conversion or option rights or upon the fulfilment of conversion or option obligations to the holders or creditors of convertible bonds, bonds with warrants, profit participation rights and/or participating bonds or combinations of these instruments issued on the basis of the authorizing resolution of the Annual General Meeting on May 23, 2019.

After the partial cancellation of Conditional Capital 2016/I took effect, the share capital of Mutares SE & Co. KGaA was conditionally increased by up to EUR 802 thousand by resolution of the Annual General Meeting on May 23, 2019, by issuing up to 802,176 no-par value registered shares ("Conditional Capital 2019/II"). Conditional Capital 2019/II serves to grant subscription rights to members of the Management Board and employees of the company, members of the management and employees of companies affiliated with the company.

After the partial cancellation of Conditional Capital 2016/I took effect, the company's share capital was conditionally increased by up to EUR 387 thousand by issuing up to 387,000 no-par value registered shares ("Conditional Capital 2021/I"). Conditional Capital 2021/I was used exclusively to issue shares in the company to service subscription rights to shares in the company granted to members of the company's Management Board and employees of the company as well as members of the management and employees of companies affiliated with the company within the meaning of Sections 15 et seq. AktG in the form of stock options in accordance with the above authorization resolution pursuant to b).

In the period from January 1, 2023, to December 31, 2023, a total of 154,525 new no-par value registered shares were issued from Conditional Capital 2016/I. As a result of the issue of the new no-par value registered shares, the Conditional Capital 2016/I was reduced from EUR 361 thousand to EUR 206 thousand. Furthermore, a total of 267,500 new no-par value registered shares were issued from Conditional Capital 2019/II in the period from January 1 to December 31, 2023. As a result of the issue of the new no-par value registered shares, Conditional Capital 2019/II decreased by EUR 267 thousand from EUR 802 thousand by EUR 267 thousand to EUR 535 thousand.

In the period from January 1 to December 31, 2024, a total of 289,500 new no-par value registered shares were issued from Conditional Capital 2019/II. As a result of the issue of the new no-par value registered shares, Conditional Capital 2019/II was reduced by EUR 289 thousand from EUR 535 thousand by EUR 289 thousand to EUR 246 thousand.

By resolution dated June 4, 2024, the Annual General Meeting resolved to cancel Conditional Capital 2019/I. In addition, the Annual General Meeting resolved on June 4, 2024, to conditionally increase the company's share capital by up to EUR 2.1 million by issuing up to 2,105,875 new no-par value registered shares ("Conditional Capital 2024/I"). Conditional Capital 2024/I serves to grant no-par value registered shares to the holders or creditors of convertible bonds, bonds with warrants, convertible bonds or bonds with warrants upon the exercise of conversion or option rights, upon the fulfillment of conversion or option obligations or upon the exercise of an option right of the company to grant shares in the company in whole or in part instead of payment of the cash amount due. creditors of convertible bonds, bonds with warrants, profit participation rights and/or participating bonds (or combinations of these instruments) (hereinafter collectively referred to as "bonds") issued on the basis of the authorization resolution of the Annual General Meeting on June 4, 2024.

32.2 Stock option plans

2019 Stock Option Plan

On August 9, 2019, the Management Board resolved option conditions according to which a total of up to 360,979 stock options from Conditional Capital 2019/II may be issued to members of the management of affiliated domestic and foreign companies of the company and to employees of the company and employees of affiliated domestic and foreign companies until May 22, 2024. If certain exercise conditions are met – in particular a waiting period of at least four years and the achievement of a predefined, average, volume-weighted share price during the last 20 trading days prior to the start of the respective exercise period, which must exceed the exercise price of the option by at least 85.7%, the stock options entitle the holder to subscribe to a total of up to 360,979 no-par value registered shares in the company with a notional interest in the share capital of EUR 1.00 each.

Also on August 9, 2019, the Shareholder Committee of the General Partner of Mutares SE & Co. KGaA, with the approval of the Supervisory Board, resolved option conditions under which a total of up to 441,197 stock options from Conditional Capital 2019/II may be issued to members of the company's Management Board until May 22, 2024. If certain exercise conditions are met – in particular a waiting period of at least four years – the stock options entitle the holder to subscribe to a total of up to 441,197 no-par value registered shares in the company with a notional interest in the share capital of EUR 1.00 each.

In four tranches to date in September 2019, May 2020, May 2021 and November 2022, 782,696 stock options were issued from the 2019 stock option plan, of which 441,196 stock options were granted to members of the Management Board. The stock options granted are not entitled to dividends and do not grant any voting rights. In the fiscal year, 289,500 stock options were exercised from the 2019 stock option plan.

Stock Option Plan 2021

On August 31, 2021, the Management Board resolved option conditions according to which a total of up to 67,000 stock options from Conditional Capital 2021/I may be issued to members of the management of affiliated domestic and foreign companies of the company and to employees of the company and employees of affiliated domestic and foreign companies until May 19, 2026. If certain exercise conditions are met – in particular a waiting period of at least four years and the achievement of a predefined, average, volume-weighted share price during the last 20 trading days prior to the start of the respective exercise period, which must exceed the exercise price of the option by at least 85.7%, the stock options entitle the holder to subscribe to a total of up to 67,000 no-par value registered shares in the company with a notional interest in the share capital of EUR 1.00 each.

Also on August 31, 2021, the Shareholder Committee of the General Partner of Mutares SE & Co. KGaA, with the approval of the Supervisory Board, resolved option conditions under which a total of up to 320,000 stock options from Conditional Capital 2021/I may be issued to members of the company's Management Board until May 19, 2026. If certain exercise conditions are met – in particular a waiting period of at least four years – the stock options entitle the holder to subscribe to a total of up to 320,000 no-par value registered shares in the company with a notional interest in the share capital of EUR 1.00 each.

From three tranches to date in November 2021, April 2022 and November 2022, 350,804 stock options have been issued from the 2021 Stock Option Plan, 288,804 of which to members of the Management Board. The stock options granted are not entitled to dividends and do not grant any voting rights

Virtual Stock Option Plan 2023

On September 5, 2023, the Shareholder Committee of the General Partner of Mutares SE & Co. KGaA, with the approval of the Supervisory Board, resolved option conditions under which a total of up to 180,000 virtual stock options may be issued to members of the company's Management Board and 800,000 virtual stock options to employees of the company and employees of affiliated domestic and foreign companies within a term of six years. The stock options entitle the holder to receive a certain amount of money ("VSOP profit") if certain exercise conditions are met – in particular a waiting period of at least four years. The VSOP profit is calculated from the average volume-weighted Mutares share price during the last 20 trading days prior to the day on which the exercise declaration is received by the company's General Partner less the respective exercise price. The options serve as consideration for work still to be performed and expire without replacement if a beneficiary leaves the company within the minimum holding period or six years have elapsed since the issue date without exercise. The obligations arising from the virtual stock options are recognized in other provisions in the amount of EUR 0.6 million (previous year: EUR 0.2 million) (see note 38).

From a tranche in September 2023, 180,000 virtual stock options were issued to members of the Management Board from the 2023 Virtual Stock Option Plan. The stock options granted are not entitled to dividends and do not grant any voting rights.

32.3 Valuation of the stock option plans

The stock options issued under the three plans were valued using a binomial option pricing model. Where relevant, the best estimate of the Management Board with regard to the following influencing factors was used to determine the expected option term: Non-transferability, exercise restrictions (including the probability that the market conditions attached to the option will be met) and assumptions regarding exercise behavior. The expected volatility is based on the development of share price volatility over the last six years. With regard to the time of exercise, it was assumed that the program participants will exercise the options on average at the end of the exercise period of two years, i.e. arithmetically six years after the grant date.

The following table shows the individual model parameters of the individual tranches from all three stock option plans:

		Option tranche							
Model parameters		**09/05/2019**	**05/19/2020**	**05/21/2021**	**11/10/2021**	**04/22/2022**	**11/14/2022**	**09/05/2023**	**08/14/2024**
Share price at the grant date	in EUR	8.60	11.22	24.35	24.10	22.90	19.82	21.98	31.39
Exercise price	in EUR	4.54	6.54	14.78	14.08	13.47	11.59	15.39	21.27
Expected volatility	in %	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
Option term	in years	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Dividend yield	in %	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Risk-free interest rate	in %	–0.76	–0.55	–0.35	–0.45	0.85	2.11	2.60	2.10

The risk-free interest rate is determined on the basis of observations of the market for risk-free government bonds with nearly identical maturities to the option right. If the term does not match exactly, the yield curve is interpolated to derive a suitable risk-free interest rate. The range of exercise prices of the options outstanding at the end of the reporting period is EUR 4.54 to EUR 21.97 and the weighted average exercise price is EUR 15.05 (previous year: EUR 11.43). The weighted average remaining contractual term is 3.90 years (previous year: 3.79 years). The weighted average fair value of the stock options granted in the fiscal year is EUR 2.24 (previous year: EUR 1.24).

The following table shows the average weighted option prices for various categories of options:

Groups of stock options	Number of options	Weighted average of the exercise prices
Options outstanding on December 31, 2023	869,000	11.43
Options granted in 2024	138,000	21.97
Options exercised in 2024	–289,500	6.18
Options expiring in 2024	–2,000	6.18
Options exercisable on December 31, 2024	0	0.00
Options outstanding on December 31, 2024	715,500	15.05

The development of the number of outstanding stock options on the respective reporting dates is shown in the following table:

	Option tranche							
Number of stock options	05/19/2020	05/21/2021	11/10/2021	04/22/2022	11/14/2022	09/05/2023	08/14/2024	Total
As of 12/31/2023	291,500	93,696	108,804	135,000	105,000	135,000	0	869,000
+ newly granted options	0	0	0	0	0	0	138,000	138,000
– exercised options	–289,500	0	0	0	0	0	0	–289,500
– expired options	–2,000	0	0	0	0	0	0	–2,000
Status on 12/31/2024	0	93,696	108,804	135,000	105,000	135,000	138,000	715,500
of which exercisable	0	0	0	0	0	0	0	0

In fiscal year 2024, personnel expenses of EUR 1.3 million (previous year: EUR 1.2 million) were recognized from the aforementioned stock option plans, of which EUR 1.1 million (previous year: EUR 1.0 million) relates to stock option plans to be settled with equity instruments.

The weighted average share price of the options exercised during the reporting period is EUR 39.30.

33 Treasury shares

By resolution of the Annual General Meeting on June 4, 2024, the General Partner was authorized until the end of June 3, 2029, to acquire treasury shares in the company up to a total of 10% of the company's share capital existing at the time of the resolution or – if this value is lower – at the time the authorization is exercised, while observing the principle of equal treatment (in accordance with Section 53a AktG). The shares acquired on the basis of this authorization, together with other treasury shares of the company that the company has acquired and still holds or are attributable to it in accordance with Sections 71a et seq. of the German Stock Corporation Act (AktG), may not exceed 10% of the company's share capital at any time. The authorization may be exercised once or several times, in full or in partial amounts, in pursuit of one or several purposes by the company, but also by dependent companies or companies in which the company holds a majority interest or by third parties for the account of the company or companies dependent on it or in which the company holds a majority interest.

In connection with the acquisition of treasury shares, the Annual General Meeting on June 4, 2024, authorized the General Partner, with the approval of the Supervisory Board, to acquire treasury shares until June 3, 2029, including through the use of equity derivatives ("derivatives"). These include the sale of options to third parties that oblige the company to acquire shares in the company when the option is exercised ("put options"), the acquisition of options that give the company the right to acquire shares in the company when the option is exercised ("call options"), forward purchases in which the company acquires treasury shares at a specific date in the future, and the use of a combination of put options, call options and forward purchases. Derivative transactions may only be concluded via the stock exchange or one or more banks or other companies that meet the requirements of Section 186 para. 5 sentence 1 AktG. In any case, a maximum of 5% of the share capital existing at the time of the resolution or – if this value is lower – of the company's share capital existing at the time the authorization is exercised may be acquired using derivatives. The term of the derivatives may not exceed 18 months and that the shares are acquired by exercising or fulfilling the derivatives no later than June 3, 2029. The shareholders are not entitled to enter into such derivative transactions with the company – in corresponding application of Section 278 para. 3 AktG in conjunction with Section 186 para. 3 sentence 4 AktG.

As of December 31, 2024 and December 31, 2023, no treasury shares were held.

34 Trade payables

Trade payables amounted to EUR 726.7 million (December 31, 2023: EUR 680.2 million) and are due to third parties. They are recognized at the settlement or repayment amount and are due in full within one year, with the exception of EUR 4.7 million (December 31, 2023: EUR 5.6 million), which is due in more than one year.

As the Mutares Group is a conglomerate, practices regarding payment terms – including any interest accrued on outstanding amounts – may diverge.

35 Other financial liabilities

Other financial liabilities developed as follows:

EUR million	12/31/2024	12/31/2023
Bonds	447.4	196.1
Liabilities to banks	212.5	133.6
Liabilities from outstanding invoices	141.0	123.1
Liabilities from loans from third parties	123.6	95.6
Liabilities from factoring	29.9	36.2
Liabilities to former shareholders	8.6	16.5
Liabilities for bonuses and discounts	7.1	10.5
Earn-out liabilities	4.6	3.4
Debtors with credit balances	1.8	7.8
Miscellaneous other financial liabilities	139.7	70.2
Other financial liabilities	**1,116.3**	**693.1**
current	881.8	342.4
non-current	234.5	350.8

35.1 Bonds

The bonds item comprises the senior secured bond issued by the company in March 2023 with a term until March 31, 2027, which was increased by a volume of EUR 100 million to the maximum nominal volume of EUR 250 million (“Bond 2023/2027”) with a value date of January 29, 2024, as part of an existing increase option. The proceeds of the issue will be used for general corporate financing. The Bond 2023/2027 is listed on the OTC market of the Frankfurt Stock Exchange and on the Nordic ABM of the Oslo Stock Exchange and bears interest quarterly at the 3-month EURIBOR (EURIBOR floor of 0.00%) plus a margin of 8.50%.

Also included is a senior secured bond issued by Mutares in September 2024 with a nominal volume of EUR 135 million and a term until September 2029 (“Bond 2024/2029”). The proceeds of the issue will be used for general company financing. The Bond 2024/2029 is listed on the OTC market of the Frankfurt Stock Exchange and on the Nordic ABM of the Oslo Stock Exchange and bears interest quarterly at the 3-month EURIBOR (EURIBOR floor of 0.00%) plus a margin of 6.25%. Depending on market conditions, the 2024/2029 Bond can be increased to a nominal volume of up to EUR 300 million during its term.

The terms and conditions of both bonds stipulate financial covenants regarding a minimum liquidity level to be complied with and the ratio of debt to assets and equity. The bonds are secured by a pledge of 100% of the shares in certain affiliated companies held by the parent company and by the assignment of existing and possible future loan claims of the parent company against these affiliated companies.

As of the reporting date of December 31, 2024, the financial ratio relating to the ratio of debt to equity in the Group was not met. This non-compliance resulted in the bondholders being granted a fundamental right of termination. For this reason, the carrying amounts of the 2023/2027 and 2024/2029 bonds in the amount of EUR 370.3 million were reported as current liabilities as of the balance sheet date of December 31, 2024. The non-compliance with the covenants was remedied by the date of preparation of the consolidated financial statements by restoring compliance with the financial ratios as of March 31, 2025. In accordance with the terms of the bonds, there is now no longer any right to call the liabilities from the bonds early (please refer to the comments in Note 50).

In April 2024, GoCollective A/S issued a senior secured bond with a nominal volume of EUR 40 million and a term until April 12, 2027. The proceeds from the issue will be used to refinance liabilities and for general company financing, which are included in the position “Bonds”. The bond was issued at an issue price of 100.00%. The bond bears interest quarterly, for the first time on July 12, 2027, at the 3-month EURIBOR (EURIBOR floor of 0.0%) plus a margin of 8.50% and can be increased to a nominal volume of up to EUR 60 million during the term if certain covenants are met. The bond terms require compliance with a specific leverage ratio, which is tested quarterly. As of December 31, 2024, this financial ratio was met. With regard to compliance with loan agreement covenants, the Group assumes that the fulfillment of the ancillary conditions will continue to be ensured. The bond is secured by the pledge of 100% of the shares in certain affiliated companies, the assignment of existing and any future loan receivables from these affiliated companies and the pledge of certain assets.

The bonds were designated at fair value through profit or loss by exercising the fair value option (FLFVO).

In addition, the item “Bonds” includes a financing structure in the form of an unlisted bond for an investment in the Engineering & Technology segment of EUR 37.5 million (previous year: EUR 35.4 million). This bond matures on October 31, 2031 and bears interest at 6.0% p.a.

35.2 Liabilities to banks and from third-party loans

One investee in the Automotive & Mobility segment has liabilities to banks of EUR 53.6 million (December 31, 2023: EUR 64.9 million), of which EUR 46.7 million (December 31, 2023: EUR 50.6 million) is due in less than one year. The liabilities are secured by the transfer of ownership of property, plant and equipment in the amount of EUR 40.3 million and current assets in the amount of EUR 5.5 million. This investee also has liabilities to third parties under loans of EUR 88.7 million (December 31, 2023: EUR 47.1 million), of which EUR 26.2 million (December 31, 2023: EUR 7.3 million) is due within one year.

For another investment in the Automotive & Mobility segment, there are liabilities to banks secured by property, plant and equipment in the amount of EUR 8.9 million and liabilities from third-party loans of EUR 28.1 million (December 31, 2023: EUR 27.2 million), of which EUR 17.1 million (December 31, 2023: EUR 13.0 million) are due in less than one year.

There are liabilities to banks and liabilities from third-party loans of EUR 15.1 million (December 31, 2023: EUR 16.1 million) from another investment in the Automotive & Mobility segment, of which EUR 12.8 million (December 31, 2023: EUR 11.8 million) is due in less than one year.

Furthermore, there are liabilities to banks and liabilities from loans from third parties in other portfolio companies in the Automotive & Mobility segment of EUR 18.5 million (December 31, 2023: EUR 20.8 million), of which EUR 4.7 million (December 31, 2023: EUR 15.1 million) is due in less than one year.

One investee in the Engineering & Technology segment has liabilities to banks of EUR 69.7 million (December 31, 2023: EUR 0.0 million), of which EUR 69.7 million (December 31, 2023: EUR 0.0 million) has a term of up to one year.

In connection with outstanding bonds and other financing, the companies have undertaken to comply with standard market financial covenants and non-financial loan agreement clauses, whereby non-compliance can lead to a right of termination for the bond creditors or credit institutions. In the fiscal year, loan agreement clauses for liabilities to banks with a carrying amount of EUR 145.9 million (December 31, 2023: EUR 21.8 million) were not complied with for which no agreement on a waiver of termination was reached with the banks after the balance sheet date. The majority of the carrying amount relates to liabilities to banks for an investment in the Automotive & Mobility segment. A resulting right of termination on the part of the banks was not exercised as of the reporting date or afterwards. All liabilities covered by the non-compliance were reported as current. Any ancillary conditions are complied with for the remaining financing.

The interest rate on all liabilities to banks is between 1.00% (previous year: 0.00%) and 14.34% (previous year: 14.91%) and includes both fixed and variable interest rate agreements. The term of the non-current liabilities to banks are a maximum of nine years (previous year: ten years).

Liabilities from third-party loans, which also include both fixed and variable interest rate agreements and range between 0.00% (previous year: 0.00%) and 15.0% (previous year: 11.50%), have a maximum term of 6 years (previous year: 8 years).

35.3 Liabilities from factoring

Liabilities from factoring include liabilities from factoring agreements in which the default risk of the transferred receivables is not transferred to the contractual partner, i.e. Mutares essentially retains all opportunities and risks associated with ownership of the transferred receivables and in this respect no derecognition takes place. With regard to claims from factoring, please refer to the comments in Note 23.

35.4 Miscellaneous other financial liabilities

In connection with the acquisition of Serneke, a subsidiary of Mutares (as the buyer of Serneke) has recognized a current liability to the seller in the amount of SEK 1,055 million (approximately EUR 92 million).Further details on the acquisition of Serneke can be found in Note 4, “Scope of consolidation”, and Note 50, “Events after the balance sheet date” on the appeal against the purchase agreement.

35.5 Collateralization

The following assets are pledged as collateral for liabilities:

EUR million	12/31/2024	12/31/2023
Intangible assets	3.4	0.0
Property, plant and equipment	83.6	75.5
Inventories	26.4	41.0
Trade receivables and other receivables	1.2	13.0
Cash and cash equivalents	0.2	5.4
Collateral pledged for liabilities	**114.8**	**134.9**

The term of the collateral is generally congruent with the term of the underlying credit or loan agreement. As a rule, the collateral granted may not be sold by the collateral taker.

36 Leasing liabilities

The expense for payments from leases that are not included in the measurement of the lease liability is as follows

EUR million	12/31/2024	12/31/2023
Leasing expenses from short-term leases	-29.7	-21.6
Leasing expenses from low-value leases	-1.2	-0.8
Expenses from subleases	-0.1	-0.3
Variable lease expense (not included in the lease liability)	-2.7	-8.0
Leasing liabilities	**-33.7**	**-30.7**

The total cash outflow from leases for fiscal year 2024 amounted to EUR 121.3 million (previous year: EUR 106.5 million).

Possible future cash outflows from extension, termination and purchase options that are not considered sufficiently certain were not included in the measurement of lease liabilities. As of the balance sheet date, there were no leases entered into but not yet commenced that would result in significant cash outflows.

The lease liabilities are generally secured by the leased asset underlying the lease. For corresponding rights of use, please refer to the explanations in Note 18 “Rights of use”.

37 Pension plans/pension provisions and similar obligations

37.1 Defined contribution plans

The German statutory pension insurance scheme, into which the employer must pay a currently applicable contribution rate of 9.3% (employer's share) of the pensionable remuneration, constitutes a defined contribution plan for all employees of Group companies in Germany. There are also defined contribution plans, primarily in Italy, France and other European countries.

The total expenses of EUR 82.1 million (previous year: EUR 65.5 million) recognized in personnel expenses represent the Group's contributions due to these pension plans in accordance with the country-specific contribution rates.

37.2 Defined benefit plans

EUR million	12/31/2024	12/31/2023
Present value of the defined benefit obligation	1.9	1.7
Fair value of the plan assets	2.3	2.3
Net asset value from defined benefit plans	**0.4**	**0.6**
Present value of the defined benefit obligation	128.6	142.6
Fair value of the plan assets	11.2	11.9
Net liability from defined benefit plans	**117.4**	**130.6**
Total present value of the defined benefit obligation	130.6	144.3
Total fair value of plan assets	13.6	14.2
	117.0	130.1

In various Group units (but not at Mutares SE & Co. KGaA itself), primarily in Germany, France, Italy and the United Kingdom, there are defined benefit plans for pension payments or similar obligations based on country-specific laws or contracts. The amount of the obligations is mainly derived from the pensionable salary, length of service and age. The pension plans are partially funded. As of December 31, 2024, the pension plans in the UK were overfunded, resulting in an asset from defined benefit plans of EUR 0.4 million. This is reported under other non-current assets. As the overfunding is available to the Group as a refund or future reduction in contributions, the asset does not need to be reduced. The net liability from defined benefit plans of EUR 117.4 million (previous year: EUR 130.6 million) corresponds to the provisions for pensions and similar obligations

Pension commitments in **Germany** are regulated in various pension schemes and essentially comprise the granting of retirement, invalidity and surviving dependents' benefits. The amount of the pension benefits is determined by the eligible period of service and the assigned pension group as well as the pension amount determined by the respective individual pension commitment.

The commitments in **France** include state-prescribed one-off payments on retirement. There are no minimum funding requirements. In addition, one French subsidiary has a contractually agreed pension plan that entitles the company to pension payments under certain conditions. Minimum funding requirements only exist for pensioners. The plan has been closed to new employees since 1997.

The plans in **Italy** include commitments for benefits provided before 2007. Due to a change in the law, all plans were restructured into defined contribution plans from 2007. Accordingly, only interest rate effects and actuarial effects change the defined benefit obligations of the Italian subsidiaries. There are no minimum funding requirements.

The pension plans in **the UK** provide retirement and surviving dependents' benefits. The benefits are based on length of service and remuneration. There are statutory minimum funding requirements. Trustees manage the plan assets and make decisions regarding financing and investment strategies together with the subsidiaries. In one plan, the subsidiary is obliged to assume 100% of the expenses and to cover 100% of any plan deficit. In the other plan, the subsidiaries are each required to contribute 60%. The remaining 40% is borne by active beneficiaries. The investment strategy is geared towards investing around 60% in assets with volatile returns and 40% in defensive assets – mainly government bonds. This strategy reflects the liability profile of the plan and the risk attitude of the trustee and the subsidiary. A risk minimization strategy is taken into account, according to which the proportion of assets with volatile returns is to fall to 20% over the next 14 years.

The plans in **India** and **Poland** entitle employees leaving the company to one-time payments depending on their length of service and the last salary received. In addition, there is a plan in Poland under which the payment to the beneficiaries is linked to their retirement or reaching the age of sixty.

he plans in **Slovenia** and **Bulgaria** also entitle retiring employees to one-time payments. While the one-time payments under the plans in Slovenia depend on length of service and the last salary received, in Bulgaria they are calculated on the basis of the average salary in the country.

