DEUFOL

ANNUAL REPORT 2024

REMOVING YOUR SUPPLY CHAIN LIMITS.

Overview of the Deufol Group

Figures in € m	2024	2023	± (%)
Results of operations			
Total sales	309.1	294.0	5.1
Germany	206.3	196.4	5.0
Rest of the World	102.8	97.6	5.3
Ratio of foreign sales (%)	33.3	33.2	0.2
EBITDA	34.8	46.1	−24.5
EBIT	13.0	16.6	−21.7
EBT	7.4	11.3	−34.9
Income tax expenses	−3.0	−4.1	−28.3
Result for the period	4.4	7.2	−38.7
thereof noncontrolling interests	0.5	0.6	−23.1
thereof shareholders of the parent company	3.9	6.5	−40.3
Earnings per share (€) [1]	0.460	0.763	−39.7
Assets structure			
Noncurrent assets	205.7	201.3	2.2
Current assets	71.0	70.3	1.0
Balance sheet total	276.7	271.6	1.9
Equity	129.0	128.6	0.3
Liabilities	147.7	142.9	3.3
Equity ratio (%)	46.6	47.4	−1.6
Net financial liabilities	81.3	72.5	12.2
Cash flow/investments			
Cash flow from operating activities	27.3	35.5	−23.0
Cash flow from investing activities	−8.2	−4.9	67.2
Cash flow from financing activities	−21.4	−33.3	−35.7
Investments in fixed assets	−9.5	−5.8	64.6
Employees			
Employees (average)	2,335	2,203	5.7
Personnel costs	−115.4	−106.5	8.3

1) Restatement of the previous year’s earnings per share as per IAS 33 item 64; see disclosures in Notes (09) → page 076 and (20) → page 088

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The indicators in this report have been rounded according to standard commercial practice. In individual cases, rounding may mean that the figures in this report will not exactly add up to the indicated total amount and that percentages cannot be precisely calculated on the basis of the stated figures.

The Deufol Group is committed to equal treatment and neutral reporting and communication.

SHAPING THE FUTURE

ADAPTING TO CUSTOMER AND MARKET NEEDS

Deufol stands for long-term value creation and sustainable growth. The key to our success is our ability to continually adapt to changing market and customer requirements. By specifically tailoring our services to our partners' needs, we develop innovative solutions that address current challenges while also unlocking new potential. This allows us to create a supply chain that is resilient, fit for the future and adaptable to change.


VAN HAAGEN
SPECIAL CRANES
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DEUFOL
INDUCTION

Foreword by the Managing Directors

Shaping the Future Together: Transformation and Sustainability Take Center Stage

Dear shareholders and business partners,
Dear colleagues,

The year 2024 was challenging for Deufol, but also a year in which we took important steps to set the course for our future. As we continue our systematic transformation into a global end-to-end supply chain provider, we are confronted with an increasingly tough market environment. Rising costs, economic uncertainties and volatile conditions dominated the fiscal year. Nevertheless, we held our position in the market and continued to push ahead with our strategic initiatives.

Despite challenging market conditions, we achieved further growth and made significant progress in key areas. Our consistent focus on **standardization, digitalization and sustainability** is boosting the Company's resilience and paves the way for long-term success – even under difficult conditions.

Key achievements in 2024:

- € 15.1 million or 5.1 % increase in sales
- EBIT of close to € 13.0 million despite higher personnel and operating costs
- Progress with our sustainability initiatives, including a successful EcoVadis rating (54 / 100 points) and our first carbon footprint calculation for the German companies
- Strategic expansion of locations in Poland and the US, despite challenging investment conditions
- Investing in the future: introduction of new digital control tools to boost the efficiency of our supply chain processes

Removing Limits: From Vision to Reality

Although 2024 did not fulfil all of our economic expectations, we remain resolute in our outlook for the future. Based on scalability, flexibility and sustainable growth, our long-term strategy remains our key guiding principle. To this end, we made significant investments in 2024, which are also reflected in our earnings. It is our stated aim to address the global challenges faced by our customers with innovative and integrated supply chain solutions. Our vision of a fully digital, efficient and sustainable supply chain for the mechanical and plant engineering sector is taking shape.