The Group is exposed to the following actuarial risks as a result of these plans:

- **Investment risk:**
  The present value of the defined benefit obligation from the plan is calculated using a discount rate determined on the basis of the yields on high-quality, fixed-interest corporate bonds. If the income from the plan assets (if any) is below this interest rate, this leads to a shortfall in the plan.

- **Interest rate risk:**
  A fall in the bond interest rate leads to an increase in the plan liability.

- **Longevity risk:**
  The present value of the defined benefit obligation from the plan is determined on the basis of the best possible estimate of the probability of death of the beneficiary employees both during the employment relationship and after its termination. An increase in the life expectancy of the beneficiary employees leads to an increase in the plan liability.

- **Salary risk:**
  The present value of the defined benefit obligation from the plan is calculated partly on the basis of the future salaries of the beneficiary employees. Salary increases for the beneficiary employees therefore lead to an increase in the plan liability.

The provision for pensions and similar obligations was measured in accordance with recognized actuarial principles using the projected unit credit method.

The defined benefit obligations developed as follows as of December 31, 2024, compared to the previous year:

EUR million	12/31/2024	12/31/2023
Opening balance of the defined benefit obligation	144.3	174.1
Service cost	2.0	2.6
Current service cost	4.2	4.1
Profit (–)/loss (+) from a change in the plan	–2.2	–1.6
Interest expense	4.9	5.2
Actuarial gains (–) and losses (+)	–1.7	8.0
from experience-based adjustments	–1.4	–0.4
from the change in demographic assumptions	–0.6	0.6
from the change in financial assumptions	0.3	7.8
Change in valuation methods	0.0	0.0
Benefits paid	–8.2	–7.6
Changes in the scope of consolidation	–2.7	–30.8
through access	6.0	42.1
through disposal	–8.7	–72.9
Reclassification according to IFRS 5	–0.8	–5.3
Other	–7.1	–1.8
Ending balance of the defined benefit obligation	**130.6**	**144.3**

The changes in the scope of consolidation in fiscal year 2024 are primarily due to the acquisitions of Sofinter (EUR 2.9 million), Alcura (EUR 1.4 million) and Temakinho (EUR 0.8 million) as well as the deconsolidation of iinovis (EUR 6.5 million), MobiLitas (EUR 0.2 million), TeamTex (EUR 0.7 million) and Repartim (EUR 0.3 million).

The amounts recognized in the income statement and in other comprehensive income – before income and deferred taxes – for the two periods break down as follows:

EUR million	12/31/2024	12/31/2023
Service cost	2.0	2.6
Current service cost	4.2	4.1
Profit (–)/loss (+) from a change in the plan	-2.2	-1.6
Net interest expense	4.9	4.6
Actuarial gains (–) and losses (+)	-1.7	8.0
from experience-based adjustments	-1.4	-0.4
from the change in demographic assumptions	-0.6	0.6
from the change in financial assumptions	0.3	7.8
Components of the defined benefit obligation recognized in other comprehensive income	-1.7	8.0
Total comprehensive income from defined benefit obligations	**5.2**	**15.2**

The interest expense is recognized within the financial result as interest expense from the compounding of provisions. The fair value of the plan assets developed as follows:

EUR million	12/31/2024	12/31/2023
Opening balance of plan assets measured at fair value	14.2	93.2
Employer contributions	0.2	2.7
Interest income	0.4	0.6
Gains (+) and losses (–) from remeasurement	0.4	0.0
Income (+)/expense (–) from plan assets	0.4	0.0
Benefits paid	-0.7	-2.2
Changes in the scope of consolidation	-1.0	-79.9
through additions	0.0	4.2
through disposal	-1.0	-84.1
Reclassification according to IFRS 5	0.0	0.0
Other	0.2	0.0
Ending balance of plan assets measured at fair value	**13.6**	**14.2**

The changes in the scope of consolidation in fiscal year 2024 mainly relate to the deconsolidation of iinovis (EUR 0.8 million) and TeamTex (EUR 0.2 million).

The fair values of the main categories of plan assets were as follows for each category on the balance sheet date:

EUR million	12/31/2024	12/31/2023
Cash and cash equivalents	4.2	3.8
Equity instruments	4.3	2.2
Debt instruments	2.6	2.1
Securities funds	1.1	3.3
Real estate	0.2	0.2
Other	1.1	2.5
Ending balance of plan assets measured at fair value	**13.6**	**14.2**

The fair values of the above debt instruments, securities funds and equity instruments were determined on the basis of prices quoted on active markets.

37.3 Actuarial assumptions

The liabilities are determined on the basis of actuarial assumptions using the following key parameters – where relevant for the respective company-specific plan:

	Plans Germany		Plans Italy		Plans France		Plans Great Britain	
%	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Invoice interest	3.08 – 3.60 %	3.42 – 4.24 %	3.21 – 5.00 %	3.42 – 3.46 %	3.37 – 6.86 %	3.40 – 3.84 %	4.50 %	4.50 %
Salary trends	2.40 %	2.50 %	2.00 %	1.00 %	2.40 %	2.25 %	2.00 %	2.00 %
Pension trends	1.48 – 2.29 %	1.95 %	1.50 %	3.00 %	2.92 %	2.05 %	2.55 %	2.55 %
Mortality tables	Heubeck 2018G	Heubeck 2018G	ISTAT 2022	IPS55	INSEE, RG48, TGH-TGF05, TV 88/90	INSEE, RG48, TGH-TGF05, TV 88/90	Series 3 SAPS	Series 3 SAPS

	Plans India		Plans Poland		Other Plans	
%	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Invoice interest	7.00 – 8.00 %	7.25 – 7.40 %	1.38 – 5.87 %	5.31 %	3.40 – 3.50 %	3.60 %
Salary trends	8.00 %	8.00 %	2.10 %	8.00 %	3.00 %	3.60 %
Pension trends	n. a.	n. a.	n. a.	n. a.	3.20 %	n. a.
Mortality tables	IALM 2012-14	IALM 2012-14	n. a.	n. a.	various	various

The other plans mainly relate to Slovenia and Bulgaria.

37.4 Sensitivity analysis

The key actuarial assumptions used to determine the defined benefit obligation are the discount rate, pension trend, salary trend and mortality expectations. The sensitivity analyses presented below were carried out on the basis of reasonably possible changes to the respective assumptions as of the balance sheet date, with the other assumptions remaining unchanged in each case. The table shows the change in the defined benefit obligation as of the respective reporting date based on the changed assumption.

	Plans Germany		Plans Italy		Plans France		Plans Great Britain	
EUR million	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Performance-oriented obligation	59.6	56.8	6.3	12.5	57.4	55.2	1.9	0.0
Actuarial interest	55.7	54.3	6.2	12.0	51.6	54.7	1.8	0.1
	52.8	58.8	6.5	12.9	52.6	60.4	0.0	0.0
Salary trends	58.4	57.4	6.3	12.5	52.3	59.9	1.9	0.0
	59.3	55.8	6.3	12.5	49.2	54.9	1.9	0.0
Pension trends	59.7	58.1	6.4	12.6	39.2	54.8	1.9	0.1
	56.4	53.3	6.3	12.4	44.3	54.8	0.0	0.0
Life expectancy	60.9	58.7	6.4	12.5	41.9	55.2	1.4	0.1
	58.3	54.4	6.3	12.5	41.4	54.8	1.9	0.0

	Plans India		Plans Poland		Other Plans	
EUR million	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Performance-oriented obligation	3.0	2.5	0.6	0.7	2.2	2.8
Actuarial interest	1.3	2.0	0.7	0.7	2.2	2.7
	1.5	2.7	0.7	0.8	2.3	2.9
Salary trends	1.5	2.7	0.6	0.8	2.2	2.9
	1.3	2.0	0.6	0.7	2.2	2.8
Pension trends	3.3	2.5	0.6	0.7	2.2	2.8
	2.7	2.5	0.6	0.7	2.2	2.8
Life expectancy	2.4	2.7	0.6	0.7	2.2	2.8
	2.4	2.1	0.6	0.7	2.2	2.8

The above sensitivity analysis is unlikely to be representative of the actual change in the defined benefit obligation, as it is unlikely that deviations from the assumptions made will occur in isolation, as the assumptions are partly interrelated. Furthermore, the present value of the defined benefit obligation in the above sensitivity analysis was calculated using the projected unit credit method, the same method used to calculate the defined benefit liability recognized in the Consolidated Statement of Financial Position.

Group-wide management of benefit plans is not established; individual plans are managed at portfolio level. As of the reporting date, a large portion of plan assets consists of equity and debt instruments. Investments are also made in other securities, cash and cash equivalents.

37.5 Expected payments for defined benefit obligations

The following table shows the expected payments for defined benefit obligations over the next five years:

EUR million	12/31/2024	12/31/2023
within one year	6.8	6.3
between one and two years	5.9	7.0
between two and three years	8.3	7.6
between three and four years	9.1	8.6
between four and five years	10.8	10.8

Contributions of EUR 0.3 million (previous year: EUR 0.3 million) are expected for plan assets in fiscal year 2024. The average weighted term of the defined benefit obligations as of December 31, 2024, is 11.6 years (December 31, 2023: 11.3 years).

38 Other provisions

The development of other provisions is as follows:

EUR million	Personnel (excluding pensions)	Legal costs	Warranties	Restructuring and severance	Anticipated losses	Miscellaneous other	Total
As at 01/01/2023	**28.5**	**9.7**	**17.3**	**12.9**	**88.1**	**72.4**	**229.0**
Foreign exchange differences	0.0	0.0	0.0	0.0	-0.3	0.0	-0.3
Changes in consolidated group	3.0	34.5	5.5	4.5	106.9	33.6	188.1
Addition	3.1	5.3	8.7	15.7	17.5	39.2	89.6
Utilisation	-17.6	-2.1	-3.7	-12.5	-13.8	-37.0	-86.6
Effects from discounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reversal	-1.7	-0.3	-2.5	-0.9	-31.3	-10.4	-47.2
Reclassification IFRS 5	-0.1	-0.2	0.0	0.0	0.0	-0.1	-0.5
Reclassifications	13.6	-0.4	0.0	0.0	1.7	-8.9	6.1
As at 12/31/2023	**28.7**	**46.5**	**25.3**	**19.8**	**169.0**	**88.9**	**378.2**
Current	1.1	23.3	10.8	18.5	61.6	51.0	166.3
Non-current	27.6	23.2	14.5	1.4	107.4	37.5	211.6
Foreign exchange differences	0.0	0.0	-0.5	0.0	0.5	-0.9	-0.8
Changes in consolidated group	2.3	0.7	1.9	1.5	18.0	5.6	29.9
Addition	12.3	27.8	13.4	34.4	50.3	49.6	187.8
Utilisation	-12.6	-13.3	-1.6	-5.7	-17.8	-54.4	-105.6
Effects from discounting	0.1	0.0	0.0	0.0	0.0	0.0	0.1
Reversal	-2.2	-7.7	-6.0	-3.0	-74.0	-7.0	-99.8
Reclassification IFRS 5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reclassifications	-13.5	-9.5	2.8	0.0	8.6	11.6	0.0
As at 12/31/2024	**15.2**	**44.4**	**35.3**	**47.0**	**154.6**	**93.1**	**389.6**
Current	2.1	36.6	16.0	30.4	42.0	50.9	177.9
Non-current	13.1	7.8	19.3	16.6	112.6	42.2	211.7

Provisions for personnel amounted to EUR 15.2 million as of December 31, 2024 (December 31, 2023: EUR 28.7 million), of which EUR 5.5 million (December 31, 2023: EUR 6.9 million) were for early retirement schemes and EUR 9.7 million (December 31, 2023: EUR 21.8 million) for anniversary bonuses and employee bonuses. The latter are accrued in line with the length of service of the employees and discounted at an interest rate of 3.10% and 3.60% (previous year: 2.00% and 3.63%).

The increase in warranty provisions to EUR 35.3 million (December 31, 2023: EUR 25.3 million), of which EUR 19.3 million is due in the long term and EUR 16.0 million in the short term. The increase in fiscal year 2024 is primarily attributable to acquisitions in the Automotive & Mobility segment and to growth in the Engineering & Technology segment due to higher project business volumes.

Provisions for restructuring and severance payments rose to EUR 47.0 million in fiscal year 2024 (December 31, 2023: EUR 19.8 million), of which EUR 16.6 million is due in the long term and EUR 30.4 million in the short term. This increase is mainly due to newly launched restructuring programs and acquisitions in the Automotive & Mobility and Retail & Food segments.

The decrease in provisions for contingent losses to EUR 154.6 million (December 31, 2023: EUR 169.0 million) as of December 31, 2024, is mainly due to a comprehensive reassessment of old projects in the Automotive & Mobility segment, of which EUR 112.6 million is long-term and EUR 42.0 million is short-term.

Miscellaneous other provisions increased to EUR 93.1 million (December 31, 2023: EUR 88.9 million), of which EUR 42.2 million are non-current and EUR 50.9 million are current. The increase is mainly due to a reclassification from anniversary provisions to other provisions in the Goods & Services segment and to an increase in provisions for obligations in connection with customer relationships in the Automotive & Mobility segment. In addition, the increase in other provisions is mainly due to acquisitions in the Engineering & Technology segment.

39 Other debt

Other debt breaks down as follows:

EUR million	12/31/2024	12/31/2023
Personnel-related liabilities	163.6	174.1
Liabilities from social security	55.5	61.3
Value added tax liabilities	40.3	55.0
Accrued expenses and deferred income	36.1	11.8
Advance payments received	33.0	10.7
Liabilities from wage and church tax	18.3	25.0
Liabilities from other levies	9.7	8.0
Miscellaneous other liabilities	19.6	13.6
Other debt	**376.0**	**359.5**
current	369.7	358.3
non-current	6.4	1.2

Personnel-related liabilities are broken down as follows:

EUR million	31,12,2024	31,12,2023
Outstanding wages and salaries; employee bonuses	84.2	89.8
Obligations from outstanding vacation and overtime	69.1	74.8
Other employee benefits	5.6	6.4
Professional association	4.7	3.1
Personnel-related liabilities	**163.6**	**174.1**

F FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

40 Capital risk management

The Group's objectives with regard to capital management are, on the one hand, to ensure the company's ability to continue as a going concern in order to continue to provide shareholders with income and other stakeholders with the benefits to which they are entitled and, on the other hand, to maintain an optimal capital structure in order to reduce the cost of capital. If companies have undertaken to comply with financial covenants, non-compliance can lead to a right of termination for the financier and thus have a negative impact on the capital structure under certain circumstances (Note 35). Management of the capital structure is largely decentralized, while monitoring is centralized. Standardized reporting of all portfolio companies on a monthly basis provides the Management Board with a comprehensive picture of the entire portfolio. The Management Board monitors the situation of the portfolio companies (including with regard to the capital structure) in regular reviews and is informed about all portfolio companies on the basis of the implemented reporting system.

	12/31/2024		12/31/2023	
EUR million		**As % of total capital and financial liabilities**		**As % of total capital and financial liabilities**
Equity attributable to the shareholders of the parent company	679.0	22.4%	1,069.3	36.7%
Current financial liabilities	1,703.0	56.2%	1,103.9	37.9%
Non-current financial liabilities	648,4	21.4%	736.4	25.3%
Financial liabilities	2,351.4	77.6%	1,840.4	63.3%
Total capital and financial liabilities	**3,029.8**	**100.0%**	**2,909.6**	**100.0%**

41 Measurement at fair value

A breakdown of the financial assets and liabilities according to the IFRS 9 measurement categories for the reporting dates December 31, 2024, and December 31, 2023, shows the following picture:

FINANCIAL ASSETS BY CLASS

	Categories according to IFRS 9	Carrying amount	Measurement in accordance with IFRS 9			Fair value	
EUR million		12/31/2024	Amortized costs	Fair value PL – designated	Fair value PL – mandatory	12/31/2024	Hierarchy
Non-current financial assets							
Trade receivables and other receivables	AC	3.7	3.7			3.7	Level 2
Other non-current financial assets		**118.5**					
Deposits	AC	39.1	39.1			39.1	Level 2
Securities	FVPL	1.0			1.0	1.0	Level 3
Miscellaneous other non-current financial assets	FVPL	0.0			0.0	0.0	Level 3
Miscellaneous other non-current financial assets	AC	78.4	78.4			78.4	Level 2
Derivatives	FVPL	0.0			0.0	0.0	Level 2
Current financial assets							
Trade receivables and other receivables	FVOCI	114.8			114.8	114.8	Level 2
Trade receivables and other receivables	AC	475.9	475.9			475.9	Level 2
Other current financial assets		**115.9**					
Deposits	AC	13.1	13.1			13.1	Level 2
Loans	AC	4.2	4.2			4.2	Level 2
Miscellaneous other current financial assets	AC	89.3	89.3			89.3	Level 2
Securities	FVPL	8.2			8.2	8.2	Level 1
Miscellaneous other current financial assets	FVPL	0.0			0.0	0.0	Level 3
Derivatives	FVPL	1.2			1.2	1.2	Level 2
Cash and cash equivalents	AC	412.1	412.1			412.1	Level 2

FINANCIAL ASSETS BY CLASS

EUR million	Categories according to IFRS 9	Carrying amount	Measurement in accordance with IFRS 9			Fair value	
		12/31/2023	Amortized costs	Fair value PL – designated	Fair value PL – mandatory	12/31/2023	Hierarchy
Non-current financial assets							
Trade receivables and other receivables	AC	0.7	0.7			0.7	Level 2
Other non-current financial assets		**128.7**					
Deposits	AC	27.4	27.4			27.4	Level 2
Securities	FVPL	0.9			0.9	0.9	Level 3
Miscellaneous other non-current financial assets	FVPL	0.0			0.0	0.0	Level 3
Miscellaneous other non-current financial assets	AC	100.3	100.3			100.3	Level 2
Derivatives	FVPL	0.1			0.1	0.1	Level 2
Current financial assets							
Trade receivables and other receivables[11]	FVOCI	122.5			122.5	122.5	Level 2
Trade receivables and other receivables	AC	368.5	368.5			368.5	Level 2
Other current financial assets		**225.5**					
Deposits	AC	25.4	25.4			25.4	Level 2
Loans	AC	1.4	1.4			1.4	Level 2
Miscellaneous other current financial assets	AC	194.5	194.5			194.5	Level 2
Securities	FVPL	3.3			3.3	3.3	Level 1
Miscellaneous other current financial assets	FVPL	0.0			0.0	0.0	Level 3
Derivatives	FVPL	0.9			0.9	0.9	Level 2
Cash and cash equivalents	AC	520.2	520.2			520.2	Level 2

[11] Adjustment of previous year's figure: Trade receivables of EUR 122.5 million were reclassified to the FVOCI category due to the intention or possibility of a sale.

FINANCIAL LIABILITIES BY CLASS

	Categories according to IFRS 9	Carrying amount	Measurement in accordance with IFRS 9			Fair value	
EUR million		12/31/2024	Amortized costs	Fair value PL – designated	Fair value PL – mandatory	12/31/2024	Hierarchy
Non-current financial liabilities							
Liabilities from deliveries and services	FLAC	4.7	4.7			4.7	Level 2
Other financial liabilities		**234.5**					
Liabilities to banks	FLAC	31.2	31.2			33.7	Level 3
Liabilities from loans from third parties	FLAC	97.4	97.4			92.5	Level 3
Bonds	FLAC	37.6	37.6			40.8	Level 3
Bonds	FLFVO	39.6		39.6		39.6	Level 1
Miscellaneous other non-current financial liabilities							
Miscellaneous other non-current financial liabilities	FLAC	28.9	28.9			28.8	Level 3
Miscellaneous other non-current financial liabilities	FLFVPL	–0.1			–0.1	–0.1	Level 3
Derivatives	FLFVPL	0.0			0.0	0.0	Level 2
Current financial liabilities							
Liabilities from deliveries and services	FLAC	722.0	722.0			722.0	Level 2
Other financial liabilities		**881.8**					
Outstanding invoices	FLAC	141,0	141.0			141.0	Level 2
Liabilities to banks	FLAC	181.3	181.3			181.8	Level 3
Liabilities from factoring	FLAC	29.9	29.9			29.9	Level 2
Liabilities from loans from third parties	FLAC	26.3	26.3			25.3	Level 3
Miscellaneous other current financial liabilities						0.0	
Bonds	FLFVO	370.4		370.4		370.4	Level 1
Miscellaneous other current financial liabilities	FLAC	127.7	127.7			127.7	Level 3
Miscellaneous other current financial liabilities	FLFVPL	4.7			4.7	4.7	Level 3
Derivatives	FLFVPL	0.5			0.5	0.5	Level 2

FINANCIAL LIABILITIES BY CLASS

EUR million	Categories according to IFRS 9	Carrying amount	Measurement in accordance with IFRS 9			Fair value	
		12/31/2023	Amortized costs	Fair value PL – designated	Fair value PL – mandatory	12/31/2023	Hierarchy
Non-current financial liabilities							
Liabilities from deliveries and services	FLAC	5.6	5.6			5.6	Level 2
Other financial liabilities		**350.8**					
Liabilities to banks	FLAC	41.7	41.7			40.9	Level 3
Liabilities from loans from third parties	FLAC	65.6	65.6			65.6	Level 3
Bonds	FLAC	35.5	35.5			38.8	Level 3
Bonds	FLFVO	160.6		160.6		160.6	Level 1
Miscellaneous other non-current financial liabilities							
Miscellaneous other non-current financial liabilities	FLAC	44.0	44.0			43.8	Level 3
Miscellaneous other non-current financial liabilities	FLFVPL	3.4			3.4	3.4	Level 3
Derivatives	FLFVPL	0.0			0.0	0.0	Level 2
Current financial liabilities							
Liabilities from deliveries and services	FLAC	674.6	674.6			674.6	Level 2
Other financial liabilities		**342.4**					
Outstanding invoices	FLAC	123.1	123.1			123.1	Level 2
Liabilities to banks	FLAC	92.0	92.0			91.7	Level 3
Liabilities from factoring	FLAC	36.2	36.2			36.2	Level 2
Liabilities from loans from third parties	FLAC	30.7	30.7			30.7	Level 3
Miscellaneous other current financial liabilities						0.0	
Miscellaneous other current financial liabilities	FLAC	59.5	59.5			59.4	Level 3
Miscellaneous other current financial liabilities	FLFVPL	0.7			0.7	0.7	Level 3
Derivatives	FLFVPL	0.2			0.2	0.2	Level 2

SUMMARY BY CATEGORY

EUR million		Carrying amount 12/31/2024	Carrying amount 12/31/2023
Financial assets measured at amortized cost	AC	1,115.8	1,360.9
Financial assets mandatorily measured at fair value through other comprehensive income	FVOCI	114.8	122.5
Financial assets mandatorily measured at fair value through profit or loss	FVPL	10.4	5.3
Financial liabilities measured at amortized cost	FLAC	1,428.0	1,208.4
Financial liabilities designated upon initial recognition as at fair value through profit or loss	FLFVO	410.0	160.6
Financial liabilities mandatorily measured at fair value through profit or loss	FLFVPL	5.2	4.3

The three levels for determining the fair value of financial instruments are described in Note 2 “Basis of preparation of the financial statements”.

The fair values of the derivatives allocated to Level 2 are determined on the basis of bank valuation models or calculated on the basis of current parameters such as interest rates and exchange rates on the balance sheet date, taking into account the credit risk.

For all other financial assets and liabilities allocated to Level 2, the carrying amount represents a reasonable approximation of the fair value.

No reclassifications were made between Level 1 and Level 2 of the hierarchy in the current fiscal year.

Miscellaneous other financial liabilities in the IFRS 9 category FLFVPL comprise contingent consideration in connection with acquisitions of subsidiaries that are subsequently measured at fair value in Level 3. The fair value is determined in accordance with generally accepted valuation methods based on discounted cash flow analyses. In addition to the fact-specific discount rates, the main input parameters are the expectations of future cash flows and the earnings figures specified in the purchase agreements and relevant with regard to earn-out, including term-specific probabilities of default.

For all other financial assets and liabilities allocated to Level 3, the fair values are determined using the DCF method on the basis of expected cash flows and taking into account current parameters such as interest rates and credit risks.

The net gains or losses of the individual categories in accordance with IFRS 7.20 are as follows:

EUR million	2024	2023
from financial assets mandatorily measured at fair value through profit or loss	-90.6	0.1
from financial liabilities mandatorily measured at fair value through profit or loss	-47.0	-8.4
from financial liabilities designated at fair value through profit or loss upon initial recognition	21.1	-13.0
from financial assets measured at amortized cost	-1.9	-2.6
from financial liabilities measured at amortized cost	-48.3	-44.6
Total	**-166.7**	**-68.5**

The net gains and net losses from financial instruments arise from changes in the fair value of financial instruments measured at fair value through profit or loss, whereby changes in the value of financial liabilities measured at fair value through profit or loss resulting from changes in own credit risk are recognized in OCI, currency gains and losses from financial assets and liabilities measured at amortized cost, expenses and income for expected credit losses, expenses for interest on financial liabilities measured at amortized cost and expenses for interest on financial liabilities measured at fair value through profit or loss.

Total interest income and expenses are as follows:

EUR million	2024	2023
Financial assets measured at amortized cost	17.6	8.3
Financial liabilities not measured at fair value through profit or loss	-47.9	-44.1
Total	**-30.4**	**-35.8**

The changes in financial instruments measured at fair value on Level 3 are as follows:

EUR million	Other financial assets	Other financial liabilities	Total
Opening balance as of 01/01/2024	**0.8**	**-4.2**	**-3.3**
Total gains and losses	-91.5	-4.0	**-95.5**
recognized in the income statement	-91.5	-4.0	**-95.5**
recognized in other comprehensive income	0.0		**-**
Reclassifications	0.0		**-**
Acquisitions	91.7	0.0	**91.7**
Disposals	0.0		**0.0**
Earn-out payments		3.5	**3.5**
Ending balance as of 12/31/2024	**1.0**	**-4.7**	**-3.7**

EUR million	Other financial assets	Other financial liabilities	Total
Opening balance as of 01/01/2023	**0.8**	**-6.0**	**-5.2**
Total gains and losses	0.0	-0.1	**-0.1**
recognized in the income statement	0.0	-0.1	**-0.1**
recognized in other comprehensive income	0.0		**0.0**
Reclassifications	0.0		**0.0**
Acquisitions	0.1		**0.1**
Disposals	-0.1		**-0.1**
Issues	0.0		**0.0**
Earn-out payments	0.0	1.9	**1.9**
Ending balance as of 12/31/2023	**0.8**	**-4.2**	**-3.3**

42 Financial risk management

The Group's management monitors the financial risks associated with the Group's business areas with the help of internal risk reporting, which analyzes risks by degree and extent. These risks include credit, liquidity and market risks (currency and interest rate risks).

In some cases, the Group minimizes the effects of these risks through the use of derivative financial instruments. The use of derivative financial instruments is governed by guidelines laid down by the Group's management. These contain guidelines for the management of

currency, interest rate and default risks. Compliance with the guidelines and risk limits is monitored on an ongoing basis. The Group does not contract or trade financial instruments, including derivative financial instruments, for speculative purposes.

42.1 Credit and default risk

Credit and default risks are defined as the risk of loss for the Group if a contracting party fails to meet its contractual obligations. In the Group, business relationships should only be entered into with creditworthy contracting parties and, if appropriate, collateral should be provided in order to minimize the risk of loss from the non-fulfilment of obligations. The Group only enters into business relationships with companies that are rated equal to or better than investment grade. This information is provided by independent rating agencies. If such information is not available, the Group uses other available financial information and its own trading records to rate its major customers.

Credit risks are managed using limits per contracting party, which are reviewed and approved by the local management.

Trade receivables are due from a large number of customers spread across different industries and geographical areas. Due to Mutares' business activities and the resulting diversification, there was again no significant concentration of risk in fiscal year 2024.

For the application of the expected credit loss model in accordance with IFRS 9.5.5, Mutares mainly uses the simplified approach for trade receivables. Probabilities of default are determined for this purpose. These are based either on individual customer rating information or the customer group to which a corresponding probability of default is assigned, or on an impairment matrix that is created with reference to the previous default and an analysis of various factors. In addition to the probability of default, the loss given default is also used to determine the expected credit losses. Mutares generally measures this at a value of 100%, which corresponds to Mutares' expectation of the default amount.

Based on the risk classifications determined internally within the Group, the gross carrying amounts for each rating class are shown below:

GROSS CARRYING AMOUNTS OF FINANCIAL ASSETS PER DEFAULT RISK RATING CLASS

	As of 12/31/2024		
EUR million	Trade receivables and other receivables	Contract assets	Other financial assets
Rating			
A rating level	495.0	143.1	123.5
B rating level	120.6	32.8	56.4
C rating level	59.9	6.4	3.6
Total	**675.5**	**182.3**	**183.4**

GROSS CARRYING AMOUNTS OF FINANCIAL ASSETS PER DEFAULT RISK RATING CLASS

	As of 12/31/2023		
EUR million	Trade receivables and other receivables	Contract assets	Other financial assets
Rating			
A rating level	388.1	84.6	259.9
B rating level	122.2	27.6	44.8
C rating level	51.8	0.0	7.2
Total	**562.1**	**112.2**	**311.9**

The rating classifications are based both on an individually assigned probability of default and a risk classification for individual customer groups with a comparable risk structure. The following table shows the probabilities of default or rating classes assigned to the individual rating levels:

	Failure rates in %	Rating
Rating classification		
A rating level	0.0 – 0.0286	AAA – AA
B rating level	0.0286 – 0.52	A – BBB
C rating level	> 0.52	BB – D

The value adjustments for trade receivables changed as follows:

EUR million	Lifetime ECL (Level 2) simplified model	Lifetime ECL (Level 3) simplified model	Total
Impairment as of January 1, 2024	**11.7**	**63.1**	**74.8**
Changes in the scope of consolidation	5.0	0.6	**5.6**
Transfers	–2.9	2.9	**0.0**
Addition (net)	4.1	5.6	**9.7**
Utilization	0.0	0.0	**0.0**
Reclassification in disposal groups	–0.6	–1.8	**–2.4**
Impairment on December 31, 2024	**17.3**	**70.3**	**87.6**

EUR million	Lifetime ECL (Level 2) simplified model	Lifetime ECL (Level 3) simplified model	Total
Impairment as of January 1, 2023	**12.1**	**11.1**	**23.3**
Changes in the scope of consolidation	1.8	40.4	**42.2**
Transfers	–16.1	16.1	**0.0**
Addition (net)	14.0	12.7	**26.7**
Utilization	0.0	–17.1	**–17.1**
Reclassification in disposal groups	–0.1	0.0	**–0.1**
Impairment on December 31, 2023	**11.7**	**63.1**	**74.8**

The carrying amount of trade receivables and other receivables as of the reporting date was EUR 594.4 million (previous year: EUR 491.7 million). The maximum default risk without taking collateral into account corresponds to the carrying amount. As in the previous year, there was no credit default insurance as of the reporting date.

The maximum default risk of the other financial assets also corresponds to their carrying amount, as there are no significant agreements in this regard that reduce the default risk.

42.2 Liquidity risk

Liquidity risk comprises the following risks:

- Not being able to meet potential payment obligations at the time they fall due.
- Not being able to procure sufficient liquidity at the expected conditions if required (refinancing risk).
- Not being able to terminate, extend or close out transactions due to market-related inadequacies or market disruptions, or only being able to do so at a loss or at excessive cost (market liquidity risk).

Prudent liquidity management includes maintaining a sufficient reserve of cash and cash equivalents and marketable securities as well as the possibility of financing through an adequate amount of committed credit lines. Due to the dynamic nature of the business environment in which the Group operates, the goal of the Group finance department is to ensure the necessary flexibility in financing through sufficient unused credit lines within the Group. As of the balance sheet date, these amounted to a low double-digit million amount and are largely attributable to unused factoring lines for which saleable trade receivables are available.

The management of the Mutares Group monitors the liquidity of the operating companies and the Group as a whole by means of rolling cash flow forecasts.

The Group can only dispose of local means of payment in certain countries (e.g. China) on a cross-border basis subject to applicable foreign exchange restrictions. As part of the acquisition of the Arriva Group, (now operating under the name GoCollective), GoCollective Insurance A/S, an insurance company that provides insurance services exclusively to units of the Group and is obliged to maintain a certain level of liquidity due to regulatory requirements, was acquired. These restricted cash amounts to EUR 6.3 million as of December 31, 2024 (December 31, 2023: EUR 10.9 million). There are no other significant restrictions.

The following overviews show the maturity structure of the financial liabilities, whereby the future cash flows are shown here undiscounted in contrast to the balance sheet:

	12/31/2024			
EUR million	Due within one year	Due in one to five years	Due in over five years	Total
Cash outflows from non-derivative financial liabilities	1,354.8	910.1	240.6	**2,505.6**
Leasing liabilities	132.6	279.4	167.1	**579.1**
Other non-derivative financial liabilities	1,222.2	630.7	73.5	**1,296.5**
Cash outflows from derivative financial liabilities	0.5	0.0	0.0	**0.5**
Total	**1,355.4**	**910.1**	**240.6**	**2,506.0**

	12/31/2023			
EUR million	Due within one year	Due in one to five years	Due in over five years	Total
Cash outflows from non-derivative financial liabilities	1,201.5	640.7	240.5	**2,082.7**
Leasing liabilities	140.5	320.3	169.0	**629.8**
Other non-derivative financial liabilities	1,061.0	320.4	71.5	**1,452.9**
Cash outflows from derivative financial liabilities	0.2	0.0	0.0	**0.2**
Total	**1,201.7**	**640.7**	**240.5**	**2,082.9**

The Group is not exposed to any significant liquidity risk due to its supplier financing agreements, as the liabilities that are the subject of supplier financing agreements are of minor importance and the Group has access to other sources of financing on similar terms.

42.3 Market price risk

The Group's activities essentially expose it to minor financial risks from changes in exchange rates and interest rates. The Group selectively enters into derivative financial instruments to a limited extent in order to manage its current commodity, interest rate and exchange rate risks.

42.4 Exchange rate risk

The operating business is subject to exchange rate risks from purchases and revenue that are not agreed in euros. The material currency risks for Mutares arise from transactions in GBP, USD and PLN (previous year: GBP, USD and PLN).

The current risk positions are monitored on an ongoing basis and reduced by offsetting existing foreign currency cash flows. Due to the manageable currency exposure, active currency risk management through the use of derivative financial instruments is currently only carried out in isolated cases.

The following table shows the sensitivity of a 10% rise or fall in the euro against the respective foreign currency from a Group perspective:

	2024		2023	
EUR million	**+10%**	**−10%**	**+10%**	**−10%**
USD	−1.3	1.6	−0.4	0.5
CNY	0.0	0.0	0.2	−0.3
PLN	0.2	−0.3	0.9	−1.1
GBP	−0.9	1.0	−5.0	6.1
SEK	0.0	0.0	0.0	0.0
DKK	0.0	0.0	0.0	0.0
NOK	0.0	0.0	0.1	−0.1
RON	0.0	0.0	−0.2	0.3
MAD	0.0	0.0	0.0	0.0
BAM	0.1	−0.1	0.4	−0.4
CLP	0.0	0.0	0.1	−0.2
DZD	0.0	0.0	0.2	−0.2
MXN	0.0	0.0	0.1	−0.1
MZN	0.0	0.0	0.1	−0.1
RSD	0.0	0.0	0.2	−0.3

42.5 Interest rate risk

The Group is exposed to both an interest rate risk from variable-interest loans and an interest rate risk for fixed-interest loans at the time of refinancing. The majority of the loans are variable-rate loans. The interest rate risk results from changes in market interest rates, particularly for medium and long-term variable-interest liabilities. The interest rate risk is insignificant for current liabilities and generally for liabilities with fixed interest rates.

EUR million	12/31/2024	12/31/2023
Carrying amount of fixed-interest loans	106.0	89.4
Carrying amount of variable-interest loans	238.7	156.4
Carrying amount of fixed-interest bonds	37.5	35.0
Carrying amount of floating-rate bonds	409.9	161.1
Total	**792.1**	**441.9**

If necessary, the risk from variable-interest loans can be hedged in full or in part by using corresponding interest rate swaps with matching maturities and conditions. In addition, the development of interest rates and possible loan defaults are continuously monitored by the management. Depending on the individual case, it concludes transactions to reduce the risk position if necessary. There is also an interest rate risk from variable-interest liabilities from factoring.

The sensitivity analysis for interest rate risks shows the effect of the change in the risk-free market interest rate on profit before taxes if the market interest rate level had been 100 basis points higher or lower compared to the level on December 31, 2024 (or December 31, 2023) and all other variables were held constant. Furthermore, the analysis for some financial instruments included is prepared under the assumption that the amount of the outstanding liability at the end of the reporting period was outstanding for the entire year.

	2024		2023	
EUR million	**−100 bp**	**+100 bp**	**−100 bp**	**+100 bp**
Effect recognized in profit or loss before taxes	7.6	−7.7	4.3	−4.3

G OTHER INFORMATION

43 Notes to the Consolidated Statement of Cash Flows

Cash and cash equivalents comprise cash and cash equivalents such as bank balances. For information on restrictions on access, please refer to notes 25 and 42.2. Cash equivalents are used to meet short-term payment obligations. They are allocated to cash and cash equivalents as they can be converted directly into a fixed amount of cash and are only subject to insignificant value fluctuation risks. The amount of cash and cash equivalents in the cash flow statement corresponds to the balance of cash and cash equivalents in the balance sheet.

The Group result includes gains from company acquisitions ("bargain purchase") of EUR 268.9 million (previous year: EUR 727.2 million), which do not increase the cash flow from operating activities and therefore have to be adjusted. In connection with acquisitions, cash and cash equivalents of EUR 198.0 million (previous year: EUR 426.4 million) were acquired in the fiscal year, of which EUR 82.3 million (previous year: EUR 79.4 million) is attributable to payments from an account managed by third parties relating to an acquisition in previous years. The acquired cash and cash equivalents are recognised in cash flow from investing activities.

In addition, the Group result included gains (EUR 82.9 million; previous year: EUR 118.6 million) and losses (EUR 12.5 million; previous year: EUR 13.7 million) from deconsolidations, which also do not increase the cash flow from operating activities and therefore have to be adjusted. In connection with the deconsolidations, there was a net cash inflow of EUR 50.0 million (previous year: EUR 169.3 million), which is reported under cash flow from investing activities.

Proceeds from the disposal of assets held for sale had an impact of EUR 0.0 million on the cash flows of the Mutares Group in the fiscal year (previous year: EUR 17.1 million) as these relate to two subsidiaries deconsolidated in the first quarter of 2024 that were classified as held for sale as of December 31, 2023 (see note 24) and are therefore shown in connection with the deconsolidations.

A total of EUR 9.0 million (previous year: EUR 15.7 million) of bank balances are subject to drawing restrictions.

The reconciliation between the opening and closing balance sheet figures for liabilities from financing activities is as follows:

EUR million	Liabilities from financing activities
Balance as of 12/31/2022	**680.9**
Cash-effective transactions	
Proceeds (+)/payments (–) from bonds	69.2
Proceeds (+) from the raising of (financial) loans	92.1
Payments (–) for the repayment of (financial) loans	–114.0
Payments (–) for the repayment of lease liabilities	–106.5
Proceeds (+)/payments (–) from factoring	5.4
Interest received (+)	8.3
Interest paid (–)	–58.1
Balance of cash-effective transactions	**–103.6**
Non-cash effects	
Additions to lease liabilities	271.9
Additions/disposals of (financial) loans from changes in the scope of consolidation	83.4
Interest expenses (+)/interest income (–)	73.1
Reclassification IFRS 5	–53.1
Other changes	–49.0
Balance of non-cash effects	326.2
Balance as of 12/31/2023	**573.8**
Cash-effective transactions	
Proceeds (+)/payments (–) from bonds	271.0
Proceeds (+) from the raising of (financial) loans	107.8
Payments (–) for the repayment of (financial) loans	–73.2
Payments (–) for the repayment of lease liabilities	–120.6
Proceeds (+)/payments (–) from factoring	–5.8
Interest received (+)	17.5
Interest paid (–)	–92.0
Balance of cash-effective transactions	**104.9**
Non-cash effects	
Additions to lease liabilities	200.9
Additions/disposals of (financial) loans from changes in the scope of consolidation	66.8
Financial expenses (+)/financial income (–)	204.4
Reclassification according to IFRS 5	–3.8
Other changes	174.9
Balance of non-cash effects	**643.1**
Balance as of 12/31/2024	**1,321.8**

The reconciliation statement includes non-current and current liabilities to banks, liabilities from (non-genuine) factoring, leasing liabilities and loans to third parties.

During the fiscal year and in the previous year, the Group carried out the following significant non-cash investing and financing activities that are not reflected in the statement of cash flow:

- In accordance with the provisions of IFRS 16, right-of-use assets were capitalized and the corresponding lease liabilities were recognized as liabilities; the payments for the repayment of lease liabilities are reported in cash flow from financing activities.
- A net amount of EUR 66.8 million (previous year: EUR 83.4 million) in (financial) loans was added to the Group in connection with the first-time consolidations and deconsolidations.

In the past, companies within the Group have entered into supplier financing agreements, under which suppliers can receive early payment of their invoices from the financial services provider and the companies within the Group receive extended payment terms of up to 90 days. The main purpose of these agreements is to enable efficient payment processing, to offer suppliers early payment terms compared to the due date of the corresponding invoice and to grant companies within the Group extended payment terms.

The Group has derecognized the original trade payables subject to the agreements, as the terms of the agreements differ significantly from the terms of the original trade payables. The effective interest rates of these agreements are between 2.5% and 7.7% (consisting of several components: an insurance fee, a volume-based service fee, the 3-month EURIBOR and a risk premium based on Mutares' credit rating) to the financiers. The agreements also include guarantees from other companies in the Group. The Group therefore derecognizes trade payables and reports the amounts subject to these agreements under other current financial liabilities, as the nature and function of these liabilities differ from those of trade payables and other liabilities. The payments made by the lenders to the suppliers are classified as non-cash transactions. The term of the Group's current agreements is between 1 and 2 years and includes options for extension.

The carrying amounts of the liabilities from the supplier financing agreements are considered a reasonable approximation of their fair values due to their short-term nature.

The following table shows the carrying amount of financial liabilities and the range of payment terms that are part of supplier financing agreements. No information is provided for the previous year.

EUR million	12/31/2024
Carrying amount of financial liabilities	**9.9**
of which recognized as other current financial liabilities	9.9
of which amounts for which the suppliers have already received payments from the financial service providers	4.4
Range of payment terms for	
liabilities that are part of supplier financing agreements	90 days after invoice date
comparable trade payables that are not part of supplier financing agreements	10 to 90 days

At the beginning of the reporting period, there were no significant supplier financing relationships.

Changes in liabilities subject to supplier financing agreements are mainly due to additions resulting from the purchase of goods and services and subsequent cash payments. There were no material non-cash changes in these liabilities (e.g. effects of business combinations, exchange rate differences and other transactions that do not require the use of cash).

For the purposes of the cash flow statement, the Management Board has determined that the amounts are not part of the working capital used in the company's main revenue-generating activities. Therefore, the cash outflows to settle the liabilities from supplier financing are reported as financing cash flows. As a result, the liabilities from the supplier financing agreement are included in the reconciliation of net debt.

44 Shareholdings in joint agreements and joint ventures

Indirect subsidiaries of Mutares SE & Co. KGaA from the Engineering & Technology segment are involved as partners in joint arrangements within the meaning of IFRS 11 as part of joint ventures or consortium agreements. These have been entered into with the objective of completing customer projects. The majority of the joint ventures are based in Europe, in Germany, Portugal, Spain, Austria and France. The ownership interests are between 20% and 77%.

Taking the structure and legal form of the agreements and all other relevant facts and circumstances into account, the joint agreements are to be classified as joint operations that are not individually material for the Group.

As of the reporting date, the joint and several liability from the investment in the civil law companies relates to projects with a total order value equivalent to around EUR 646.1 million (previous year: around EUR 698.2 million). The subsidiaries' own share of this amounts to EUR 298.5 million (previous year: EUR 318.1 million). Based on the ongoing credit assessments of the consortium and consortium partners, we do not expect the shares of other companies to be utilized. With the exception of the amounts recognized as provisions for onerous contracts or as part of the loss-free valuation, we also do not expect our own share to be utilized.

Peugeot Motocycles holds a 50% interest in Jinan Qingqi Peugeot Motocycles Co Ltd, China ("JNQP"), which is accounted for using the equity method. This is a joint venture with Jinan Qingqi Motorcycle Co Ltd, China ("JNQQ").

The following overview shows summarized financial information and a reconciliation to the carrying amount of the Group's interest in JNQP:

EUR million	12/31/2024	12/31/2023
Non-current assets	11.0	10.6
Current assets	21.5	24.9
Cash and cash equivalents	3.6	10.2
Non-current liabilities	1.3	1.3
Non-current financial liabilities	1.1	0.0
Current liabilities	5.7	8.0
Current financial liabilities	5.4	5.0
Net assets	**25.4**	**26.1**
Attributable to shareholders of Mutares SE & KGaA	12.7	13.0

EUR million	2024	2023
Revenues	36.2	45.8
Depreciation, amortization and impairment of property, plant and equipment and other intangible assets	-1.1	-0.9
Earnings after taxes from continuing operations	0.3	2.0
Other result	0.0	0.0
Overall result	**0.3**	**2.0**
Attributable to shareholders of Mutares SE & KGaA	0.2	1.0

As the shares in JNQP are not listed on the stock exchange, no market values are available. PMTC received a dividend of EUR 1.0 million from JNQP in fiscal year 2024.

45 Contingent liabilities, contingencies and legal disputes

Contingent liabilities / liabilities

Contingent liabilities, i.e. a possible obligation that arises from the occurrence or non-occurrence of uncertain future events and whose amount cannot be estimated with sufficient reliability, are not recognized as liabilities. Instead, the nature of the contingent liabilities and an estimate of the financial impact and possible uncertainties regarding the amount and/or due dates are explained here.

Obligations from company acquisitions
As of the reporting date December 31, 2024, the following obligations from company acquisitions exist:

A direct subsidiary completed the acquisition of Balcke Dürr Energy Solution S.p.A. in February 2022. As part of the acquisition, Mutares has undertaken to indemnify the seller against damages arising from the seller's failure to comply fully and timely with certain of the buyer's obligations as defined in the guarantee, from the signing of the purchase agreement until five years after the closing of the transaction. This obligation is limited to EUR 2.0 million. Furthermore, Mutares has undertaken to the seller and to a company belonging to the seller's group of companies to be responsible for all of the buyer's obligations with regard to a customer relationship defined in the purchase agreement. This guarantee is limited to EUR 8.0 million and a period of five years after the transaction has been completed. Furthermore, as part of the acquisition, Mutares pledged credit balances of EUR 7.5 million with this bank to secure a guarantee that Intesa Sanpaolo provided to the seller or a company belonging to the seller's group. The term of the obligation and the security is indefinite. The liability and the security are reduced over time by the completion of project services by Balcke Dürr Energy Solution S.p.A. Mutares has undertaken to use the funds released by the bank as part of a reduction in the collateral up to an amount of EUR 12.0 million for the benefit of Balcke Dürr Energy Solution S.p.A., whereby the necessity of this lies at the discretion of Mutares depending on the development of Balcke-Dürr Energy Solutions S.p.A. In connection with this obligation, Mutares has agreed to indemnify the seller for all possible damages resulting from the breach of its agreed obligations. At the time of preparing these financial statements, no breach of duty is known and no actions have been initiated that could be seen as a breach of the agreed obligations.

A direct subsidiary acquired Guascor Energy S.A.U. in October 2022. As part of the transaction, Mutares has undertaken to be responsible for all of the buyer's obligations under the purchase and transfer agreement for a period of five years from the execution date. The guarantee is limited only with regard to damages from false information or assurances provided by the buyer to the amount of the purchase price. Furthermore, in connection with the acquisition, Mutares issued a further guarantee to third parties in the total amount of EUR 3.6 million for an unlimited period of time. The guarantee was reduced to EUR 1.8 million in the fiscal year without being utilized.

A direct subsidiary acquired MMT-B S.A.S. in March 2023. As part of the transaction, Mutares guaranteed an additional purchase price that could become due in 2026 if certain conditions are met. This guarantee is limited to a maximum of EUR 5.0 million.

In October 2023, Mutares issued a guarantee in the amount of EUR 10.0 million to third parties in connection with the acquisition of the assets of Holland Industrial Constructions Systems Coöperatief U.A. for the acquiring company Byldis Prefab B.V. and Byldis Facades B.V. This guarantee will expire as soon as the guarantees between Byldis Prefab B.V. and Byldis Facades B.V. and the third party expire.

In December 2023, a direct subsidiary acquired 100% of the shares in Prénatal Moeder en Kind B.V. As part of the transaction, Mutares agreed to indemnify the seller if claims are asserted against the seller under guarantees provided to third parties, or to replace the seller's guarantees with its own guarantees, up to a maximum amount of EUR 5.2 million. The current indemnity runs until December 1, 2026.

In December 2024, a direct subsidiary of Mutares acquired all shares in Natura Sp.z.o.o. As part of the transaction, Mutares guaranteed to the seller that it would be liable for the buyer's contractual obligations under the purchase agreement with regard to the obligation to pay an insolvency penalty, to pay 20% of the exit proceeds and to reimburse the seller for supplier guarantees. The guarantee is limited to an amount of PLN 48.5 million (approximately EUR 11.3 million) and a term until June 30, 2029.

In principle, the Management Board does not expect the obligations arising from corporate acquisitions to be utilized, even though even if it cannot be ruled out that such a claim may arise from individual obligations entered into, for example in the event of unexpected adverse developments in framework conditions – such as a significant deterioration in economic development – or disruptive events, e.g. a blockade of important supply chains caused by geopolitical developments. However, this risk is unavoidable in Mutares' business model, which is characterized by a high level of transaction activity.

The following obligations from company acquisitions expired in fiscal year 2024:

Mutares had undertaken to the seller of keeeper GmbH to indemnify the seller in the event of a claim in connection with an earlier financing commitment and guarantees granted earlier, although this obligation was limited to an amount of EUR 3.5 million and expired on June 20, 2024. This guarantee expired without being utilized in fiscal year 2024.