Key drivers of this development are our focus projects, which specifically promote the standardization of processes. The projects establish a scalable growth platform and leverage synergies across the entire value chain. Thanks to their consistent implementation, we have reduced redundancies, increased process stability and improved the way we manage our global logistics networks. These efforts help us achieve operational excellence and lay the groundwork for our long-term expansion into new markets.

Sustainability as a Guiding Principle

Alongside the strategic development of our business model, the topic of sustainability also played a special role in 2024. We conducted our first double materiality assessment, which identified seven key priority topics. These topics have been incorporated into our management objectives and form the basis for our long-term sustainability strategy.

Another milestone was the successful EcoVadis rating of our German companies, which Deufol completed with an impressive 54 out of 100 points and a “Committed” badge. Additionally, we also completed the first carbon footprint calculation for our German companies. The year 2022 serves as the baseline for our future initiatives, and in 2023 we reduced our carbon footprint by more than 16 % compared to this. Thanks to the analysis we have performed and the knowledge we have gained, we now have a roadmap for implementing more focused sustainability initiatives and further reducing our environmental impact in the future.

Optimizing logistical processes is an important step towards lowering our carbon footprint. Our new heavy cargo handling facility at the Port of Dortmund plays a part in making heavy cargo transport more efficient and channelling more traffic through waterways. As well as reducing emissions, this also optimizes supply routes for our customers.

Driving Growth Through Collaboration and Innovation

Without the commitment and ingenuity of our employees, we would not have achieved the level of success we have. Regular dialogue with our customers, partners and internal teams has played a key role in the strategic development of our services and in our delivery of new solutions that meet our customers’ supply chain challenges.

Outlook for 2025

Looking ahead to 2025, our forecasts reflect our cautious view of the global economic and political situation, particularly in the USA and Germany. While market developments remain difficult to predict, our established go-to-market strategy and our constantly evolving scalable growth platform have created a solid foundation that safeguards our economic stability even in volatile times. To ensure our long-term success, we will continue to focus on sustainable growth and on further process optimization.

We would like to take this opportunity to thank all our employees, customers and partners who accompany us on this journey. Together, we will continue to advance Deufol's position as a global, sustainable and innovative supply chain expert.

Yours sincerely,






The Managing Directors
Dennis Hübner (CEO), Ebrahem Al Kadari, Jürgen Hillen,
Detlef W. Hübner, Marc Hübner, Jürgen Schmid

Report of the Administrative Board

In the following report, the Administrative Board provides notice of its key activities in fiscal year 2024. Deufol SE is managed by its Administrative Board ("one-tier system"), which determines the basic profile of its activities and monitors their implementation by the managing directors. The key areas of the Administrative Board's management, supervisory and advisory activities, the audit of the annual and consolidated financial statements, relationships with associates and changes to the executive bodies are commented on below.

The Administrative Board has performed the duties assigned to it by law as well as the Articles of Association and the by-laws. It has managed the Company, determined the basic profile of its activities and monitored their implementation by the managing directors. The Administrative Board was directly involved in all decisions of fundamental importance for the Company. This is based in particular on a detailed catalog of transactions requiring the prior approval of the Administrative Board, which is contained in the by-laws for the managing directors.

During the reporting period, the managing directors informed the Administrative Board, both verbally and in writing, of all relevant issues concerning the Company's position and material business transactions. The Administrative Board received a monthly report consisting of a current income statement, balance sheet and cash flow statement for the Group as well as overviews of the development of sales, operating results and other indicators for the individual subsidiaries together with target/actual comparisons and corresponding prior-period figures. The Administrative Board regularly submitted questions to the managing directors on the basis of these data, which the managing directors then answered accordingly.

The Administrative Board received up-to-date reports on the course of business and any particularly noteworthy matters. There was frequently a comprehensive exchange of opinions between the Administrative Board and the managing directors on these issues. In addition, the members of the Administrative Board maintain regular verbal and written contact with the managing directors.

Meetings of the Administrative Board

The Administrative Board considered the reports of the managing directors and other decision papers at a total of five meetings and also in frequent electronic and telephone conversations and discussed them in detail with the managing directors.