In December 2023, a direct subsidiary acquired 100% of the shares in Prénatal Moeder en Kind B.V. As part of the transaction, Mutares made a temporary commitment to the seller through December 31, 2024, to fulfill the liabilities of Prénatal Moeder en Kind B.V. under the so-called "403 Declaration", a declaration under Dutch law by the parent company, for the obligations of the subsidiary up to a total amount of EUR 1.0 million. This guarantee expired without being utilized at the end of December 31, 2024.

Liabilities from company disposals

The sale of all shares in Nordec Group OY by Donges SteelTec GmbH was completed on November 10, 2022. In connection with the sale, Mutares has undertaken to guarantee the indemnification obligation of Donges SteelTec GmbH under the purchase and assignment agreement. The guarantee is limited to a maximum amount of EUR 13.0 million. The guarantee expires no later than fifteen years after the guarantee is issued, i.e. at the end of November 10, 2037, or if all claims have been properly settled and no further compensation claims are to be expected or the maximum amount has been exhausted or if a cancellation agreement regarding the guarantee has been made or if the claims for compensation have been waived as a result of a change of control. The Management Board does not expect a claim to be asserted under this obligation. Due to the conclusion of a settlement agreement in April 2023, the guarantee was reduced to EUR 11.8 million in fiscal year 2023.

As part of the sale of real estate and the leaseback of this real estate to Japy Tech S.A.S. in November 2021, Mutares has undertaken to guarantee investment obligations of Japy Tech S.A.S. up to an amount of EUR 1.5 million and payment obligations under the lease agreement up to an amount of EUR 1.2 million for a period of five years from the date of sale, i.e. until November 8, 2026. Both guarantees decrease over time. In fiscal year 2024, both obligations had been reduced to EUR 0.6 million each.

In principle, the Management Board does not expect the obligations arising from the sale of companies to be utilized, although it cannot be ruled out that, among other things, such a claim may arise from individual obligations entered into in the event of unexpected adverse developments in framework conditions – such as a significant deterioration in economic conditions – or disruptive events, e.g. a blockade of important supply chains caused by geopolitical developments. However, this risk is unavoidable in Mutares' business model, which is characterized by a high level of transaction activity.

Legal disputes

In May 2022, the former owner Cooper-Standard Automotive, Inc. ("CSA") filed a lawsuit against companies of the SFC Solutions Group in the Court of Michigan based on alleged late payment of license fees. The lawsuit is based on a license agreement under which SFC Solutions Group companies are required to pay royalties for intellectual property claimed by CSA. Essentially, however, there is disagreement over the basis, cause, scope and existence of the claimed license fees. The SFC Solutions Group considers the lawsuit to be inadmissible, or at least unfounded, and has taken up the defense. The action was referred by the Court of Michigan to the competent federal court in Michigan (USA). On the one hand, civil proceedings (summary proceedings) were initiated towards the end of 2024; on the other hand, discovery, i.e. the submission of all relevant documents in a formally narrowly defined procedure, began in the regular proceedings. In December 2024, the opportunity arose to start out-of-court mediation. A term sheet for the out-of-court settlement of the legal dispute was then signed in January 2025 and finally a settlement agreement was signed in March 2025, according to which a payment of USD 9.5 million (approx. EUR 9.1 million) is to be made after the settlement agreement has been signed. A corresponding amount was recognized as a provision as of the reporting date December 31, 2024. In addition, USD 2.0 million (approx. EUR 1.9 million) is payable on the basis of the settlement agreement in the event of the sale of the SFC Solutions Group.

A further lawsuit is being pursued by the liquidator of the former investment Grosbill, based on Mutares' alleged responsibility under company law. At the same time, this liquidator is also suing the former seller of Grosbill for breach of contract against the company sold. Mutares defended itself in full against this claim, which it considered to be unfounded. The legal dispute was initially removed from the list of pending proceedings by the court due to a lack of grounds for the action and suspended; shortly before the limitation period for potential claims expired at the end of 2022, the plaintiff filed a new statement of claim containing a statement of grounds. Furthermore, in August 2023, the liquidator filed another statement of claim, which is essentially directed against the former seller. Mutares will defend itself against this, as the claims are considered unfounded and legally absurd due to the lack of statutory provisions. The court in Paris has since declared that it has no jurisdiction. No new hearing is scheduled and should not be permitted.

With regard to the acquisition of the business now operating as MoldTecs Group, there are still differences of opinion between the acquiring company, a direct subsidiary of Mutares, and the former owner regarding the final purchase price and a possible purchase price adjustment. As no agreement has been reached to date, the former owner filed an arbitration claim with the German Institute of Arbitration in January 2024 in order to clarify preliminary legal issues. On this basis, an arbitrator will then decide on the final purchase price calculation and adjustment in a second step. The plaintiff is also claiming damages. Mutares' direct subsidiary, together with its legal advisors, will submit pleadings to the DIS in April 2024 in response to the claim and counterclaim. The arbitration tribunal is currently being constituted and a written statement and hearing are expected in the third quarter of fiscal year 2025. It is still not possible to provide any reliable information concerning the possible outcome of the proceedings and any prospects of success of the claim. Accordingly, no provision was recognized as of the reporting date December 31, 2024.

In addition, a lawsuit was filed by 13 independent service providers of the Stuart Group against Mutares and a direct subsidiary of Mutares. At the same time, the sellers of the Stuart Group companies and several other companies have also been sued. The service providers are suing for a declaration that they are employees of the Stuart Group. The proceedings are being conducted before the Spanish central court "Sala nacional de la AUDIENCIA NACIONAL". Mutares will defend itself against this and, after consulting with its local lawyers, is confident of winning the legal dispute. An initial hearing took place in November 2024 and a decision is currently pending.

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46 Related parties and companies

In accordance with IAS 24, related parties are defined as persons and companies that can be significantly influenced by Mutares SE & Co. KGaA or that can exert significant influence on Mutares SE & Co. KGaA. These include subsidiaries, including those that are not consolidated, and associated companies. On the other hand, this also includes natural persons with significant voting rights and members of management in key positions such as members of the Management Board and Supervisory Board and their respective close family members.

Mutares SE & Co. KGaA has identified the Management Board members of the General Partner and the Supervisory Board members of the parent company and the General Partner as well as their close family members and those companies over which these persons exercise or can exercise significant influence and which are not consolidated as related parties.

Balances and transactions between the company and its subsidiaries were eliminated in the course of consolidation and are not explained here. Details of transactions between the Group and other related parties are provided below.

The following balances with related parties that do not belong to the scope of consolidation were outstanding at the end of the reporting periods:

	Receivables from related parties and companies		Liabilities to related parties and companies	
EUR thousand	**12/31/2024**	**12/31/2023**	**12/31/2024**	**12/31/2023**
Subsidiaries	0	141	57	273
Other related companies	6,064	0	11,446	13,351
Mutares Management SE	27	0	9,453	13,351
Associated companies	6,037	0	1,993	0
Supervisory Board	0	0	144	135
Management Board	0	0	0	1
Total	**6,064**	**141**	**11,646**	**13,761**

During the fiscal year, Group companies carried out the following transactions with related parties that are not included in the scope of consolidation:

	Sale of services to		Purchase of services	
EUR thousand	**2024**	**2023**	**2024**	**2023**
Subsidiaries	852	45	0	764
Other related companies	1,884	359	12,366	12,750
Mutares Management SE	1,499	359	11,258	12,750
Associated companies	385	0	1,108	0
Supervisory Board	0	0	179	141
Management Board	0	0	0	24
Total	**2,736**	**404**	**12,545**	**13,679**

Other related parties are the General Partner and companies related to members of the Management Board of Mutares SE & Co. KGaA, as well as associated companies of the Group. During the fiscal year, transactions were concluded with related parties on arm's length terms.

Bodies of the company

The Management Board of Mutares Management SE as the General Partner of Mutares SE & Co. KGaA consists of the following persons:

Robin Laik, Chief Executive Officer, Munich;
- Memberships of statutory supervisory boards or comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024):
  - mutares Holding-02 AG, Bad Wiessee (member of the Supervisory Board until July 30, 2024)
  - mutares Holding-11 AG i.L., Bad Wiessee (member of the Supervisory Board until April 5, 2024)
  - mutares Holding-20 AG i.L., Bad Wiessee (member of the Supervisory Board until January 30, 2024)
  - mutares Holding-21 AG, Bad Wiessee (until July 30, 2024 member of the Supervisory Board)

Mark Friedrich, Chief Financial Officer, Munich;
- Memberships of supervisory boards required by law or in comparable domestic or foreign controlling bodies of commercial enterprises (as of December 31, 2024): none

Johannes Laumann, Chief Investment Officer, Bonn (since July 1, 2024);
- Memberships of supervisory boards required by law or in comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024): none

Dr. Lennart Schley, Chief Operating Officer, Berlin (since July 1, 2024);
- Memberships of supervisory boards to be formed by law or in comparable domestic or foreign supervisory bodies of commercial enterprises:
  - mutares Holding-03 AG, Bad Wiessee (until July 30, 2024)
  - Redo Oy, Vantaa, Finland (member of the Board of Directors until June 27, 2024)
  - Kuljettava Oy, Helsinki, Finland (member of the Board of Directors since May 30, 2024)
  - Slide S.r.l., Milan, Italy (member of the Board of Directors since March 3, 2024)
  - Lapeyre Holding SAS, Paris, France, member of the Strategic Committee

The total remuneration of the Management Board (including share-based remuneration) for fiscal year 2024 amounted to EUR 10.2 million (previous year: EUR 10.0 million), of which EUR 0.5 million (previous year: EUR 0.5 million) was for Management Board members who have left the company. No payments were made to members of the Management Board in connection with defined contribution plans. In September 2023, 180,000 shares were issued to the members of the Management Board as part of a virtual stock option program. The stock options granted are not entitled to dividends and do not grant any voting rights. In the fiscal year, 45,000 stock options expired, leaving 135,000 stock options outstanding. Total expenses related to stock option plans amounted to EUR 0.4 million in fiscal year 2024.

The Supervisory Board of Mutares SE & Co. KGaA consists of the following persons:

Volker Rofalski, Managing Director of only natural munich GmbH, Munich, Chairman, Member of the Audit Committee;
- Memberships of supervisory boards required by law or of comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024):
  - HELIAD AG, Frankfurt/Main (member of the Supervisory Board)
  - Bio-Gate AG, Nuremberg (member of the Supervisory Board)
  - Mutares Management SE, Munich (member of the Supervisory Board)
  - paycentive Group AG, Augsburg (member of the Supervisory Board)
  - HELIAD Crypto Partners GmbH & Co. KGaA, Frankfurt/Main (member of the Supervisory Board until December 15, 2024)
  - SECANDA AG, Villingen-Schwenningen (since July 1, 2024, Deputy Chairman of the Supervisory Board)

Dr. Axel Müller, independent management consultant, Lahnstein, Deputy Chairman of the Supervisory Board and Chairman of the Audit Committee until April 12, 2025;
- Memberships of supervisory boards required by law or of comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024):
  - Mutares Management SE, Munich (Member of the Supervisory Board)
  - Mellifera Sechsunddreißigste Beteiligungsgesellschaft mbH (MIP Pharma Group), Berlin (Chairman of the Advisory Board)

Dr. Lothar Koniarski, Managing Director of ELBER GmbH, Regensburg, Member of the Supervisory Board;

- Memberships of supervisory boards required by law or of comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024):
  - Mutares Management SE, Munich (Deputy Chairman of the Supervisory Board)
  - SBF AG, Leipzig (Chairman of the Supervisory Board)
  - DV Immobilien Management GmbH, Regensburg (Deputy Chairman of the Supervisory Board)
  - Regensburger Universitätsstiftung, Universitätsstiftung Hans Vielberth and Universitätsstiftung für Immobilienwirtschaft Hans Vielberth (Member of the Foundation Board)

Raffaela Rein, Managing Director of WildWildVentures GmbH, Board Member of the German Startup Association, Berlin, Member of the Supervisory Board, Member of the Audit Committee (since June 4, 2024);

- Memberships of supervisory boards required by law or of comparable domestic or foreign supervisory bodies of commercial enterprises (as of December 31, 2024):
  - IU International University of Applied Sciences GmbH, Erfurt (member of the Advisory Board)
  - Member of the extended board, German Startups Association

The members of the company's Supervisory Board receive a fixed basic remuneration of EUR 20 thousand for the respective fiscal year of the company. The Chairman of the Supervisory Board receives a fixed basic remuneration of EUR 45 thousand and his deputy receives a fixed basic remuneration of EUR 30 thousand for the respective fiscal year of the company. As the Supervisory Board consisted of a Chairman, a Deputy Chairman and two other members in fiscal year 2024, the total basic remuneration of the Supervisory Board members in fiscal year 2024 amounted to EUR 115 thousand. For their work on the Audit Committee of the Supervisory Board, the Chairman of the committee also receives EUR 15 thousand and each other member of the committee receives EUR 5 thousand for the respective fiscal year of the company. The company has an Audit Committee, which is chaired by Dr. Axel Müller (until April 12, 2025) and includes Volker Rofalski and Raffaela Rein. For their work on other Supervisory Board committees, the Chairman of the committee receives an additional EUR 10 thousand and each other member of the committee an additional EUR 5 thousand for the respective fiscal year of the company. In addition to the aforementioned remuneration, the members of the Supervisory Board are reimbursed for expenses incurred in the performance of their duties, including VAT. The remuneration is payable at the end of the respective fiscal year. Supervisory Board members who only belong to the Supervisory Board or a committee of the Supervisory Board for part of the full fiscal year or who hold the office of Chairman or Deputy Chairman receive remuneration on a pro rata temporis basis. The members of the Supervisory Board of the company are also members of the Shareholders' Committee. The members of the Shareholders' Committee receive a fixed remuneration of EUR 10,000 for the respective fiscal year of the company. The remuneration is payable at the end of the respective fiscal year. Members of the Shareholders' Committee who only belong to the Shareholders' Committee for part of the full fiscal year receive remuneration in proportion to the time they served. The total remuneration of the above-mentioned members of the Supervisory Board and the Shareholders' Committee thus amounted to EUR 178 thousand in fiscal year 2024.

The members of the Supervisory Board of Mutares Management SE receive a fixed basic remuneration of EUR 75 thousand for the respective fiscal year of the company. The Chairman of the Supervisory Board receives a fixed basic remuneration of EUR 150 thousand and his deputy receives a fixed basic remuneration of EUR 110 thousand for the respective fiscal year of the company. For their work on the Supervisory Board's Personnel Committee, the Chairman of the committee also receives EUR 15 thousand and each other member of the committee receives EUR 5 thousand for the respective fiscal year of the company. The company has a Personnel Committee, to which Dr. Axel Müller as Chairman and Mr. Volker Rofalski belong. The total basic remuneration of the Supervisory Board members (including remuneration for committee activities) amounted to EUR 430 thousand in fiscal year 2024.

In their capacity as shareholders of Mutares SE & Co. KGaA, members of the Supervisory Board and Management Board received a small double-digit million euro amount (previous year: small double-digit million euro amount) as dividends in 2024.

In addition, Mutares Management SE, as the General Partner, receives annual remuneration of 4% of its share capital, irrespective of profits and losses, plus any value added tax owed. As in the previous year, this remuneration amounted to EUR 5 thousand for fiscal year 2024.

47 Employees

In the fiscal years 2024 and 2023, the Mutares Group had the following average number of employees in accordance with Section 267 (5) HGB:

	2024	2023
Wage workers	19,826	19,069
Salaried employees	9,498	8,276
Total	**29,468**	**27,345**

48 Fee of the auditor of the Consolidated Financial Statements

The following fees for the auditor of the Consolidated Financial Statements were recognized at Mutares SE & Co. KGaA and its subsidiaries:

EUR million	2024	2023
Audit services	2.3	1.9
Other confirmation services	0.3	0.0
Tax consultancy services	0.0	0.0
Other services	0.2	0.1
Total fee	**2.8**	**2.0**

The audit services include fees of EUR 0.1 million relating to services for fiscal year 2023. In addition, other assurance services of EUR 0.3 million were invoiced by the Group auditor. These related to agreed assurance procedures in connection with the bonds and the audit of the content of the Remuneration Report and in particular the monitoring of non-financial reporting and the planned reporting in accordance with the Corporate Sustainability Reporting Directive. Other services amounting to EUR 0.2 million mainly relate to the audit of non-financial reporting. In each case, the services were provided in advance on the basis of an assignment by the Audit Committee, which was authorized to do so by the Supervisory Board.

49 Declaration pursuant to Section 161 AktG on the German Corporate Governance Code

The Management Board of the General Partner of Mutares SE & Co. KGaA, Mutares Management SE, as well as the Shareholder Committee and the Supervisory Board of Mutares SE & Co. KGaA are committed to the principles of corporate governance geared towards long-term and sustainable value creation. In accordance with Sections 289f and 315d of the German Commercial Code (HGB), they jointly issue a combined "Corporate Governance Statement". The full text of the current declaration is available on the company's website at ir.mutares.com/en/corporate-governance. As part of the Corporate Governance Statement, the Management Board of the General Partner of Mutares SE & Co. KGaA, Mutares Management SE, and the Supervisory Board of Mutares SE & Co. KGaA issued the declaration required by Section 161 of the German Stock Corporation Act (AktG) in December 2024 and made it publicly available on the company's website at ir.mutares.com/en/corporate-governance.

50 Events after the balance sheet date

The following events of particular significance occurred after the end of the fiscal year:

50.1 Acquisitions of subsidiaries

With effect from January 1, 2025, Mutares acquired assets and liabilities as well as all shares and voting rights in Transitar Oy and SeaRail OY **("VR Road Logistics")** from VR Group. VR Road Logistics is a logistics company that primarily offers full truck loads for large industrial customers in the forestry, metal, construction and mining industries. The company offers services for full truck loads, circular economy, supply chain logistics and warehousing. The platform investment is expected to further strengthen the Goods & Services segment and Mutares' presence in Northern Europe. The fair value of the preliminary consideration for the acquisition amounts to EUR 4.2 million and was already paid in December 2024 in preparation for the execution of the transaction. The purchase price allocation for the acquisition described has not yet been finalized. At this point in time, Mutares does not yet have all the relevant information – namely information on the company's assets and liabilities to be valued and on the consideration – in its final version. The disclosure of hidden reserves and liabilities is therefore still preliminary at this time.

On January 3, 2025, Mutares completed the acquisition of 100% of the shares and voting rights in Magirus GmbH and its subsidiaries **("Magirus")** from the Iveco Group. The company, a provider of vehicles, ladders and other products as well as related customer services in the field of firefighting and disaster protection, strengthens the Engineering & Technology segment as a new platform investment. The fair value of the consideration transferred at the acquisition date amounted to EUR 1. The purchase price allocation for the acquisition presented has not yet been finalized. Mutares does not yet have all the relevant information in its final version, namely information on the company's assets and liabilities to be valued and the consideration. The disclosure of hidden reserves and liabilities is therefore still preliminary at this time.

With effect from January 15, 2025, Mutares acquired the assets and liabilities of S.M.A. Metalltechnik GmbH & Co. KG and all shares and voting rights in its subsidiaries **("S.M.A. Metalltechnik")**. S.M.A. Metalltechnik, now operating under the name SFC Climate Solutions, headquartered in Backnang, Germany, specializes in the development and production of high-density aluminum tubes, particularly for cooling media in the automotive sector, such as for interior air conditioning and battery cooling. In addition to its headquarters in Germany, the Group has production facilities in South Africa, Romania and China. The business will be integrated into the SFC Group as a new subsidiary, thereby strengthening SFC's product expertise and customer portfolio in the Automotive & Mobility segment. The fair value of the provisionally transferred amount was EUR 6.3 million and was paid at the time of acquisition. The purchase price allocation for the acquisition described has not yet been finalized. At this point in time, Mutares does not yet have all the relevant information – namely information on the company's assets and liabilities to be valued and on the consideration – in its final version. The disclosure of hidden reserves and liabilities is therefore still preliminary at this time.

On January 31, 2025, Mutares acquired the assets and liabilities of Buderus Edelstahl GmbH **("Buderus Edelstahl")** from Voestalpine. The company is a manufacturer of special steels with a focus on tool steel, engineering steel, open-die forgings, die forgings, hot-rolled strip, cold-rolled strip and semi-finished rolled products, which it supplies to a broad customer base worldwide. Buderus Edelstahl strengthens the Engineering & Technology segment as a new platform investment. The fair value of the consideration transferred at the acquisition date amounted to EUR 1. The purchase price allocation for the described acquisition has not yet been finally completed. Mutares does not yet have all the relevant information in its final version, namely information on the company's assets and liabilities to be valued. The disclosure of hidden reserves and liabilities is therefore still provisional.

With the closing on February 20, 2025, Mutares completed the acquisition of 100% of the shares and voting rights and thus the acquisition of Nervión Industries, Engineering and Services, S.L.U. and its subsidiaries **("Nervión")** from Amper S.A. Nervión is a Spanish provider of industrial services in various end markets, including the oil and gas, industrial and energy sectors, with a core business focused on industrial maintenance and assembly. In addition, Nervión is active in key areas such as the construction of photovoltaic systems, the construction and assembly of storage tanks and air pollution control solutions. The company strengthens the Goods & Services segment as a new platform investment. The fair value of the provisionally transferred consideration amounted to EUR 23.0 million and was paid at the time of acquisition. The purchase price allocation for the acquisition presented has not yet been finally completed. At this point in time, Mutares does not yet have all the relevant information – namely information on the company's assets and liabilities to be valued and on the consideration – in its final version. The disclosure of hidden reserves and liabilities is therefore currently still provisional.

On February 27, 2025, Mutares completed the acquisition of all shares and voting rights in GDL Anläggning & Miljö AB **("GDL")** from GDL Transport Holding AB. The Swedish company, which specializes in services for the building materials, transport and machinery sectors, is committed to sustainability and offers comprehensive services in the areas of environmental management and recycling, including the provision of containers, transport and recycling solutions. GDL strengthens the Goods & Services segment as a new platform investment. The fair value of the consideration transferred amounted to EUR 10.6 million and was paid at the time of acquisition. The purchase price allocation for the acquisition described has not yet been finalized. Mutares does not yet have all the relevant information in its final version, namely information on the company's assets and liabilities to be valued and the consideration. The disclosure of hidden reserves and liabilities is therefore still provisional at this time.

50.2 Deconsolidations of subsidiaries

On March 14, 2025, the portfolio company **Temakinho** from the Retail & Food segment was sold as part of a management buyout. The company, headquartered in Milan, Italy, operates a restaurant chain that offers Japanese-Brazilian sushi, meat dishes and drinks. Temakinho was acquired in March 2024. With declining visitor numbers in the restaurants, the measures introduced did not have the desired effect. Therefore, cost optimization measures such as the outsourcing of marketing activities and the closure of branches were also initiated. Nevertheless, a negative operating result was achieved in fiscal year 2024. Since the sale was highly probable as of December 31, 2024, the assets and liabilities were recognized as held for sale in the consolidated financial statements for fiscal year 2024 in accordance with the provisions of IFRS 5. (see Note 24).

On March 19, 2025, the portfolio company **FASANA** from the Retail & Food segment was sold to a private individual. The company headquartered in Euskirchen is a manufacturer of private label and high-quality branded napkins for wholesale and retail needs. The business was acquired from Metsä Tissue in 2020 and has since been realigned. The challenges in the pulp and paper industry, in particular a weakening consumer climate and the tendency of end consumers to save, as well as increased costs for pulp, energy and personnel, shaped the development of FASANA and led to a significant shortfall in planning and a subsequently material negative operating result in the fiscal year 2024.

In April 2024, Mutares acquired Greenview Group Holdings Ltd. **("Greenview")**. Greenview is based in Carryduff in the United Kingdom and is a provider of mechanical and electrical installations, heating installations and maintenance, real estate maintenance and improvement, and a range of sustainable energy solutions, including energy efficiency services for households. However, the positive effects of the restructuring program remained below expectations in the fiscal year 2024 and Greenview still posted a significant operating loss. The sale of Greenview Group Holdings Ltd. and its subsidiaries was completed with effect from April 1, 2025.

On March 18, 2025, Mutares announced its intention to reduce its stake in Steyr Motors AG in order to strengthen the free float due to very strong investor demand. Mutares remains convinced of Steyr's very positive development and intends to remain a significant shareholder of Steyr. Steyr Motors AG is a manufacturer and developer of durable diesel engines and electric auxiliary drives for special applications. On April 11, 2025, Mutares announced that, in addition to sales via the stock exchange, a further 910,000 shares had been sold to qualified institutional investors as part of a placement. A further 577,000 shares were sold on May 16, 2025. Mutares' share of voting rights was reduced to around 29% as a result of the transactions.

50.3 Other events

On November 29, 2024, Mutares completed the acquisition of **Serneke**, a Swedish general contractor focused on the construction of service and infrastructure real estate, residential real estate and commercial real estate, without this entailing a transfer of control (refer to Note 4 "Scope of consolidation"). Immediately after the acquisition, Serneke's situation turned out to be significantly worse than presented by the sellers prior to the acquisition. Accordingly, the originally planned transformation efforts did not promise the desired success. As a result, Serneke's management initiated insolvency proceedings on January 7, 2025. On January 2, 2025, Mutares notified the sellers that it was contesting the purchase agreement and initiated legal proceedings (please refer to Note 4, "Scope of consolidation"). On February 10, 2025, the seller demanded payment from the subsidiary of Mutares in the first instance and from Mutares itself in the second instance from the loan entered into as part of the transaction. In its reply dated February 24, 2025, the subsidiary of Mutares and Mutares itself rejected the seller's claim in its entirety and reaffirmed the position already stated in the letter dated January 2, 2025, that it was contesting the purchase agreement. Mutares was informed of the commencement of arbitration proceedings in a letter dated May 7, 2025. Mutares is confident in its legal position and believes it has strong arguments that the arbitration proceedings will not result in any significant cash outflow for the Group.

On February 11, 2025, **GoCollective** A.S., a portfolio company in the Goods & Services segment, as the issuer, increased the existing bond by a nominal volume of EUR 40.0 million and a term until April 12, 2027 by an amount of EUR 10.0 million. The bond bears interest quarterly at the 3-month EURIBOR (EURIBOR floor of 0.00%) plus a margin of 8.50%.

In May 2022, the former owner Cooper-Standard Automotive, Inc. ("CSA") filed a lawsuit in the Court of Michigan in May 2022 based on an alleged default of license fees. The lawsuit is based on a license agreement under which companies of the **SFC Solutions Group** have to pay license fees to CSA for intellectual property used. However, the main points of disagreement are the basis, cause, scope and existence of the license fees claimed. SFC Solutions Group considers the lawsuit to be inadmissible and, in any case, unfounded, and has taken up its defense. The Michigan Court has referred the case to the competent federal court in Michigan (USA). On the one hand, civil proceedings (summary proceedings) were initiated towards the end of 2024, and on the other hand, the so-called "discovery", i.e., the submission of all relevant documents in a formally narrowly defined procedure, has begun in the regular proceedings. In December 2024, the opportunity arose to start out-of-court mediation. In January 2025, a term sheet for an out-of-court settlement of the dispute was signed, followed in March 2025 by a settlement agreement, according to which a payment of USD 9.5 million (approx. EUR 9.1 million) is to be made upon signing the settlement agreement. A corresponding amount was recognized as a provision as of the reporting date of December 31, 2024. In addition, based on the settlement agreement, USD 2 million (approximately EUR 1.9 million) is payable in the event of the sale of SFC Solutions Group. As of the balance sheet date of December 31, 2024, the financial ratio relating to the ratio of debt to equity in the Group was not met in connection with the 2023/2027 and 2024/2029 bonds (please refer to Note 35). The non-compliance with the covenants was remedied by the date of preparation of the consolidation financial statements by restoring compliance with the financial ratios as of March 31, 2025. In accordance with the terms of the bonds, there is now no longer any right to call the liabilities from the bonds prematurely.

As of the balance sheet date of December 31, 2024, the financial ratio relating to the ratio of debt to equity in the Group was not met in connection with the 2023/2027 and 2024/2029 bonds (please refer to Note 35). The non-compliance with the covenants was remedied by the date of preparation of the consolidation financial statements by restoring compliance with the financial ratios as of March 31, 2025. In accordance with the terms of the bonds, there is now no longer any right to call the liabilities from the bonds prematurely.

Light Mobility Solutions, part of Amaneos, a portfolio company in the Automotive & Mobility segment, entered into agreements with two customers after the reporting date on the basis of which they are required to make contributions totaling more than EUR 58.8 million to support the subsidiary. In addition, Mutares has undertaken to guarantee the earnings contributions of the two customers for the years 2025–2027 in the total amount of EUR 41.4 million should these not be achieved.

In April 2025, **MoldTecs**, part of Amaneos, a portfolio company in the Automotive & Mobility segment, secured loan financing with a nominal amount of EUR 30.0 million. The loan has a term until June 30, 2032, and bears interest at 9% p.a. As part of its transformative global expansion, additional production facilities are needed in North America (USA and Mexico), which will require significant liquidity.

In January, **PrimoTECS**, a portfolio company in the Automotive & Mobility segment that is part of the FerrAl United Group, reached an agreement with a creditor bank to restructure its EUR 23.0 million debt to that bank. Under the agreement, the bank has claimed a 90% guarantee from a credit insurer and waived the remaining 10%. Approximately EUR 15.7 million of the debt waived will be converted by credit insurer into equity-like financial instruments by the end of May 2025, which grant the creditor certain preferential rights and limited control powers. A partial amount of EUR 5.0 million will therefore remain as a financial liability at PrimoTECS.

The regular index review by Deutsche Börse at the beginning of May 2025 has resulted in the exclusion of Mutares SE & Co. KGaA shares from the SDAX. The reason for this decision is that Mutares was unable to submit its audited financial statements for fiscal year 2024 by the end of April 2025. An estimate of any potential financial impact on the Consolidated Financial Statements cannot be made at this time.

H ACCOUNTING POLICIES

51 New and amended IFRSs

51.1 New and amended IFRSs to be applied for the first time

In the fiscal year, the IFRSs presented below had to be applied by the Group for the first time or in amended form. This did not have any material impact on these Consolidated Financial Statements. Furthermore, no statement can be made at this time regarding the effects on future transactions or agreements.

Amendments to IAS 7 and IFRS 7 "Supplier Financing Arrangements"
On May 25, 2023, the IASB published amendments to IAS 7 and IFRS 7 entitled "Supplier Financing Arrangements" to improve the transparency of supplier financing arrangements and their impact on an entity's liabilities, cash flows and liquidity risk. The amendments supplement existing requirements in IFRS accounting standards and require an entity to disclose the following information:

- the terms of the contract
- the amount of liabilities that are part of the agreements, including a breakdown of the amounts for which the suppliers have already received payments from the lenders and where the liabilities are recognized in the balance sheet;
- maturity ranges and
- information on liquidity risk.

The amendments are effective for fiscal years beginning on or after January 1, 2024. The EU endorsement took place on May 15, 2024.

New disclosures were introduced as a result of the application of the amendments to IAS 7 and IFRS 7 (see Note 43).

Amendments to IFRS 16 "Lease liability in a sale and leaseback transaction"
On September 22, 2022, the IASB published amendments to IFRS 16 Leases that clarify the accounting treatment of sale and leaseback transactions after the transaction date.

In a sale and leaseback transaction, a company sells an asset and leases the same asset back from the new owner for a certain period of time. Until now, however, there were no precise rules on how these transactions are to be measured in reporting after this point in time. The new amendments supplement the requirements for sale and leaseback transactions in IFRS 16 to ensure consistent application of the accounting standard.

These amendments only affect the accounting treatment of leases resulting from sale and leaseback transactions and do not change the accounting treatment for other types of leases.

The amendments are effective for fiscal years beginning on or after January 1, 2024. EU endorsement will take place on November 21, 2023.

There were no material applications of these amendments in the Group. The Management Board assumes that the amendments will not have any material impact on future Consolidated Financial Statements.

Amendments to IAS 1 "Presentation of Financial Statements": Classification of liabilities as current or non-current and non-current liabilities with ancillary conditions
On January 23, 2020, the IASB issued "Classification of Liabilities as Current or Non-current" with amendments to IAS 1. The amendments are intended to clarify the criteria for classifying liabilities as current or non-current. Accordingly, the existing rights at the reporting date are to be taken into account and not whether management intends to repay the liability early or actually exercises these rights.

On July 15, 2020, the effective date of the amendments was initially postponed from January 1, 2022, to fiscal years beginning on or after January 1, 2023. As contentious application issues that the IASB had not previously considered were identified in the meantime, the IASB published further amendments to IAS 1 entitled "Non-current liabilities with ancillary conditions" on October 31, 2022. This clarifies that only those ancillary conditions that an entity must fulfill on or before the reporting date affect the classification of a liability as current or non-current. However, an entity must disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with ancillary conditions could become repayable within twelve months. Both the amendments already made in January 2020 and the most recently adopted amendments are now mandatory for the first time for fiscal years beginning on or after January 1, 2024. The EU endorsement took place on December 20, 2023.

There were no material applications of these amendments in the Group. The Management Board assumes that the amendments will not have any material impact on future Consolidated Financial Statements.

51.2 New and amended IFRSs to be applied in the future

The following new or amended IFRS have already been adopted by the IASB, but are not yet mandatory or have not yet been adopted into European law. Mutares has not applied the regulations early.

New and amended IFRSs		To be applied for fiscal years beginning on or after the specified date:	Status of EU endorsement (as of the installation period)
Amendments to IAS 21	Lack of exchangeability – amendments to IAS 21	01/01/2025	11/12/2024
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and an associate or joint venture	Date of initial application postponed indefinitely	pending
Amendments to IFRS 9 and IFRS 7	Amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 17)	01/01/2026	pending
Amendments to IFRS 9 and IFRS 7	Contracts for nature-dependent power supply	01/01/2026	pending
IFRS 18	IFRS 18 – Presentation and disclosures in financial statements	01/01/2027	pending
IFRS 19	IFRS 19 – Subsidiaries without public accountability: Disclosures	01/01/2027	pending

Amendments to IAS 21 "Lack of exchangeability"
The amendments supplement IAS 21 with detailed rules for determining whether two currencies can be exchanged for one another and how exchange rates are to be determined if exchangeability is not given. In addition, disclosure requirements are introduced to enable users of financial statements to assess the actual or expected effects of non-exchangeability on the company's asset, financial and earnings position.

The amendments are effective for fiscal years beginning on or after January 1, 2025. The EU endorsement took place on November 12, 2024.

The Management Board assumes that the amendments will not have any material impact on future Consolidated Financial Statements.

Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
The amendments address a conflict between the provisions of IAS 28 "Investments in Associates and Joint Ventures" and IFRS 10 "Consolidated Financial Statements". They clarify that in the case of transactions with an associate or joint venture, the extent to which profit or loss is recognized depends on whether the assets sold or contributed constitute a business in accordance with IFRS 3.

The date of initial application of the amendments was postponed indefinitely by the IASB in December 2015, as any amendments to IAS 28 from the research project on accounting using the equity method are to be awaited. The latter was in October 2020 after a long break and in the context of the ongoing post-implementation review of IFRS 11.

The Management Board assumes that these potential amendments to IFRS 10 and IAS 28 will have no impact on future consolidated results.

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments
These changes affect the following areas:

- Classification of financial assets
- Derecognition of a financial liability settled by electronic payment transactions;
- Disclosures on equity instruments measured at fair value through other comprehensive income.

The amendments are to be applied for fiscal years beginning on or after January 1, 2026. The date of EU endorsement is still open.

The Management Board assumes that these potential amendments to IFRS 9 and IFRS 7 will have no impact on future consolidated results.

IFRS 18 – Presentation and disclosures in financial statements
IFRS 18 comprises fundamental requirements for the presentation of financial statements and required disclosures, affects all components of the financial statements and primarily entails the following changes in four overarching areas:

- Introduction of two mandatory subtotals in the income statement: operating profit or loss and profit or loss before financing and income taxes
- Extended disclosures in the notes on income and expenses, including in the form of disclosures on publicly communicated performance indicators that are not specified by IFRS accounting standards but have been defined by the company's management (management-defined performance measures)
- Introduction of additional principles for the aggregation and disaggregation of items,
- Introduction of a mandatory starting point for the indirect determination of cash flows from operating activities (operating profit or loss) and removal of classification options for interest and dividends.

The amendments are to be applied for fiscal years beginning on or after January 1, 2027. EU endorsement is still pending.

The Group is still in the process of assessing the impact of the new standard, particularly with regard to the structure of the Group's Consolidated Statement of Income, Consolidated Statement of Cash Flows and the additional disclosures required for the performance measures defined by the Management Board.

IFRS 19 – Subsidiaries without public accountability: Disclosures
The background to IFRS 19 is a reduction in the effort and costs involved in preparing IFRS financial statements for subsidiaries falling within the scope of application – for which there is no obligation per se to prepare them in accordance with IFRSs – while at the same time maintaining the usefulness of the information for the users of the financial statements.

First-time application for fiscal years beginning on or after January 1, 2027, early application is possible. The date of EU endorsement is still open.

The Management Board assumes that the amendments will not have any material impact on future Consolidated Financial Statements.

Amendments to IFRS 9 and IFRS 7 – Contracts for nature-based electricity supply
The amendments only affect contracts that relate to nature-dependent electricity. These are defined in the newly introduced IFRS 9.2.3A as contracts that expose an entity to fluctuations in the underlying amount of electricity because the source of the electricity depends on uncontrollable natural conditions (such as the weather). These can be contracts for the purchase or sale of nature-dependent electricity as well as financial instruments that relate to such electricity.

The amendments to IFRS 9 and IFRS 7 relate to three main areas:

- Narrowly limited change to the requirements for the application of the so-called “own use exemption”;
- Enabling hedge accounting when contracts relating to nature-based electricity are used as hedging instruments;
- Addition of new disclosure requirements to enable users to understand the impact of such contracts on the financial performance of companies.

The amendments are to be applied for fiscal years beginning on or after January 1, 2026. The date of EU endorsement is still open.

The Management Board assumes that the amendments will not have any material impact on future Consolidated Financial Statements.

52 Consolidation principles

52.1 Subsidiaries

Subsidiaries are companies that are controlled by Mutares SE & Co. KGaA. The Group obtains control if it can exercise power over the subsidiary, is exposed to variable returns from the investment and has the ability to use its power over the subsidiary to affect the amount of returns from the investment.

Control arises from rights, primarily voting rights. In some cases, control over a company arises directly and solely from voting rights. In other cases, the assessment is more complex and several factors must be considered. All facts and circumstances must be taken into account when assessing whether Mutares controls a company. Even if Mutares holds a majority of the voting rights in another company, there may be facts and circumstances that prevent it from having power over that company. This could be the case, for example, if the voting rights are not substantial. Determining whether voting rights are substantial requires the exercise of discretion, taking into account all facts and circumstances. For example, Mutares may not have power in cases where it cannot decide on the relevant activities. In some circumstances, it may be difficult to determine whether Mutares' rights are sufficient to assert power over another company. To enable an assessment of power in such cases, Mutares assesses whether it has the practical ability to direct the relevant activities unilaterally.

The assessment of control is reviewed by Mutares SE & Co. KGaA if there are indications that one or more of the aforementioned control criteria have changed.

A subsidiary is included in the Consolidated Financial Statements from the date on which the company obtains control over the subsidiary until the date on which the company ceases to have control. In accordance with the general materiality principle of IAS 1.29 ff., a subsidiary is not included if it is of minor importance for the obligation to present a true and fair view of the asset, financial and earnings position of the Group – even together with other subsidiaries whose inclusion is waived and whose inclusion would only result in an insignificant improvement in information.

The results of subsidiaries over which control was gained or lost in the course of a fiscal year are recognized in the Consolidated Statement of Income and other comprehensive income with the effect of gaining or losing control.

Where necessary, the Annual Financial Statements of the subsidiaries are adjusted in order to align the accounting and valuation methods with the methods used in the Group.

The acquisition is accounted for using the purchase method (acquisition method). The consideration transferred as part of a business combination corresponds to the fair value of the assets given, the equity instruments issued and the liabilities incurred or assumed at the time of the transaction. They also include the fair value of any recognized assets or liabilities resulting from a contingent consideration agreement. Acquisition-related costs are recognized as expenses when they are incurred. Assets, liabilities and contingent liabilities identifiable as part of a business combination are generally measured at their fair values at the acquisition date on initial consolidation. The exceptions to the recognition and measurement principles required by IFRS 3, such as the recognition and measurement of deferred taxes on acquired assets and liabilities in accordance with IAS 12, are taken into account accordingly on initial consolidation. Acquisitions with non-controlling interests are accounted for using the anticipated acquisition method if the contractual terms of the acquisition provide for the shares of the non-controlling interests to be acquired with reasonable certainty.

Goodwill is recognized and tested for impairment at least once a year as the excess of the cost of the acquisition, the amount of non-controlling interests in the acquired company and the fair value of any previously held equity interests at the acquisition date over the Group's share of the net assets measured at fair value. If the acquisition costs are lower than the net assets of the acquired subsidiary measured at fair value, the difference is recognized directly in the Consolidated Statement of Income as a bargain purchase gain after a further review.

If the consideration transferred includes contingent consideration, this is measured at fair value at the acquisition date. Changes in the fair value of the contingent consideration during the measurement period are corrected retrospectively and recognized accordingly against goodwill or the gain on bargain purchase. Adjustments during the measurement period are adjustments to reflect additional information about facts and circumstances that existed at the acquisition date. However, the measurement period may not exceed one year from the date of acquisition. Changes in the fair value of the contingent consideration that do not represent adjustments during the measurement period are recognized depending on how the contingent consideration is to be classified.

Disposals of shares without loss of control (reduction) are recognized as transactions between the equity providers (Mutares SE & Co. KGaA and the minority shareholders) with no effect on profit or loss.

Non-controlling interests are generally measured using the partial goodwill method; the assets and liabilities of the acquired company are fully revalued irrespective of the share held by the controlling acquirer. The non-controlling shareholders are entitled to profit shares from the date of transfer of the shares, which are presented separately in the Consolidated Statement of Comprehensive Income.

Majority-preserving increases are shown as equity transactions or transactions between the majority shareholder and the minority.

Deconsolidation is treated as a single sale, i.e. the sale of all shares is presented as a transfer for consideration of individual assets and liabilities including goodwill. The gain or loss on disposal is the difference between the disposal proceeds and the consolidated carrying amounts of the net assets disposed of, including hidden reserves and goodwill.

Balances and transactions with consolidated subsidiaries and the resulting income and expenses are eliminated in full for the purpose of preparing the Consolidated Financial Statements.

The tax deferrals required by IAS 12 were made on temporary differences from consolidation, whereby no deferred taxes are to be recognized on goodwill.

52.2 Associates and joint ventures

An associate is an entity over which Mutares has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is defined as the power to participate in the financial and operating policy decisions of the company without controlling or jointly managing it. If Mutares SE & Co. KGaA directly or indirectly holds between 20% and 50% of the voting rights in a company, there is a presumption that significant influence can be exercised over it. In the case of a directly or indirectly held share of voting rights of less than 20%, significant influence is presumed if it can be clearly demonstrated.

Investments in associates are accounted for using the equity method and are therefore measured at cost on initial recognition. Goodwill arising from the acquisition of an associated company is included in the carrying amount of the investment in the associated company. After initial recognition, the carrying amount of the investment increases or decreases in accordance with the investor's share in the profit or loss for the period or in the changes in equity of the investee recognized directly in equity – from the date of initial significant influence until the date on which this influence ceases. If Mutares' share in the losses of an associate equals or exceeds the value of the investment, the share is reduced to zero. By way of derogation, treatment as an associate in accordance with the general materiality principle of IAS 1.29 et seq. is waived if the associate is of minor importance for the obligation to present a true and fair view of the asset, financial and earnings position of the Group.

Unrealized gains on the basis of transactions with associates are eliminated against the carrying amount of the investment to the extent of Mutares' interest. Unrealized losses are eliminated in the same way, but only to the extent that there is no indication of impairment.

The tax deferrals required by IAS 12 were made on temporary differences arising from consolidation.

A joint venture is a joint arrangement whereby the parties that have joint control have rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method. As part of the acquisition of PMTC in fiscal year 2023, a joint venture, JNQP, was acquired which is accounted for using the equity method.

52.3 Joint activity

A joint activity is a joint arrangement whereby the parties that have joint control have rights to the assets and obligations for the liabilities of the arrangement. Joint control is the contractually agreed, jointly exercised control of an arrangement. This is only the case if decisions on the relevant activities require the unanimous consent of the parties involved in joint control.

If a Group company carries out activities as part of a joint activity, the Group recognizes the following items as a joint operator in connection with its share in the joint operation:

- its assets, including its interest in jointly held assets;
- its debts, including its share of jointly incurred debts;
- its proceeds from the sale of its share of the products or services of the joint operation;
- its expenses, including its share of jointly incurred expenses.

The Group recognizes the assets, liabilities, income and expenses in connection with its share in a joint activity in accordance with the IFRS applicable to these assets, liabilities, income and expenses.

If a Group company enters into a business relationship with a joint operation in which another Group company is a joint operator (e.g. the sale or contribution of assets), the Group considers the corresponding transaction to be carried out with the other parties to the joint operation and therefore recognizes any gains or losses only to the extent of the share of the other parties involved in the joint operation.

In transactions such as the purchase of assets by a Group company, gains and losses are only recognized to the extent of the Group's interest in the joint activity when the assets are resold to third parties.

52.4 Foreign currency

The Consolidated Financial Statements have been prepared in accordance with the functional currency concept. The functional currency is the primary currency of the economic environment in which Mutares Group operates. It corresponds to the euro, which is also the presentation currency of the Consolidated Financial Statements.

Transactions in foreign currencies are translated into the functional currency at the exchange rate applicable at the time of the transaction. Monetary assets and liabilities in foreign currencies are translated into the respective functional currency at the exchange rate on the balance sheet date. The foreign currency gains and losses resulting from these translations are recognized in the Consolidated Statement of Income under other income or expenses.

Balance sheet items of subsidiaries whose functional currency is not the euro are translated into the presentation currency at the exchange rate on the reporting date, items in the income statement are translated at the average exchange rate for the respective period and equity items are translated at historical exchange rates. The resulting translation differences are recognized in the currency translation reserve within other equity components. If non-controlling interests are involved, the corresponding portion of the translation difference is offset against the minority interest.

In the event of the disposal of a foreign business operation, the translation differences accrued up to that point are included in the gain or loss on disposal, i.e. reclassified from equity to profit or loss.

With a few negligible exceptions, the functional currency of the subsidiaries of Mutares SE & Co. KGaA is the local currency.

The main exchange rates used for currency translation are presented below:

		Closing rate		Average price	
1 EUR in	Code	12/31/2024	12/31/2023	2024	2023
USA	USD	1.040	1.105	1.081	1.090
China	CNY	7.583	7.851	7.785	7.787
Poland	PLN	4.275	4.340	4.306	4.334
Great Britain	GBP	0.829	0.869	0.847	0.862
India	INR	89.930	91.905	90.513	90.801
Sweden	SEK	11.459	11.096	11.429	11.203

53 Significant accounting and valuation principles

The Consolidated Financial Statements are based on uniform accounting policies. All companies included in the Consolidated Financial Statements of Mutares SE & Co. KGaA prepare their financial statements as of December 31 or have prepared interim financial statements as of the reporting date and for the period covered by the Consolidated Financial Statements.

The main accounting and valuation principles are explained below.

53.1 Revenue recognition

Sale of goods

The Group recognizes revenue when the performance obligation has been satisfied through the sale of distinct goods. The customer must therefore have the ability to direct the use and obtain substantially all of the remaining benefits. The basis for this is a contract between the Group and the customer. The parties must have agreed to the contract and the agreements contained therein, the individual obligations of the parties and the terms of payment must be identifiable, the contract must have economic substance and the Group must be likely to receive consideration for the service rendered. There must therefore be enforceable rights and obligations. The transaction price generally corresponds to the revenue. In individual companies, rebates and discounts are granted to the extent customary in the market, which are taken into account in the revenue recognized. If the contract contains more than one distinct performance obligation, the transaction price is allocated to the individual performance obligations on the basis of the relative stand-alone selling prices. If no individual selling prices are observable, the Group estimates these. The individual performance obligations identified are realized either over a certain period of time or at a certain point in time.

The payment terms in the Mutares Group differ according to the various business models of the subsidiaries. There are generally no significant financing components and the period between the transfer of goods or services and the date of payment does not generally exceed twelve months, which means that the consideration is not adjusted for the time value of money. The Group's obligation to repair or replace defective products under the statutory warranty is recognized as a provision.

Customer tools

Contracts for first-series tools result in a separate performance obligation to the customer upon transfer of control. Revenue is recognized when control is transferred to the customer.

Customized products

Customized products are subject to revenue recognition over time if the products have no alternative use due to their specifications and have an enforceable right to payment from the customer at least in the amount of a reimbursement of the costs incurred for the services already rendered, including an appropriate profit margin. The percentage of completion is determined using the input method based on the ratio of costs incurred to planned costs. Due to detailed internal cost controlling, this method provides a true and fair view of the transfer of goods.

Provision of services

Revenue from service contracts is recognized as soon as the performance obligation has been fulfilled and the time of performance has been determined as a point in time or over time. Services over a certain period of time are recognized according to the stage of completion. If a service is not recognized over time, revenue is recognized at a point in time after control is transferred.

Rental income

The comments on leases in accordance with IFRS 16 apply analogously (see Note 53.6).

Production orders

If the transfer of control takes place during the construction phase, revenue from construction contracts with a corresponding margin is recognized over a period of time (over time). A corresponding transfer of control is assumed if, in the event of contract termination, the remuneration claim also includes an appropriate margin in addition to the costs incurred to date and there are no alternative uses for the asset created. The stage of completion is determined on the basis of the contract costs incurred for the work performed in relation to the expected contract costs (input-based method). The management is of the opinion that this input-based method provides a reasonable estimate of the stage of completion. If the remuneration claim is missing or only includes the costs incurred, revenue is only recognized upon completion of the order.

If it is probable that the total contract costs will exceed the total contract revenue, the expected loss is recognized immediately as an expense.

If the contract costs incurred up to the reporting date plus recognized profits and less recognized losses exceed the progress billings, the surplus is shown as a contract asset. For contracts in which the progress billings exceed the contract costs incurred plus recognized profits and less recognized losses, the surplus is recognized as a contract liability in the same way as amounts received prior to the provision of construction services. Invoiced amounts for services already rendered that have not yet been paid by the customer are included in the Consolidated Statement of Financial Position under trade receivables and other receivables.

The provisions of IFRS 15 are of no or only minor significance for Mutares Group in the following areas:

- Consignment warehouse
- Contract acquisition or fulfillment costs
- Principal-agent relationships
- Bill-and-hold agreements
- Repurchase agreements
- Guarantees

53.2 Income taxes Income tax expense or income represents the balance of current tax expense and deferred taxes.

Income tax expense or income represents the balance of current tax expense and deferred taxes. Current or deferred taxes are recognized either in the Consolidated Statement of Income, in other comprehensive income or directly in equity, depending on the underlying circumstances. Current or deferred taxes from the first-time recognition of a business combination are recognized as part of the accounting for the business combination.

Current taxes

The current tax expense is calculated on the basis of the taxable income for the year. Taxable income differs from the net profit for the year from the Consolidated Statement of Comprehensive Income due to expenses and income that are never taxable or tax-deductible in later years. The Group's liabilities for current taxes are calculated on the basis of the tax rates that apply or will soon apply from the perspective of the reporting date.

Deferred taxes

Deferred taxes are calculated in accordance with IAS 12 on the basis of the standard international balance sheet liability method. Under this method, deferred taxes are recognized for all temporary differences between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Statement of Financial Position as well as for tax loss carryforwards.

Deferred taxes on these calculated differences are always recognized if they lead to deferred tax liabilities. Deferred tax assets are only recognized if it is probable that the corresponding tax benefits will be realized. Deferred tax assets and liabilities are also recognized on temporary differences arising from company acquisitions, with the exception of temporary differences on goodwill, insofar as these are not taken into account for tax purposes.

Deferred taxes on so-called "outside basis differences", i.e. differences between the assets of a subsidiary recognized in the Consolidated Financial Statements and the tax base of the shares held by the Group parent company in the subsidiary, are generally taken into account (insofar as tax effects are anticipated that could result in the future from the sale of the shares or from the distribution of profits).

Deferred tax assets and liabilities are offset if the requirements of IAS 12 are met. Accordingly, they are offset if there is a legally enforceable right to offset them and if the deferred tax assets and liabilities relate to income taxes levied by the same tax authority for either the same taxable entity or different taxable entities that intend to settle on a net basis.

The tax rates for future years are used to calculate deferred taxes if they have already been legally established or the legislative process has essentially been completed. Changes in deferred taxes in the Consolidated Statement of Financial Position generally lead to deferred tax expenses or income. If items that result in a change in deferred taxes are recognized directly in equity, the change in deferred taxes is also recognized directly in equity.

53.3 Intangible assets

Goodwill

The goodwill resulting from a business combination is calculated by comparing the consideration for the acquisition and the revalued net assets of the acquired company and is reported in the Consolidated Statement of Financial Position under intangible assets.

For the purposes of impairment testing, goodwill on acquisition is allocated to those cash-generating units (or groups thereof) of the Group that are expected to benefit from the synergies of the business combination.

Cash-generating units to which a portion of goodwill has been allocated must be tested for impairment at least annually. If there are indications that a unit is impaired, it may be necessary to carry out impairment tests more frequently. If the recoverable amount of a cash-generating unit is less than the carrying amount of the unit, the impairment loss is first allocated to the carrying amount of any goodwill allocated to the unit and then pro rata to the other assets based on the carrying amounts of each asset based on the total carrying amount of the assets within the unit. The recoverable amount is the higher of value in use and fair value less costs to sell.

Any impairment loss on goodwill is recognized directly in the Consolidated Statement of Income. An impairment loss recognized for goodwill cannot be reversed in future periods.

When a cash-generating unit is sold, the amount of goodwill attributable to it is taken into account when determining the gain or loss on disposal.

The Group policy for goodwill arising on the acquisition of an associate or joint venture is described in Note 52.2.

Intangible assets acquired as part of a business combination

Intangible assets acquired as part of a business combination are recognized separately from goodwill and measured at fair value at the time of acquisition.

In subsequent periods, intangible assets acquired as part of a business combination are measured at cost less accumulated amortization and any accumulated impairment losses in the same way as intangible assets acquired separately.

Separately acquired intangible assets

Intangible assets acquired separately, i.e. not as part of a business combination, with a determinable useful life are recognized at cost less accumulated amortization and impairment losses. Amortization is recognized as an expense on a straight-line basis over the expected useful life. The expected useful life and the amortization method are reviewed at each reporting date and all changes in estimates are taken into account prospectively.

Separately acquired intangible assets with an indefinite useful life are recognized at cost less accumulated impairment losses.

Internally generated intangible assets

Internally generated intangible assets are capitalized at production cost.

In order to determine whether internally generated intangible assets can be capitalized, research and development expenses must be separated. Expenditure on research activities with the prospect of gaining new scientific or technical knowledge is recognized as an expense in the period in which it is incurred.

The recognition of internally generated intangible assets requires the cumulative fulfilment of the capitalization criteria of IAS 38: the technical feasibility of the development project and a future economic benefit from the development project must be demonstrated and the company must intend and be able to complete the intangible asset and use or sell it. Furthermore, adequate technical, financial and other resources must be available and the expenditure attributable to the intangible asset during its development must be reliably measurable.

The capitalized production costs include the costs directly attributable to the development process as well as development-related overheads. Borrowing costs that can be directly allocated to the acquisition, construction or production of a qualifying asset must be capitalized as part of the acquisition or production costs in accordance with IFRS. No qualifying assets for which borrowing costs should be capitalized were acquired or produced in the fiscal year or in the comparative period.

If a useful life can be determined, these internally generated intangible assets are amortized on a straight-line basis over their respective useful lives. Internally generated intangible assets for which no useful life can be determined or to which an indefinite useful life could be assigned have not been recognized to date.

The following useful lives were used as the basis for calculating depreciation and amortization:

	Period of use duration in years
Self-created	1 to 10
Software	1 to 10
Patents, concessions, etc.	1 to 20

Impairment of intangible assets

If there are indications of impairment and the carrying amount of intangible assets exceeds the recoverable amount, impairment losses are recognized. The recoverable amount is the higher of the fair value less costs to sell and the value in use. If the reason for an impairment loss no longer exists, the impairment loss is reversed to amortized cost. Intangible assets with an indefinite useful life and goodwill are tested for impairment once a year. In addition, a review is carried out in each period to determine whether the assessment of an indefinite useful life is still justified. Intangible assets that do not generate cash flows themselves are tested for impairment at the level of their cash-generating unit.

Derecognition of intangible assets

An intangible asset is derecognized upon disposal or when no further economic benefit is expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the income statement when the asset is derecognized. This is reported under other income or other expenses.

53.4 Property, plant and equipment

Property, plant and equipment acquired as part of a business combination
Property, plant and equipment acquired as part of a business combination are measured at fair value at the time of acquisition.

In subsequent periods, property, plant and equipment acquired as part of a business combination is measured at cost less accumulated depreciation and any accumulated impairment losses in the same way as individually acquired property, plant and equipment.

Separately acquired property, plant and equipment
Property, plant and equipment are measured at cost less accumulated depreciation, if the assets are depreciable, and impairment losses.

The cost of an item of property, plant and equipment comprises all costs directly attributable to the acquisition of the asset. Repairs and maintenance are recognized as expenses in the Consolidated Statement of Income in the fiscal year in which they are incurred. Internally generated assets are initially measured at the directly attributable production costs and production-related overheads.

Scheduled depreciation is recognized in the Consolidated Statement of Income on a straight-line basis over the estimated useful life of the asset.

Land is not depreciated according to schedule.

If significant parts of property, plant and equipment contain components with significantly different useful lives, these are recognized separately and depreciated over their respective useful lives.

Borrowing costs that can be directly allocated to the acquisition, construction or production of a qualifying asset must be capitalized as part of the acquisition or production costs in accordance with IFRS. No qualifying assets were acquired or produced in the fiscal year or in the comparative period for which borrowing costs should be capitalized.

The residual values and economic useful lives are reviewed at each balance sheet date and adjusted if necessary. The useful lives are based on estimates and are largely based on experience with regard to historical use and technical development.

Gains and losses from the disposal of assets are calculated as the difference between the proceeds from the sale and the carrying amount and recognized in profit or loss.

The following useful lives were used as the basis for calculating depreciation and amortization:

	Period of use duration in years
Buildings	10 to 50
Technical equipment and machinery	1 to 40
Operating and office equipment	1 to 25

Impairment of property, plant and equipment
If there are indications of impairment and the carrying amount of property, plant and equipment exceeds the recoverable amount, impairment losses are recognized. The recoverable amount is the higher of fair value less costs to sell and value in use. If the reason for an impairment no longer exists, the impairment loss is reversed to amortized cost. Property, plant and equipment that do not generate cash flows themselves are tested for impairment at the level of their cash-generating unit.

Derecognition of property, plant and equipment
An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from the continued use of the asset. The gain or loss arising from the sale or retirement of an item of property, plant and equipment is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognized in profit or loss.

53.5 Leasing

IFRS 16 contains a comprehensive model for identifying leases and for accounting by the lessor and lessee, which is generally applicable to all leases. A lease exists if the lessor contractually grants the lessee the right to control an identified asset for a specified period of time and the lessor receives consideration from the lessee in return.

Lessees do not distinguish between operating leases and finance leases. Instead, the lessee must recognize the right-of-use asset (RoU asset) and a corresponding lease liability for all leases. The only exceptions to this are short-term leases and leases of low-value assets, for which the payments are recognized as an expense in the Consolidated Statement of Income on a straight-line basis over the term of the lease. Mutares makes use of these practical expedients. In accordance with IFRS 16.BC100, a value limit of EUR 5,000 is used for low-value assets.

The amount of the RoU asset at the time of addition corresponds to the amount of the lease liability plus any initial direct costs incurred by the lessee. In subsequent periods, the RoU asset (with two exceptions) is measured at amortized cost until the earlier of the end of the useful life of the leased asset or the end of the lease term and depreciated on a straight-line basis.

The lease liability is measured as the present value of the lease payments relevant for measurement that are paid during the term of the lease. The incremental borrowing rate is generally used for discounting, as the interest rate on which the lease is based is generally not known to Mutares. The incremental borrowing rate is determined for each lease on a maturity-equivalent, country-specific and currency-specific risk-equivalent basis. Subsequently, the carrying amount of the lease liability is compounded using the interest rate used for discounting and reduced by the lease payments made. Changes in the lease payments generally lead to a revaluation of the lease liability against the corresponding right-of-use asset with no effect on income.

Mutares has also decided to apply IFRS 16 to other intangible assets, as permitted by IFRS 16.4. Leasing and service components are not presented separately at Mutares.

Sale and leaseback transactions are used by Mutares Group companies as an instrument to secure liquidity and finance investments. The scope and terms of sale and leaseback transactions within the Mutares Group may vary depending on the fiscal year and the company.

For lessors, the accounting treatment under IFRS 16 remains the same as under IAS 17 "Leases" with a distinction made between finance and operating leases. The list of criteria for assessing a finance lease has been adopted unchanged from IAS 17. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset. Otherwise, it is classified as an operating lease. If Mutares acts as lessor under a finance lease, a receivable is recognized in the amount of the net investment in the lease. In the case of an operating lease, Mutares recognizes the leased asset as an asset under property, plant and equipment. It is measured at amortized cost. The following useful lives were used as the basis for calculating depreciation:

	Period of use duration in years
Buildings	1 to 30
Technical equipment, machinery and vehicles	1 to 10
Operating and office equipment	1 to 20

Rental income is recognized in profit or loss on a straight-line basis over the lease term and reported under other income. As a lessor, Mutares essentially only concludes leases that are classified as operating leases.

Please refer to Note 3 for information on the discretionary decisions and estimates made in connection with leases, in particular for determining the lease term and the incremental borrowing rate.

53.6 Borrowing costs

Borrowing costs directly associated with the acquisition, construction or production of qualifying assets are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Income earned from the interim investment of borrowed capital until it is spent on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

53.7 Assets held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is only considered to be met if the non-current asset or disposal group is available for immediate sale in its present condition and the sale is highly probable. The management must be committed to a sale. It must be assumed that the disposal transaction will be completed within one year of such classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their original carrying amount and fair value less costs to sell.

In the event that the Group has undertaken to sell a subsidiary that results in a loss of control over the subsidiary, all assets and liabilities of this subsidiary are classified as held for sale if the above requirements are met. This applies regardless of whether or not the Group retains a non-controlling interest in the former subsidiary after the sale.

53.8 Inventories

Inventories are valued at the lower of acquisition or production cost and net realizable value. Acquisition costs for raw materials and supplies are calculated using the moving average. Incidental acquisition costs are also taken into account. Work in progress and internally generated finished goods are measured at production cost. In addition to the cost of materials, production and special direct production costs, production costs also include appropriate portions of the overheads attributable to production and production-related depreciation, but not borrowing costs.

Net realizable value is defined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

53.9 Financial instruments

A financial instrument is defined as a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. They include non-derivative financial instruments, such as trade receivables and payables, as well as derivative financial instruments.

Financial assets and financial liabilities are initially recognized at fair value, which generally corresponds to the transaction price. Transaction costs that are directly attributable to the acquisition or issue of the financial instrument are only included in the carrying amount to be recognized if the corresponding financial instrument is not measured at fair value through profit or loss. In the case of trade receivables, the transaction price is determined in accordance with IFRS 15. Subsequent measurement depends on the classification of the financial instruments.

Regular way purchases or sales of financial assets are generally recognized on the trade date.

Compound financial instruments comprise a mandatory convertible bond denominated in euro, which can be converted into a fixed number of shares by the bondholders at any time until final maturity. The liability component of the compound financial instrument relates to the variable conversion component and is initially recognised at the fair value of a similar liability that does not contain an option to convert it into equity.

The equity component relates to a fixed component and is initially recognised as the difference between the fair value of the compound financial instrument and the fair value of the liability component. As part of subsequent measurement, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of the compound financial instrument is carried at the value recognised on initial recognition.

53.10 Financial assets

Classification of financial assets

Financial assets include in particular:

- Trade receivables and other receivables,
- Other financial assets and
- Cash and cash equivalents

Financial assets with a term of more than twelve months are reported as non-current.

The classification of financial assets is based on the underlying business model and the cash flow criterion, according to which the contractual cash flows of a financial asset may consist solely of interest and principal repayments on the outstanding principal amount of the financial instrument. The cash flow criterion is always examined at the level of the individual financial instrument. The assessment of the business model relates to the question of how financial assets are managed to generate cash flows. The management can either be aimed at holding, selling or a combination of both.

The company classifies financial assets into one of the following categories:

- Financial assets measured at amortized cost (debt instruments)
- Financial assets measured at fair value through other comprehensive income (debt instruments)
- Financial assets measured at fair value through profit or loss

Financial assets measured at amortized cost (debt instruments)

The most significant category of financial assets for Mutares is the category of assets measured at amortized cost with regard to debt instruments. They are measured at amortized cost if the following two criteria are met:

- The business model for managing these financial instruments is geared towards holding them in order to generate the underlying contractual cash flows and
- The contractual cash flows generated from this consist solely of interest and repayment on the outstanding capital amount.

These financial assets are subsequently measured using the effective interest method and are subject to the provisions for impairment in accordance with IFRS 9.5.5ff. The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition, less principal repayments, plus accumulated amortization using the effective interest method, adjusted for impairment. At Mutares, this category mainly includes trade receivables, other assets and bank balances.

Trade receivables that are sold as part of a factoring agreement without the receivables being disposed of as part of the sale of the receivables continue to be allocated by Mutares to the “hold” business model and thus to the “amortized cost” category. Under the business model criterion, Mutares defines a sale as an actual sale that also leads to a disposal on the balance sheet. According to Mutares’ interpretation, a purely legal sale without disposal does not a sale business model within the meaning of IFRS 9. Receivables portfolios that are generally subject to the possibility of factoring with disposal of the corresponding receivables are allocated to the “hold and sell” category and measured at fair value through other comprehensive income (FVOCI).

Financial assets measured at fair value through other comprehensive income (debt instruments)

Debt instruments are measured at fair value through other comprehensive income if the following two criteria are met:

- The business model for managing these financial instruments is geared towards holding them in order to generate the underlying contractual cash flows and also towards selling them.
- The resulting contractual cash flows consist solely of interest and repayment on the outstanding capital amount.

For these financial assets, interest, foreign currency valuation effects and expenses and income in connection with impairments are recognized in the Consolidated Statement of Income. The remaining changes are recognized in other comprehensive income and reclassified to profit or loss upon disposal (recycling).

At Mutares, receivables in connection with a factoring agreement with disposal of the corresponding receivables are mainly subject to this measurement.

Financial assets measured at fair value through profit or loss

This category includes financial assets held for trading, financial instruments using the fair value option and financial assets for which measurement at fair value is mandatory. A trading purpose exists if a short-term purchase or sale is intended. Derivatives that are not part of a hedging relationship are always held for trading purposes. Financial assets that do not meet the cash flow criterion are always measured at fair value through profit or loss, regardless of the underlying business model. The same measurement applies to financial instruments that are subject to a “sell” business model.

The fair value option for financial assets is not used.

At Mutares, derivatives that are not part of a hedging relationship and securities are primarily subject to this measurement.

Any changes in the fair value of these instruments are recognized in profit or loss.

Financial assets measured at fair value through other comprehensive income without recycling (equity instruments)

Upon initial recognition of an equity instrument, Mutares has the irrevocable option to measure it at fair value through other comprehensive income. The prerequisite is that it is an equity instrument in accordance with IAS 32 that is not held for trading and is not contingent consideration within the meaning of IFRS 3. The option can be exercised separately for each equity instrument.

Mutares does not exercise the option and measures all equity instruments at fair value through profit or loss.

Impairment of financial assets

Financial assets (with the exception of financial assets measured at fair value through profit or loss and equity instruments measured at fair value through other comprehensive income), contract assets in accordance with IFRS 15, lease receivables, loan commitments and financial guarantees are subject to the impairment model within the meaning of IFRS 9.5.5, under which Mutares recognizes an impairment loss for these assets on the basis of expected credit losses. Expected credit losses result from the difference between the contractually agreed cash flows and the expected cash flows, measured at present value using the original effective interest rate. The expected cash flows also include proceeds from the sale of collateral and other loan collateral that are an integral part of the respective contract.

Expected credit losses are recognized in three stages. For financial assets for which there has been no significant increase in the default risk since initial recognition, the impairment is measured in the amount of the 12-month expected credit loss (stage 1). In the event of a significant increase in the default risk, the expected credit loss for the remaining term of the asset is determined (stage 2). Mutares generally assumes that there is a significant increase in credit risk if the asset is 30 days past due. This principle can be refuted if, in individual cases, reliable and justifiable information indicates that the credit risk has not increased. If there is objective evidence of impairment, the underlying assets are to be allocated to Level 3.

The relevant class of assets for Mutares for the application of the impairment model are trade receivables and contract assets. Mutares applies the simplified approach in accordance with IFRS 9.5.15 for these. Accordingly, the impairment is always measured in the amount of the lifetime expected credit losses.

For financial assets that are measured at fair value through other comprehensive income as debt instruments, Mutares considers all reasonable and reliable information that is available without undue cost or effort to assess a potentially significant increase in expected credit risk. This is mainly based on the associated default risk. Rating information is used for the default risk. Mutares only holds instruments for which there is a low default risk. Mutares does not currently hold any financial assets that are measured at fair value through other comprehensive income as debt instruments.

For the other assets that are within the scope of the impairment model of IFRS 9 and that are subject to the general approach, financial assets are grouped accordingly on the basis of common credit risk characteristics or individual default information is used to measure the expected losses. In each case, the calculation is based on current default probabilities as of the respective reporting date.

Mutares generally assumes a default if the contractual payments are more than 90 days overdue. In individual cases, internal or external information is also used to indicate that the contractual payments cannot be made in full. Financial assets are derecognized if there is no reasonable expectation of future payment.

53.11 Derivatives and hedging relationships

Within the Group, derivative financial instruments are used to manage risks arising from fluctuations in commodity prices and interest rates. Derivative financial instruments are initially recognized as financial assets or liabilities at fair value in the category of financial assets measured at fair value through profit or loss or financial liabilities measured at fair value through profit or loss.

Attributable transaction costs are recognized in profit or loss in the period in which they are incurred. With the exception of derivatives designated as hedging instruments to hedge cash flows as part of cash flow hedges, all derivatives are measured at fair value through profit or loss. They are reported in the Consolidated Statement of Financial Position under “Other financial assets” or “Other financial liabilities”.

The Mutares Group does not currently apply hedge accounting.

53.12 Financial liabilities

Financial liabilities regularly constitute a claim for return in cash and cash equivalents or another financial asset. These include, in particular, bonds and other securitized liabilities, trade payables, liabilities to banks and derivative financial instruments.

For the initial measurement of financial liabilities, please refer to the description of financial assets. Financial liabilities are generally measured at amortized cost using the effective interest method (“FLAC”). The effective interest rate is determined taking into account the nominal interest rate, discounts and transaction costs.

The category of financial liabilities at fair value through profit or loss (“FLFVPL”) includes all financial liabilities held for trading purposes as well as derivative instruments, provided these are not part of a hedging relationship, and financial instruments for which the fair value option (“FLFVO”) has been exercised. This measurement category includes contingent considerations in connection with business combinations.

Financial liabilities are classified as current unless the Group has an unconditional right to defer settlement of the liability to a date at least twelve months after the balance sheet date.

To increase the reliability of the information in the financial statements and to reduce the complexity of preparing the financial statements, also in connection with the measurement of embedded derivatives, financial liabilities can be irrevocably designated at fair value through profit or loss (“FVPL”) at the time of addition by exercising the fair value option. The bond issued by the company contains two embedded derivatives in the form of an early redemption right and an interest rate floor. These derivatives are treated as a compound derivative as they are subject to the same risk (IFRS 9.B4.3.4). If a component of an embedded derivative entails a separation obligation, the entire derivative must be treated as separable. Accordingly, Mutares exercises the option under IFRS 9.4.3.5 and recognizes the bond at fair value.

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The subsequent measurement of financial liabilities, which are measured by the company at fair value through profit or loss, is carried out by recognizing net gains or losses and interest expenses in profit or loss. Credit rating-induced changes in fair value are recognized by the company in other comprehensive income.

If changes in the fair value caused by factors other than changes in the default risk of the instrument or changes in the observed (reference) interest rate are not significant, the company determines the change in the fair value of exchange-traded financial liabilities since the designation date due to changes in creditworthiness as the difference between the fair value (market price) of the security and the present value of the contractual cash flows as of the reporting date. The present value of the contractual cash flows is calculated on the basis of the internal yield of the security determined at the time of designation and the reference interest rate observed externally on the reporting date.

53.13 Derecognition of financial assets and liabilities

Financial instruments are derecognized when the rights to payments have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Financial assets and liabilities are only offset if there is a right of set-off for the net amount at that time.

53.14 Treatment of reverse factoring agreements

As part of a reverse factoring agreement, the supplier and customer agree to sell existing or future trade receivables to a factoring company or financial institution.

In the case of a reverse factoring agreement, an assessment must be made at the customer level as to whether the changes to the original contractual terms of the trade payables lead to a change in the balance sheet presentation, as well as the presentation in the cash flow statement and in the Notes.

The assessment of whether a reverse factoring agreement generally leads to the derecognition of the original financial liability from deliveries and services is based on the above-mentioned general principles.

Depending on the circumstances – whether the trade payables are to be derecognized or not – recognition is reviewed in accordance with IAS 1.

Separate recognition of liabilities from reverse factoring agreements is assessed based on the factors of whether additional collateral is provided as part of the agreement that would not be provided without the agreement and whether the extent to which the terms of the liabilities that are part of the agreement differ from the terms of the company's trade payables that are not part of the agreement.

Payments from reverse factoring agreements are allocated to cash flow from operating activities in the cash flow statement if there is a trade payable. However, if the liability is not a trade payable due to its financing nature, allocation to cash flow from financing activities is appropriate.

Reverse factoring agreements are currently only of very minor importance in the Mutares Group.

53.15 Equity

Equity is defined as cash and non-cash contributions that constitute a residual interest in the assets of a company after deducting all associated liabilities. Changes in equity are shown in the Consolidated Statement of Changes in Equity.

Mutares accounts for acquired treasury shares using the par value method, according to which the nominal amount of the acquired treasury shares is deducted from the subscribed capital. In addition, the acquisition costs in excess of this amount are deducted from retained earnings.

53.16 Share-based payments

Equity-settled share-based payments to members of the Management Board or employees of the company or to members of the management or employees of affiliated domestic and foreign companies of the company (equity-settled) are measured at the fair value of the equity instrument on the grant date. The market-related performance condition relating to the share price is included in the determination of the fair value.

Cash-settled share-based payments (virtual stock options) to Management Board members are recognized as personnel expenses against liabilities and are subject to remeasurement at each reporting date and on the settlement date. Any changes in the revaluation are recognized in the income statement under personnel expenses.

Further information on share-based payments in the Mutares Group is presented in Note 32 “Conditional capital and share-based payments”.

53.17 Employee benefits

In the case of defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, whereby an actuarial valuation is carried out on each reporting date.

Remeasurements, consisting of actuarial gains and losses, changes resulting from the application of the asset ceiling and the return on plan assets (excluding interest on the net liability) are recognized directly in other comprehensive income and are therefore included directly in the Consolidated Statement of Financial Position. The remeasurements recognized in other comprehensive income are part of retained earnings and are no longer reclassified to the Consolidated Statement of Income. Past service cost is recognized as an expense when the plan amendment occurs.

The net interest is calculated by multiplying the discount rate by the net liability (pension obligation less plan assets) or the net asset value, which results if the plan assets exceed the pension obligation, at the beginning of the fiscal year. The defined benefit costs include the following components:

- Service cost (including current service cost, after service cost to be offset and any gains or losses from the plan amendment or curtailment)
- Net interest expense or income on the net debt or net asset value
- Revaluation of the net debt or net asset value

Mutares recognizes the first two components in the Consolidated Statement of Comprehensive Income. Gains or losses from curtailments are recognized as past service cost.

In May 2021, the IASB approved the IFRS IC Agenda Decision regarding the allocation of the benefit entitlement over the service period. The decision favors the calculation of the obligation for defined benefit plans with the characteristics

- the rights depend on seniority,
- the rights are capped after a certain length of service and
- the benefits are one-off payments on retirement

on the linearization of the benefit entitlement over the period between retirement minus the maximum period of service and retirement. As the French defined benefit plans have these three characteristics, Mutares is following the IFRS IC decision for these plans. Previously, the benefit entitlement was linearized over the period between joining the company and retirement. The effect of the change in the measurement method is recognized in retained earnings.

The defined benefit obligation recognized in the Consolidated Statement of Financial Position represents the current underfunding or overfunding of the Group’s defined benefit plans. Any overfunding arising from this calculation is limited to the present value of future economic benefits available in the form of refunds from the plans or reduced future contribution payments to the plans.

Payments for defined contribution plans are recognized as an expense when the employees have performed the work that entitles them to the contributions.

For short-term employee benefits (wages, sick pay, bonuses, etc.), the undiscounted amount of the benefit that is expected to be paid in exchange for the service rendered is recognized in the period in which the employee renders the service.

The expected costs of short-term employee benefits in the form of compensated absences are recognized in the case of accumulating entitlements when the work that increases the employee's entitlement to future paid absences is performed. In the case of non-accumulating entitlements, however, they are recognized at the time the absence occurs.

All personnel-related obligations that cannot be allocated to pension provisions or accruals for personnel-related obligations (personnel-related liabilities such as for unpaid leave or overtime as well as outstanding wages and salaries) are recognized in other personnel-related provisions. These include, for example, obligations for employee bonuses or on the occasion of employee anniversaries.

A liability for termination benefits is recognized if the Group can no longer withdraw the offer of such benefits or, if earlier, the Group has recognized related restructuring costs (please refer to Note 53.18).

53.18 Other provisions and contingent liabilities

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the provision.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date. The risks and uncertainties inherent in the obligation must be taken into account.

If a provision is measured on the basis of the estimated cash flows required to settle the obligation, these cash flows must be discounted if the interest effect is material.

If it can be assumed that part or all of the economic benefit required to settle the provision will be reimbursed by an external third party, this claim is capitalized as an asset if the reimbursement is virtually certain and its amount can be reliably estimated.

Special circumstances relating to the recognition of other provisions are presented below:

Litigation costs

The companies of the Mutares Group may be plaintiffs or defendants in lawsuits and other proceedings as part of their business activities. If the general recognition criteria, in particular those under IAS 37, are met, a provision is recognized for the best estimate of the cash flows expected to be required to settle the obligation and reported under other provisions. In cases where the general recognition criteria are not met, the existence of a contingent liability is examined and disclosed in the Notes to the Consolidated Financial Statements.

Warranties

Provisions for the expected expenses from warranty obligations are recognized at the time of sale of the relevant products according to management's best estimate of the expenses required to meet the Group's obligation.

Restructuring

A provision for restructuring expenses is recognized if the Group has prepared a detailed, formal restructuring plan that has raised a valid expectation in those affected that the restructuring measures will be carried out by starting to implement the plan or announcing its main components. Only the direct expenses for the restructuring are included in the measurement of a restructuring provision. These are therefore only the amounts that were caused by the restructuring and are not related to the Group's continuing operations. For liabilities from the termination of employment contracts, please refer to Note 53.17.

Impending losses
Current obligations arising in connection with onerous contracts are recognized as provisions. The existence of an onerous contract is assumed if the Group is party to a contract where the unavoidable costs of fulfilling the contract are expected to exceed the economic benefits embodied in the contract.

Contingent liabilities
A contingent liability is a possible obligation that arises from the occurrence or non-occurrence of uncertain future events and whose amount cannot be estimated with sufficient reliability. Contingent liabilities are not recognized as liabilities, but trigger disclosure requirements in the Notes to the Consolidated Financial Statements. However, contingent liabilities assumed in the context of company acquisitions are recognized as liabilities.

53.19 Government grants

Government grants, including non-monetary grants at fair value, are only recognized if there is reasonable assurance that the grant will be received:

- the company will fulfill the associated conditions, and that
- the grants are awarded.

Expense-related grants are netted against the corresponding expenses over the periods for which they are intended to compensate. Grants received as compensation for expenses already incurred or for immediate financial support, irrespective of future expenses, are recognized in profit or loss in the period in which the claim arises.

If Mutares merely pre-finances employee claims against the public sector and thus acquires a claim to reimbursement of the amounts disbursed, the payment processing is treated as a transitory item and has no effect on profit or loss. Such claims are recognized as soon as reimbursement is virtually certain.

54 Areas of the Consolidated Financial Statements affected by climate change

Risks and uncertainties resulting from climate change or the transition to a low-carbon economy could have a particular impact on the following areas of the Consolidated Financial Statements.

54.1 Assessment of the going concern forecast

IAS 1 requires the disclosure of material uncertainties relating to events or conditions that could significant doubt on the entity's ability to continue as a going concern, or of significant judgments that lead to the conclusion that there are no material uncertainties relating to the entity's ability to continue as a going concern.

Such uncertainties can be attributed to climate change or regulatory measures introduced to mitigate and adapt to climate change. Among other things, the introduction of laws that have a direct impact on a company's business model or lead to increased compliance costs can significantly jeopardize its ability to continue as a going concern.

The Group uses various instruments to assess the going concern assumption with regard to climate risks. Firstly, the results of the due diligence of potential portfolio companies on physical and transitory climate risks are already known at the time of acquisition of the portfolio companies. These results provide the necessary information as to whether there are material uncertainties with regard to events or conditions that cast significant doubt on the company's ability to continue as a going concern after an acquisition. Furthermore, an assessment of the going concern assumption with regard to climate risks is carried out regularly and on an ad hoc basis. Regular assessments of the going concern assumption are derived from the Group's risk management system, including the risk early warning system in accordance with Section 91 (2) AktG.

Event-driven assessments of uncertainties due to climate change can result from (1) the identification of new legislation, (2) a change in the business model of a portfolio company and (3) progressive impacts of climate change of a physical nature, which, in the event of an event, could cast significant doubt on the company's ability to continue as a going concern.

On this basis, there are no known material uncertainties that could cast significant doubt on the Group's ability to continue as a going concern.

54.2 Impairment of non-financial assets

The impact of climate-related risks could be an indicator of impairment, e.g. a significant decline in demand for products or services or new regulations that have a negative impact on a company. Such factors could also affect the estimated cash flows used in determining the recoverable amount of an asset or group of assets.

Climate-related aspects are also taken into account when estimating the recoverable amount, as these may also provide an indication of a necessary impairment. Depending on the business model, climate change and its various effects can give rise to a business risk with a potentially significant impact on a company's future cash flows. Climate- and environment-related developments can affect future cash flows in a variety of ways, e.g. on revenue, current payments and investment payments. The following circumstances, among others, are of significance:

If customers increasingly demand more sustainable products and services, this can lead to changes in revenue and growth. For example, a decline in demand for products that emit greenhouse gases or whose production is greenhouse gas intensive could indicate that a production facility that can only manufacture these products could be impaired. Activities that are seen as potentially damaging to the environment can lead to reputational damage and loss of customers, as well as impairing the value of brands, trademarks and other intangible assets.

Similarly, the introduction of new laws or regulations could cause a company to reassess the profitability of a product line or impose new costs in the future, which could trigger the need to test the affected assets for impairment.

New environmentally friendly technologies can significantly affect a company's competitiveness and lead to higher investments for the development or acquisition of equivalent technologies.

The (physical) effects of climate change (e.g. rising temperatures, rising sea levels, increasing extreme weather events and similar events) can lead to higher insurance or maintenance expenses, among other things, or even call into question the suitability of certain operating locations. Voluntary climate commitments that the company has entered into, such as the absolute reduction of CO_2 emissions over a defined time horizon, can also influence the estimated cash flow and be an indicator of impairment.

54.3 Change in recognition, useful life or residual value of assets

Factors related to climate change can indicate that an asset may become physically unusable or commercially obsolete sooner than previously expected. In addition, the expected timetable for replacing existing assets may be shortened. If climate-related risks are significant, concerns about recoverability may mean that the criterion (in IAS 16.7 for property, plant and equipment and in IAS 38.21 for intangible assets) that costs should only be recognized as an asset if it is probable that future economic benefits will flow to the entity is not met. The adaptation of a company's business activities to aspects of addressing climate change could also lead to additional research and development activities that require an examination of the criteria for recognition as intangible assets in accordance with IAS 38.57.

The (scheduled) depreciation and amortization of property, plant and equipment and intangible assets is determined on the basis of the estimated useful lives of assets. These are reviewed regularly and changes (including those resulting from climate-related aspects) are taken into account by adjusting depreciation and amortization. If Mutares considers decommissioning certain assets earlier than originally planned for climate-related reasons, this is taken into account in the depreciation and amortization for the fiscal year (and subsequent periods) by changing the useful lives.

54.4 Impairment of financial assets

Climate-related events, such as floods and hurricanes, can affect the creditworthiness of borrowers due to business interruption, impact on economic strength, asset value and unemployment. In addition, the solvency of borrowers could be affected if they operate in industries that are not considered climate-friendly or sustainable and are therefore under increased pressure. If a significant climate-related event has occurred, the impact of this event on trade receivables is assessed as of the reporting date.

54.5 Assets measured at fair value

The fair value measurement requirements of IFRS 13 apply to a wide range of assets and liabilities, both for measurement purposes and for disclosures in the notes. These include assets or cash-generating units that are tested for impairment on the basis of fair value less costs to sell, as well as the initial measurement at fair value of assets acquired in a business combination. The broad scope of the requirements of IFRS 13 could mean that the impact of climate-related risks on fair values could also become significant for companies whose business activities are not directly affected by the obvious risks of climate change.

54.6 Provisions, contingent liabilities and onerous contracts

The pace and intensity of climate change as well as accompanying political and regulatory measures can have an impact on the recognition, measurement and disclosure of provisions, contingent liabilities and onerous contracts. The recognition and measurement of provisions naturally also take into account expectations of climate-related events, for example by including obligations resulting from expectations of changes in (regulatory) framework conditions. Contingent liabilities are not recognized as liabilities, but trigger disclosure requirements in the Notes to the Consolidated Financial Statements. This naturally also applies to those arising from climate risks.

54.7 Disclosure of significant discretionary decisions and estimates

If assumptions relating to the effects of climate change or the transition to a low-carbon economy entail a significant risk that they will lead to a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year, information about the assumptions must be disclosed in accordance with IAS 1.125. This includes longer-term assumptions for which there is a risk that significant changes will have to be made within the next fiscal year. This also includes longer-term assumptions where there is a risk that significant changes will have to be made within the next year. For a better understanding of the financial statements, it may also be necessary to disclose other uncertainties that are not expected to require a material adjustment within one year. However, in accordance with IAS 1.125, these disclosures must be clearly separated from those uncertainties that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next fiscal year. In applying the company's accounting policies, the management is required to make various judgments that could have a significant effect on the amounts recognized in the financial statements. Such discretionary decisions are disclosed in accordance with IAS 1.122

54.8 Realization of deferred tax assets

Climate-related factors can lead to a reduction in estimated future taxable profits. In this respect, climate-related aspects are also taken into account when forecasting future taxable profits.

54.9 Additional taxes or other charges

Additional taxes or other levies could be introduced as fiscal policy measures to promote the reduction of carbon dioxide emissions. Any tax liabilities must be recognized if the obligation is triggered by law (in accordance with IFRIC 21) and all effects on income taxes must be included in the accounting in accordance with IAS 12.

54.10 Net realizable value of inventories

The net realizable value of inventories could be affected by climate-related factors. A distinction must be made between inventories held for resale and inventories held for production.

The selling price of inventories held for resale may fall due to climate-related factors, meaning that the net realizable value may be lower than the carrying amount. Using the example of automotive parts, a climate-related reduction in the selling price can result from the fact that they hinder the transition to a carbon-neutral economy and demand falls either due to changes in market behavior or changes in legal regulations.

The net realizable value of inventories used for production can fall due to increased costs of completion. This can lead to an increase in completion costs due to climate-related bottlenecks in the procurement of raw materials. Furthermore, weather events such as heavy rainfall and flooding can lead to damage to inventories. If, in such cases, the acquisition or production costs of inventories can no longer be realized, they must be written down to their net realizable value in accordance with IAS 2.

54.11 Government grants

Governments may increasingly provide state subsidies and other forms of government support for companies to promote the transition to a low-carbon economy in line with the government's commitments to reduce greenhouse gas emissions. Government grants for the implementation of production and or building-related energy efficiency measures can be used and, depending on the type of grant and conditions, could fall within the scope of IAS 20.

54.12 Overall statement on areas of the Consolidated Financial Statements affected by climate change

Based on the explanations in Note 54, the overall conclusion is that no material areas of the Consolidated Financial Statements will be affected by climate change in fiscal year 2024. The management therefore does not currently expect climate risks to have any material impact on the business model or on the presentation of the asset, financial and earnings position in the Consolidated Financial Statements.

Approval of the financial statements
These Consolidated Financial Statements were approved and released for publication by the Managing Board of Mutares Management SE as the General Partner of Mutares SE & Co. KGaA on May 19, 2025.

Munich, May 19, 2025

Mutares Management SE,
General Partner of Mutares SE & Co. KGaA

The Management Board

Robin Laik   Mark Friedrich   Johannes Laumann   Dr. Lennart Schley

APPENDIX 1: SCOPE OF CONSOLIDATION AND LIST OF SHAREHOLDINGS

Direct investments/holding companies	Seat	Share in % 12/31/2024	Share in % 12/31/2023
Ferral United GmbH	Frankfurt	100	100
HILO Group GmbH	Bad Wiessee	100	100
Bonaparte Holding S. A. S.	Paris / FR	100	100
Kuljettava Oy (formerly: ShelCo 288 Oy)	Helsinki / FI	100	–
Mouse Holding S. A. S.	Paris / FR	100	100
Mutares Holding Italy 1 S. r. l.	Milan / IT	100	100
Mutares Holding Italy 2 S. r. l.	Bad Wiessee	–	–
mutares Holding-02 AG	Bad Wiessee	100	100
mutares Holding-03 AG	Bad Wiessee	100	90
mutares Holding-07 GmbH	Bad Wiessee	90	90
mutares Holding-14 GmbH	Bad Wiessee	100	100
mutares Holding-21 AG	Bad Wiessee	100	100
mutares Holding-25 GmbH	Bad Wiessee	100	100
mutares Holding-26 GmbH	Bad Wiessee	90	90
mutares Holding-30 AG i. L.	Bad Wiessee	100	100
mutares Holding-33 GmbH	Bad Wiessee	100	100
mutares Holding-35 GmbH	Bad Wiessee	100	100
mutares Holding-36 GmbH	Bad Wiessee	100	100
mutares Holding-38 GmbH	Bad Wiessee	90	90
mutares Holding-39 GmbH	Bad Wiessee	90	90
mutares Holding-40 GmbH	Bad Wiessee	85	85
mutares Holding-41 GmbH	Bad Wiessee	100	100
mutares Holding-42 GmbH	Bad Wiessee	90	90
mutares Holding-45 GmbH	Bad Wiessee	90	90
mutares Holding-46 GmbH	Bad Wiessee	100	90
mutares Holding-47 GmbH	Bad Wiessee	100	90
mutares Holding-48 GmbH	Bad Wiessee	90	90
mutares Holding-49 GmbH	Bad Wiessee	100	87
mutares Holding-50 GmbH	Bad Wiessee	91	91
mutares Holding-51 GmbH	Bad Wiessee	100	100
mutares Holding-53 GmbH	Bad Wiessee	90	90
mutares Holding-54 GmbH	Bad Wiessee	100	100
mutares Holding-55 GmbH	Bad Wiessee	90	90
mutares Holding-56 GmbH	Bad Wiessee	90	90
mutares Holding-57 GmbH	Bad Wiessee	90	90
mutares Holding-58 GmbH	Bad Wiessee	90	90
mutares Holding-60 GmbH	Bad Wiessee	90	90
mutares Holding-62 GmbH	Bad Wiessee	100	90
mutares Holding-63 GmbH	Bad Wiessee	90	100
mutares Holding-64 GmbH	Bad Wiessee	100	100
mutares Holding-65 GmbH	Bad Wiessee	90	100
mutares Holding-66 GmbH	Bad Wiessee	90	100
mutares Holding-67 GmbH	Bad Wiessee	90	100
mutares Holding-68 GmbH	Bad Wiessee	90	100
mutares Holding-69 GmbH	Bad Wiessee	90	100
mutares Holding-70 GmbH	Bad Wiessee	90	100
mutares Holding-71 GmbH	Bad Wiessee	100	100
mutares Holding-72 GmbH	Bad Wiessee	90	100
mutares Holding-73 GmbH	Bad Wiessee	100	100
mutares Holding-75 GmbH	Bad Wiessee	100	100
mutares Holding-76 GmbH	Bad Wiessee	100	100
mutares Holding-77 GmbH	Bad Wiessee	100	100
mutares Holding-78 GmbH	Bad Wiessee	100	100
mutares Holding-79 GmbH	Bad Wiessee	100	100
mutares Holding-80 GmbH (formerly: PFMB Acquisition GmbH)	Bad Wiessee (formerly: Munich)	100	100
mutares Holding-82 GmbH	Bad Wiessee	100	–
mutares Holding-83 GmbH	Bad Wiessee	100	–
mutares Holding-84 GmbH	Bad Wiessee	100	–
mutares Holding-85 GmbH	Bad Wiessee	100	–
mutares Holding-86 GmbH	Bad Wiessee	100	–
mutares Holding-87 GmbH (formerly: RM 22042 Vermögensverwaltungs GmbH)	Bad Wiessee	100	–
mutares Holding-88 GmbH (formerly: Blitz 24-122 GmbH)	Bad Wiessee	–	–
mutares Holding-89 GmbH	Bad Wiessee	100	–
mutares Holding-90 GmbH	Bad Wiessee	100	–
mutares Holding-91 GmbH	Bad Wiessee	100	–
mutares Holding-92 GmbH	Bad Wiessee	100	–
mutares Holding-93 GmbH	Bad Wiessee	100	–

Direct investments/holding companies	Seat	Share in % 12/31/2024	Share in % 12/31/2023
mutares Holding-India GmbH (formerly: mutares Holding-81 GmbH)	Bad Wiessee	100	–
MuxTec India Consulting Pvt. Ltd	Mumbai / IN	100	–
PM Gold Acquisition AB (formerly: Goldcup 35552 AB)	Stockholm / SE	100	–
PP Acquisition B.V.	Amsterdam / NL	100	–
Mutares Management SE [1]	Munich	100	30
Mutares Verwaltungs GmbH	Bad Wiessee	100	100
MUK H-1 Limited	London / UK	100	–
MuxTec GmbH	Munich	100	100
PA Acquisition GmbH (formerly: RM 22045 Vermögensverwaltungs GmbH)	Munich	100	–
PM Acquisition GmbH (formerly: Blitz 24-123 GmbH)	Munich	100	–
Slide Copypaper S.r.l. (formerly: Elina S.r.l.)	Milano / IT	100	–
Slide S.r.l. (formerly: Turchina S.r.l.)	Milano / IT	100	–

National companies	Seat	Share in % 12/31/2024	Share in % 12/31/2023
Mutares France S.A.S	Paris / FR	100	100
Mutares Austria GmbH	Vienna / AU	100	100
Mutares Benelux B.V.	Amsterdam / NL	100	100
Mutares Consulting Services Middle East Limited	Dudbai / UAE	100	–
Mutares India Private Ltd.	Mumbai / IN	100	–
Mutares Italy S.r.l.	Milan / IT	100	100
Mutares Iberia SL	Madrid / ES	100	100
Mutares Management Consulting (Shanghai) Co., Ltd.	Shanghai / CN	100	–
Mutares Nordics AB	Stockholm / SE	100	100
Mutares Nordics Oy	Vantaa / FN	100	100
Mutares Poland sp. z.o.o.	Czestochowa / PL	100	100
Mutares Services SRL	Cluj / RO	100	–
Mutares UK Limited	London / UK	100	100
Mutares US Inc.	Chicago / US	100	–

Indirect investments: Operating units/subgroups	Seat	Share in % 12/31/2024	Share in % 12/31/2023
Amaneos Group			
Amaneos SE	Frankfurt a.M.	100	100
CIKAUTXO Rubber & Plastic Components (Kunshan) Co., Ltd.	Kunshan / CN	100	–
DF-Elastomer Solutions LDA	Mindelo / PT	100	100
Elastomer Solutions Maroc SARL	Tanger / MA	100	100
Elastomer Solutions Mexico S.R.L. de C.V.	Fresnillo / MX	100	100
Elastomer Solutions s.r.o.	Belusa / SK	100	100
Elastomer Solutions GmbH	Wiesbaum	100	100
Light Mobility Solutions GmbH	Obertshausen	100	100
MoldTecs US LLC	Willmington / US	100	100
MoldTecs-01-2022 GmbH	Bad Harzburg	100	100
MoldTecs Brazil Limitada (Ltda.)	Indaiatuba / BR	100	100
MoldTecs G.K.	Yokohama / JP	100	100
MoldTecs GmbH	Bad Harzburg	100	100
MoldTecs Korea Limited Company (Yuhan Hoesa)	Wonju / KOR	100	100
MoldTecs Mexiko S.d.r.l.d.c.v.	Mexiko Stadt / MX	100	100
MoldTecs S.A.S.	Laval Cedex / FR	100	100
MoldTecs Trading India Pvt. Ltd	Bangalore / IN	100	100
SFC Solutions Germany GmbH	Mannheim	100	100
SFC Solutions Italy S.R.L.	Cirié / IT	100	100
SFC Solutions Automotive France S.A.S.	Charleval / FR	100	100
SFC Solutions Automotive Marocco SARL	Tanger / MA	100	100
SFC Solutions Automotive Romania SRL	Dirmanesti / RO	100	100
SFC Solutions Czestochowa Sp.z.o.o.	Czestochowa / PL	100	100
SFC Solutions France S.A.S.	Rennes / FR	100	100
SFC Solutions India Fluid Private Ltd.	Chengalpattu / IN	100	100
SFC Solutions India (Sealing) Private Limited	Dehli / IN	100	100
SFC Solutions Piotrkow sp. z.o.o.	Piotrków / PL	–	100
SFC Solutions Spain Borja SL	Borja / ES	100	100
Shanghai MoldTecs Trading Co., Ltd.	Shanghai / CN	100	100

Indirect investments: Operating units/subgroups	Seat	Share in % 12/31/2024	Share in % 12/31/2023
Alcura			
Alcura France S.A.S	Le Poinçonnet/FR	100	–
Alterga			
Alterga S.A (formerly: Eltel Energetyka S.A.)	Olsztyn/PL	100	–
Alterga Engineering S.A (formerly: Eltel Engineering S.A.)	Krakow/PL	100	–
Byldis			
Byldis Deutschland GmbH (formerly: Blitz D23-66 GmbH)	Munich (formerly: Düsseldorf)	100	–
Byldis Facades B.V.	Veldhoven/NL	100	100
Byldis Group B.V.	Amsterdam/NL	100	100
Byldis Prefab B.V.	Veldhoven/NL	100	100
Byldis UK Limited	London/UK	100	100
Clecim			
Clecim S.A.S.	Savigneux/FR	100	100
Conexus			
Conexus S.p.A.	Roma/IT	100	100
Donges Group			
Donges SteelTec GmbH	Darmstadt	100	100
Kalzip Asia Pte. Ltd.	Singapore	100	100
Kalzip France S.A.S.	Magny-Le-Hongre/FR	100	100
Kalzip Free Zone Establishment (FZE)	Dubai/UAE	100	100
Kalzip GmbH	Koblenz	100	100
Kalzip Inc.	Valparaiso/US	100	100
Kalzip India Private Ltd.	Gurgaon/IN	100	100

Indirect investments: Operating units/subgroups	Seat	Share in % 12/31/2024	Share in % 12/31/2023
Kalzip Limited	Merseyside/UK	100	100
Kalzip Spain S.L.U.	Madrid/ES	100	100
Smart Curtain Wall S.A	Madrid/ES	100	100
Efacec			
Efacec Algérie EURL	Hydra/DZ	100	100
Efacec Angola Ltda.	Luanda/AO	98	98
Efacec Central Europe SRL	Bucarest/RO	100	100
Efacec Chile S.A	Santiago de Chile/CL	100	100
Efacec Contracting Central Europe GmbH	Vienna/AU	100	100
Efacec Electric Mobility S.A.	Porto/PO	100	100
Efacec Energia – Maquinas e Equipamentos Electricos S.A	Porto/PT	100	100
Efacec Engenharia e Sistemas S.A.	Porto/PO	100	100
Efacec Engenharia e Sistermas (Chile) SpA	Santiago de Chile/CL	100	100
Efacec Equipos Electricos S.L.U.	Tarragona/ES	100	100
Efacec India Pvt. Ltd	Maharashtra/IN	100	100
Efacec Marketing Internacional S.A.	Porto/PO	100	100
Efacec Maroc SARL AU	Casablanca/MA	100	100
Efacec Mosambique LDA	Maputo/ZA	100	100
Efacec Power Solutions Argentina S.A.	Buenos Aires/AG	100	99,95
Efacec Power Solutions PT	Porto/PT	100	100
Efacec Praha s.r.o.	Prag/CZ	100	100
Efacec Servicos Corporativos S.A.	Porto/PT	100	100
Efacec USA Inc.	Norcross/US	100	100
EFAMULTI AB	Sweden/SE	67	100
S2M Dublin Light Rail Limited	Clondalkin/IR	51	51
XELA AB	Malmö/SE	67	67
Fasana			
FASANA GmbH	Euskirchen	100	100

Indirect investments: Operating units /subgroups	Seat	Share in % 12/31/2024	Share in % 12/31/2023
FerrAl United Group			
BEW-Umformtechnik GmbH	Rosengarten	88	88
CIMOS "TMD Automobilka indusrija" d.o.o.	Gradačac / BA	100	100
CIMOS BUZET Ltd.	Buzet / CR	100	100
Cimos d.d.	Koper / SI	100	100
Cimos LJEVAONICA ROC d.o.o.	Roc / HR	100	100
CIMOS IP d.o.o.	Koper / SI	100	100
Falkenroth Umformtechnik GmbH	Schalksmühle	100	100
Ferral United France S.A.S.	Paris / FR	100	100
Gesenkschmiede Schneider GmbH	Aalen	100	100
Jeco-Jellinghaus GmbH	Gevelsberg	100	100
JECO Forging Bosna Novi Travnik BA	Novi Travnik / BH	100	–
KmB Technologie GmbH	Zerbst / Anhalt	100	–
Laval WI S.C.I	Laval / FR	100	100
Livnica Kikinda A.D.	Kikinda / RS	92	92
LIVNICA KIKINDA AUTOMOBILSKA INDUSRIJA d.o.o.	Kikinda / RS	100	100
MMT-B S.A.S.	Blanquefort / FR	100	100
Offranville WI S.C.I	Laval / FR	100	100
P.P.C. Buzet Ltd.	Buzet / CR	100	100
PrimoTECS S.P.A.	Avigliana / IT	100	100
Rasche Holding GmbH	Plettenberg	100	100
Rasche Umformtechnik GmbH & Co. KG	Plettenberg	100	100
Schöneweiß & Co. GmbH	Hagen	100	100
Selzer Automotive Bosnia d.o.o.	Rajlovačka / BH	100	100
Selzer Automotive do Brasil Limitada (Ltda.)	Sao Paulo / BR	100	100
Selzer Automotive RO SRL	Sudet Bihor / RO	100	100
Selzer Automotive Systems Co., Ltd.	Kunshan / CN	100	100
Selzer Fertigungstechnik GmbH & Co. KG	Driedorf	100	100
Selzer Holding-GmbH (formerly:mutares Holding-74) GmbH	Bad Wiessee	100	100
Selzer International GmbH	Driedorf	100	100
Selzer Systemtechnik GmbH	Driedorf	100	100
Selzer Verwaltungsgesellschaft GmbH	Driedorf	100	100
Suzhou Walor Automotive Components Co., Ltd.	Suzhou / CN	100	100
Toucy WI S.C.I	Laval / FR	100	100
Walor Extrusion S.A.S.	Laval / FR	100	100
Walor International S.A.S.	Laval / FR	100	100
Walor LCF S.A.S.	Le chambon-Feugerolles / FR	100	100
Walor Lege S.A.S.	Legé / FR	100	100
Walor North America Inc. (formerly: Hirschvogel Inc.)	Columbus / US	100	–
Walor RO SRL	Sfantu Gheorge / RO	100	100
WALOR Vöhrenbach GmbH	Vöhrenbach	100	100
Walormex S.R.L. de C.V.	Irapuato / MX	100	100
Ganter Group			
FSL Ladenbau GmbH	Westerstede	100	–
FSL Project GmbH	Westerstede	100	–
Ganter Interior GmbH (formerly: Ganter Constructions & Interior GmbH)	Waldkirch	100	–
Ganter Italia S.r.l.i.l	Merano / IT	100	100
Ganter Suisse AG	Schenkon / CH	100	1
Gemini Rail und ADComms			
Alan Dick Communications Limited	Scunthorpe / UK	100	100
Gemini Rail Services UK Limited	Wolverton / UK	100	100
IPS Communications Ltd. i.L.	Scunthorpe / UK	100	100
Gläserne Molkerei			
Gläserne Molkerei GmbH	Dechow	100	100
Gläserne Molkerei Münchehofe GmbH	Münchehofe	100	100
Hofmolkerei Münchehofe GmbH	Münchehofe	100	100

Indirect investments: Operating units/subgroups	Seat	Share in % 12/31/2024	Share in % 12/31/2023
GoCollective, ReloBus			
BusDan 32. 1 A/S	Kastrup/DN	100	100
BusDan 32.2 ApS (formerly: BusDan 42 ApS)	Kastrup/DN	100	100
BusDan 39 ApS	Kastrup/DN	100	100
BusDan 40 ApS	Kastrup/DN	100	100
BusDan 44 ApS	Kastrup/DN	100	–
Dan Captive Insurance A/S	Kastrup/DN	100	100
GoCollective Bus A/S (formerly : GoCollective A/S)	Kastrup/DN	100	100
GoCollective Bus Service A/S	Kastrup/DN	100	–
GoCollective Holding A/S	Kastrup/DN	100	–
GoCollective Rail A/S	Kastrup/DN	100	100
GoCollective Rail Service A/S (formerly :GoCollective Service A/S)	Kastrup/DN	100	100
RailDan 35 ApS (formerly : BusDan 35 ApS)	Kastrup/DN	100	100
RELOBUS Transport Polska sp. z.o.o.	Torun/PL	100	100
UCPLUS A/S	Skovlunde/DN	100	100
Greenview Group			
Bel-Air Services (NI) Limited	Newtown Abbey/UK	100	–
BI Electrical Services (NI) Limited	Newtown Abbey/UK	100	–
Central Heating Services Limited	London/UK	100	–
Electrical Services Southern Limited	London/UK	100	–
Greenview Gas Limited	Carryduff/UK	100	–
Greenview Group Holdings Limited	Carryduff/UK	100	–
Guascor Energy			
Guascor Energy R&D SAU.	Miñano/ES	100	100
Guascor Energy S.A.U.	Zumaia/ES	100	100
Guascor Power USA Inc.	New York/US	100	100

Indirect investments: Operating units/subgroups	Seat	Share in % 12/31/2024	Share in % 12/31/2023
HILO Group			
High Precision Components Witten GmbH	Witten	100	100
Innomotive Systems Hainichen Co., Ltd.	Nanjing/CN	100	100
Innomotive Systems Hainichen GmbH	Hainichen	100	100
Innomotive Systems Romania S.R.L	Cluj/RO	100	100
KICO GmbH	Halver	100	100
KICO Kunststofftechnik GmbH	Halver	100	100
KICO Sistemas Mexico S.R.L. de C.V.	El Marques/MX	100	100
KICO-Polska sp. z.o.o.	Swiebodzin/PL	100	100
Prinz Kinematics (Shenyang) Co., Ltd.	Shenyang/CN	100	–
WST Kinematics Bulgaria EOOD	Pyce/BU	100	–
Prinz Kinematics GmbH	Stromberg	100	–
Keeeper Group			
keeeper GmbH	Hille	100	100
keeeper sp. z.o.o.	Bydgoszcz/PL	100	100
La Rochette			
La Rochette Cartonboard S.A.S.	La Rochette/FR	100	100
La Rochette Holding S.A.S.	Paris/FR	100	100
Lapeyre Group			
Azur Production S.A.S.	Courbevoie/FR	100	100
Cougnaud S.A.S.	Aizenay/FR	100	100
Distrilap S.A.S.	Aubervillieres/FR	100	100
Entreprise Cordier S.A.S.	Magenta/FR	100	100
Gam S.A.S.	Cours/FR	100	100
Giraud Productions S.A.S.	Cours/FR	100	100
HAVLA S.A.S	Montivilliers/FR	100	–
Lagrange production S.A.S.	La Magdelaine Sur Tarn/FR	100	100
Lapeyre Holding S.A.S.	Paris/FR	100	100

Indirect investments: Operating units/subgroups	Seat	Share in % 12/31/2024	Share in % 12/31/2023
Lapeyre S.A.S	Paris/FR	100	100
Lapeyre Services S.A.S.	Aubervilliers/FR	100	100
Les Menuiseries du Centre S.A.S	Ydes/FR	100	100
Ouest Production S.A.S.	La Chaize Giraud/FR	100	100
Poreaux et Cie S.A.S.	Saint-Martin-sur-le-pré/FR	100	100
Rodrigues S.A.S.	Limonest/FR	100	100
Societe Pastural & Cie S.A.S.	Epernay/FR	100	100
Matikon			
Matikon s.r.o. (formerly: fischer automotive systems s.r.o.)	Ivanovice na Hané/CZ	100	–
Matikon automotive systems (Taicang) Co. Ltd. (formerly: fischer automotive systems (Taicang) Co. Ltd.)	Taicang/CH	100	–
Matikon KD Jagodina (formerly: fischer automotive systems Jagodina KD)	Kočino Selo/CZ	100	–
Matikon GmbH & Co. KG (formerly: fischer automotive GmbH & Co. KG)	Horb am Neckar	100	–
Matikon America Inc. (formerly: fischer automotive America Inc.)	Auburn Hills/US	100	–
Matikon Verwaltungs GmbH (formerly: fischer automotive Verwaltungs GmbH)	Horb am Neckar	100	–
Matikon General Partner DOO (formerly: fischer automotive systems General Partner DOO)	Kocino Selo/CZ	100	–
Natura			
Natura sp. z.o.o.	Łódź/PL	100	–
Natura Marketing sp. z.o.o.	Błonie/PL	100	–
Cosmly sp. z.o.o.	Łódź/PL	100	–
NEM Energy Group			
Balcke-Dürr GmbH	Düsseldorf	100	100
Balcke Dürr Energy Solutions S.p.A.	Genoa/IT	100	100
NEM Energy B.V.	Zoeterwourde/NL	100	100
Wuxi Balcke-Dürr Technologies Co., Ltd.	Wuxi/CN	100	100

Indirect investments: Operating units/subgroups	Seat	Share in % 12/31/2024	Share in % 12/31/2023
Palmia			
Palmia Oy	Helsinki/FI	100	100
Palmia Palvelut Oy	Helsinki/FI	100	100
Peugeot Motocycles			
Jinan QingQi Peugeot Motocycles Co., Ltd.	Jinan/CN	50	50
DBMC S.A.S	Mandeure/FR	80	80
Peugeot Motocycles S.A.S	Mandeure/FR	80	80
Peugeot Motocycles Deutschland GmbH	Rüsselsheim	100	100
Purple Holding S.A.S.	Paris/FR	100	100
PMTC Engineering Italia S.r.l.	Roma/IT	100	100
Prénatal			
Moeder en Kind B.V.	Amersfoort/NL	100	100
Wij Special Media B.V.	Blokker/NL	100	100
REDO			
Redo Oy	Vantaa/FN	100	100
Serneke			
Serneke Sverige AB	Göteberg/SE	100	–
Serneke Entreprenad AB	Göteberg/SE	100	–
Serneke Sprinkler AB	Göteberg/SE	100	–
Serneke Malmberg Entreprenad AB	Göteberg/SE	50	–
Trollhättans Bygg & Industritjänst AB	Göteberg/SE	100	–
Sofinter Group			
AC Boilers Egypt SAE	Cairo/EG	98	–
AC Boilers S.p.A.	Milano/IT	100	–
Ansaldocaldaie Boilers India Pvt. Ltd	Chennai/IN	26	–
Centro Combustione Ambiente S.p.A.	Milano/IT	40	–
Europower S.p.A.	Milano/IT	100	–
Itea S.p.A.	Gallarate/IT	100	–

Indirect investments: Operating units/subgroups	Seat	Share in % 12/31/2024	Share in % 12/31/2023
Macchi Romania SRL	Drobeta-Turnu Severin / RO	100	–
Nova Energy Holding S.r.l. (formerly: Novacchio S.r.l.)	Milano / IT	51	51
Sofinter LLC	Houston / US	90	–
Sofinter S.p.A.	Milano / IT	100	–
Ditne S.C.A.R.L.	Bridinsi / IT	2	–
New International Technology WLL	Doha / QR	19	–
Steyr Motors Group			
Steyr Motors AG (formerly: Mutares Austria Holding-01 GmbH)	Steyr / AT	71	100
Stuart			
SRT Delivery Portugal S.A.	Lisbon / PT	100	100
SRT France S.A.S.	Paris / FR	100	100
SRT Group S.A.S.	Paris / FR	100	100
SRT Italy S.r.l.	Milano / IT	100	100
Stuart Delivery Limited	London / UK	100	100
Stuart Delivery SL	Madrid / ES	100	100
Stuart Polska sp. z.o.o.	Warsow / PL	100	100
Stuart Urban SL	Madrid / ES	100	100
Temakinho			
Temakinho S.r.l.	Milano / IT	100	–
Terranor			
Terranor A/S	Silkeborg / DN	100	100
Terranor AB	Stockholm / SE	100	100
Terranor Infra AB	Solna / SE	100	100
Terranor Norvia AB (formerly: Wilda Transport och Entreprenad AB)	Huddinge / SE	100	–
Terranor Oy	Helsinki / FI	100	100
Terranor Signa Sverige AB	Solna / SE	100	–
Terranor Verte Oy	Helsinki / FI	100	100

[1] The company is an associated company and is not included in accordance with the principle of materiality.

ASSURANCE OF THE LEGAL REPRESENTATIVES

To the best of our knowledge, and in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the asset, financial and earnings position of the Group, and the Combined Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Munich, May 19, 2025

Mutares Management SE,
General Partner of Mutares SE & Co. KGaA

The Management Board

Robin Laik | Mark Friedrich | Johannes Laumann | Dr. Lennart Schley

INDEPENDENT AUDITOR'S REPORT

To Mutares SE & Co. KGaA, Munich/Germany

Report on the audit of the consolidated financial statements and of the combined Management Report

Audit Opinions

We have audited the consolidated financial statements of Mutares SE & Co. KGaA, Munich/Germany, and its subsidiaries (the Group) which comprise the consolidated balance sheet as at 31 December 2024, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from 1 January to 31 December 2024, and the notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the combined management report for the parent and the group of Mutares SE & Co. KGaA, Munich/Germany, for the financial year from 1 January to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of the combined corporate governance statement pursuant to Sections 289f and 315d German Commercial Code (HGB), including the statement pursuant to Section 161 German Stock Corporation Act (AktG) on the German Corporate Governance Code included therein, and the separate consolidated non-financial report pursuant to Section 315b (3) HGB, to which reference is made in section 6.3 of the combined management report. In addition, we have not audited the content of the subsections "Internal control system" and "Statement on the appropriateness and effectiveness of the risk management system and internal control system" contained in section 7.1 of the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter "IFRS Accounting Standards") as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2024 and of its financial performance for the financial year from 1 January to 31 December 2024, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the above-mentioned combined corporate governance statement including the statement pursuant to Section 161 AktG included therein, of the above-mentioned separate consolidated non-financial report and of the subsections "Internal control system" and "Statement on the appropriateness and effectiveness of the risk management system and internal control system" contained in section 7.1 of the combined management report.

Pursuant to Section 322 (3) sentence 1 German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following we present the key audit matters we have determined in the course of our audit:

1. Accounting for business combinations

2. Recoverability of non-current assets within the scope of IAS 36

Our presentation of these key audit matters has been structured as follows:

a) description (including reference to corresponding information in the consolidated financial statements)

b) auditor's response

1. Accounting for business combinations

a) In the financial year, Mutares SE & Co. KGaA acquired a total of 13 businesses and/or groups of businesses. The overall purchase price totalled mEUR 40.2. Mutares accounts for business combinations in accordance with IFRS 3 (Business Combinations).

The acquired companies are included in the scope of consolidation when control within the meaning of IFRS 10 is obtained. The assets, liabilities and contingent liabilities of the acquired companies recognised at fair value in the context of the acquisition are determined and allocated by Mutares in the scope of the purchase price allocation with the support of external valuation specialists. The determined fair values result from measurements that have been calculated based on the executive directors of Mutares SE & Co. KGaA's planning at the respective acquisition dates using maturity-linked discount rates, leading to a bargain purchase gain totalling mEUR 279.4 from these business combinations in the reporting year. Without these bargain purchase gains, the consolidated result for the year 2024 would have amounted to mEUR –739.5. Furthermore, goodwill of mEUR 84.3 was stated in the context of the business combinations conducted in the reporting period.

The business combinations were of particular importance in our audit due to the complexity of the transactions and the assumptions and judgemental estimates made by the executive directors in carrying out the purchase price allocation, as well as the related risk of material misstatement of the assets, liabilities, financial position and financial performance of the Group.

The disclosures of the executive directors of the parent company on initial consolidations and concerning the total bargain purchase gains realised in the financial year 2024 are contained in section B (note 5) and section C (note 7) of the notes to the consolidated financial statements.

b) In conducting our audit we first obtained an understanding of the processes and workflows implemented by the executive directors in respect of the company transactions. In addition, we examined whether Mutares SE & Co. KGaA has obtained control at the respective acquisition dates, and must therefore consolidate the acquired company in question, based on the purchase agreements and other agreements under company law in accordance with the criteria defined in IFRS 10 (Consolidated Financial Statements). In auditing the (preliminary) purchase price allocations, we evaluated the methodological approach of the executive directors and of their external valuation specialists regarding the identification of acquired assets, liabilities and contingent liabilities, as well as the conceptual design of the measurement models taking account of the requirements under IFRS 3. We used the results obtained by the consulted external valuation specialists, taking into account their competency, capabilities and objectivity. Supported by our in-house valuation specialists, we obtained an understanding of the measurement methods applied by considering especially the requirements of IFRS 13 (Fair Value Measurement). The assumptions and judgemental estimates, such as, in particular, growth rates, capital costs or residual useful lives, made for determining the fair values of the identified acquired assets, liabilities and contingent liabilities at the acquisition date, were assessed by us for acceptability together with the used data. We analysed the assumptions and estimates so as to determine in particular whether they complied with general and/or industry-specific market expectations. For this purpose, we recalculated the models underlying the measurements, performed plausibility checks on the future expected cash flows used and compared the assumptions and/or estimated values underlying the determined fair values with assumptions and expectations of expert external market participants that were publicly available at the acquisition date. We critically reviewed the company transactions and the reasons for the bargain purchase gains realised in individual cases, requesting comprehensive explanations from the executive directors. Moreover, we evaluated whether the recognition and presentation of the initial consolidations including the non-controlling interest and contingent liabilities from earn-out agreements in the consolidation system was technically appropriate.

We also audited the disclosures on the business acquisitions in the notes to the consolidated financial statements for completeness and accuracy based on the applicable IFRS requirements.

2. Recoverability of non-current assets within the scope of IAS 36

a) The consolidated financial statements as at 31 December 2024 of Mutares SE & Co. KGaA state non-current assets comprising in particular intangible assets of mEUR 327.1, of which goodwill of mEUR 90.7, as well as property, plant and equipment of mEUR 1,168.4 and right-of-use assets of mEUR 471.5. These assets are tested for impairment when there are indications that the assets may be impaired as at the end of the reporting period. Cash-generating units to which goodwill has been allocated are tested for impairment annually without the need for any impairment indicator. As a rule, the individual group companies are defined as cash-generating units provided that this is in compliance with the requirements of IAS 36. Otherwise, the delimitation is made at another appropriate level.

As part of the impairment tests, the future cash flows expected based on the corporate planning of the executive directors of the individual group companies approved by the executive directors of Mutares SE & Co. KGaA and acknowledged by the supervisory board are discounted using a discounted cash flow method. Depending on the cash-generating unit, the planning horizon is three to five years. The planning is carried forward using industry and country-specific growth rates. Discounting is made using the weighted average cost of capital of each cash-generating unit.

As it depends to a large extent on the executive directors' assessment of future cash flows, the specific growth rates and the weighted average cost of capital, the result of their valuation is subject to uncertainty and judgement. For this reason and because of the complexity of the valuation procedure, we classified the recoverability of non-current assets within the scope of IAS 36 as key audit matter in our audit.

The disclosures of the executive directors of Mutares SE & Co. KGaA on non-current assets within the scope of IAS 36 are contained in section A (note 3) and section D (notes 16, 17 and 18) as well as in section H (note 53) of the notes to the consolidated financial statements.

b) In our audit, we initially obtained an understanding of the processes implemented by the executive directors for corporate planning at the level of the group companies and for testing the recoverability of the non-current assets as well as of the accounting-related controls. We evaluated the design of identified controls relevant to the audit. Moreover, we evaluated whether the determination of the respective cash-generating units is in compliance with the rules of IAS 36.

Calling in our in-house valuation specialists, we reviewed the performance of impairment tests by the executive directors and where the executive directors made estimates we evaluated the methods applied, assumptions made and data used for acceptability. In this context, we also examined whether the valuation procedure applied is methodically and arithmetically appropriate. Concerning the estimated future cash flows included in the valuation, we made reconciliations with the corporate planning approved by the executive directors of Mutares SE & Co. KGaA and acknowledged by the supervisory board.

Furthermore, we evaluated the expected future cash flows used in the calculation procedure, including the underlying material assumptions, for plausibility using up-to-date macroeconomic and industry-specific market data. In the process, we made a comparison with market expectations available to us and obtained extensive explanations from the executive directors on material value drivers on which the expected cash flows are based. Concerning the discount rates that were applied, we dealt with the parameters used for determining them, reviewed each calculation and verified their appropriateness by making own calculations. In addition, for selected cash-generating units we conducted own sensitivity analyses by calling in our in-house valuation specialists.

We assessed the corresponding disclosures in the notes to the consolidated financial statements for completeness and accuracy.

Other Information

The executive directors and/or the supervisory board are responsible for the other information. The other information comprises

- the report of the supervisory board,
- the combined corporate governance statement including the statement pursuant to Section 161 AktG,
- the separate consolidated non-financial report,
- the subsections “Internal control system” and “Statement on the appropriateness and effectiveness of the risk management system and internal control system” contained in section 7.1 of the combined management report,
- the executive directors’ confirmations pursuant to Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB regarding the consolidated financial statements and the combined management report, and
- all other parts of the annual report, which is expected to be presented to us after the date of this auditor’s report,
- but not the consolidated financial statements, not the audited content of the disclosures in the combined management report and not our auditor’s report thereon.

The supervisory board is responsible for the report of the supervisory board. The executive directors, the shareholder committee and the supervisory board are responsible for the statement according to Section 161 AktG concerning the German Corporate Governance Code, which is part of the combined corporate governance statement. Otherwise the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited content of the disclosures in the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Group.

- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or of the business activities within the Group, which serves as a basis for forming audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and inspection of the audit procedures performed for the purposes of the group audit. We remain solely responsible for our audit opinions.

- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the Audit of the Electronic Reproductions of the Consolidated Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA256: 9f50cb078f2c6898c2227c7de44e8dabd4d5879614995196de1dfd24b66a3fa1, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the consolidated financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying combined management report for the financial year from 1 January to 31 December 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the consolidated financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the "Group Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our audit firm has applied the requirements of the IDW Quality Management Standards on the system of quality control.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the parent are responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements according to Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the parent are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Audit of the ESEF Documents
Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited combined management report.
- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further Information Pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the general meeting on 4 June 2024. We were engaged by the supervisory board on 19 December 2024. We have been the group auditor of Mutares SE & Co. KGaA, Munich/Germany, without interruptions since the financial year 2011.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter – use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as with the audited ESEF documents. The consolidated financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

German Public Auditor responsible for the Engagement

The German Public Auditor responsible for the engagement is Wolfgang Braun.

Munich/Germany, 19 May 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:	Signed:
Dirk Bäßler	Wolfgang Braun
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

FINANCIAL CALENDAR 2025

April 29, 2025	Publication of Q1 results
July 2, 2025	Annual General Meeting
August 12, 2025	Publication of half-year report
November 13, 2025	Publication of Q3 results
November 24–26, 2025	Deutsches Eigenkapitalforum

ir.mutares.com/en/#finanzkalender

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General partner: Mutares Management SE
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Management Board: Robin Laik (Chairman), Mark Friedrich, Johannes Laumann, Dr. Lennart Schley
Chairman of the Supervisory Board: Dr. Kristian Schleede

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