In six cases, resolutions were adopted outside meetings. These urgent decisions, which could not be delayed until a regular Administrative Board meeting, were preceded by an in-depth exchange of information by e-mail, telephone, video conference and/or at hybrid meetings. At one out of the five meetings held, one Administrative Board member excused themselves from attending. Otherwise, all of the members of the Administrative Board attended all of its meetings.

Key Topics of Discussion

In the period under review, the Board of Directors' discussions with the managing directors focused on the current sales and results of operations in the individual business segments and companies, particularly those outside Germany, the Group's future direction in terms of its go-to-market strategy, and the tax optimization of the Group structure.

Particular attention was paid to the US business and its future direction, as well as the Company's transformation into an end-to-end provider. Other topics of discussion included the compliance structure, investments and strategic IT issues.

Audit of the Single-Entity and Consolidated Financial Statements

In accordance with the resolution adopted by the Annual General Meeting on June 27, 2024, and the subsequent audit engagement issued by the Administrative Board, the annual financial statements for the fiscal year from January 1 to December 31, 2024, prepared by the managing directors in accordance with the German Commercial Code (HGB) and the combined management report and Group management report of Deufol SE were audited by Votum AG, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Frankfurt am Main. The auditor issued an unqualified audit opinion.

The consolidated financial statements of Deufol SE were prepared in accordance with the International Financial Reporting Standards as stipulated by section 315e of the German Commercial Code. The auditor issued the consolidated financial statements and the combined management report and Group management report with an unqualified audit opinion.

All documents relating to the annual financial statements, including the combined management report and Group management report, the managing directors' proposal for the appropriation of net profit and the audit reports issued by the auditor, were presented to the Administrative Board. The Administrative Board examined these documents and discussed them in the presence of the auditors. The Administrative Board concurred with the results of the audit and, based on the results of its own examination, did not raise any objections. On April 29, 2025, the Administrative Board endorsed the annual financial statements and the consolidated financial statements of Deufol SE for 2024. The annual financial statements have thus been approved. The Administrative Board also approved the managing directors' proposal for the appropriation of net profit.

The managing directors have also compiled a report regarding the Company's relationships with associates and presented this to the Administrative Board together with the audit report produced by the auditor. The auditor has issued the following audit opinion for the report:
"In accordance with our due audit and assessment, we confirm that

1. the factual information in the report is correct,
2. for the legal transactions stated in the report the Company's performance was not inappropriately high or disadvantages were balanced out,
3. in respect of the measures stated in the report, there are no factors suggesting an assessment significantly different from that of the managing directors."

Within the framework of its own audits of the report regarding the Company's relationships with associates, the Administrative Board has determined that no objections are applicable and agrees with the auditors' findings.

Hofheim, April 29, 2025

For the Administrative Board
Detlef W. Hübner
Chairman

SCALABLE GROWTH PLATFORM

THE KEY TO GLOBAL SUCCESS

Our strategy is based on a scalable growth platform that combines operational efficiency with flexibility. Thanks to standardization and digitalization, we are raising the bar in the global supply chain business. As a result, we are in a position to provide optimal service to existing markets while systematically expanding into new regions. These efforts are driven by our focus projects, which eliminate redundancies and create structures conducive to sustainable and accelerated growth.


WALLMANN&CO
WALLMANN&CO

Operational Principles of the Group

Organizational Structure and Business Fields

Structure of the Deufol Group

The Deufol Group, together with its key subsidiaries and investments, is a global end-to-end supply chain service provider. Our range of services extends from industrial packaging, inbound and outbound logistics, transport optimization and warehousing to related digital services. Based in Hofheim am Taunus, Deufol SE, the Group's parent company, holds direct and indirect interests in the operating companies that conduct business in the various countries and regions.

As of the 2024 balance sheet date, Deufol SE's scope of consolidation included 42 direct and indirect subsidiaries – thereof 16 located in Germany and 26 abroad. Thanks to our international hub strategy, we offer our customers end-to-end services along the entire value chain, optimize processes and provide seamless integration of logistics workflows. Our strategic market presence boosts our competitiveness, while offering our customers reliable and globally scalable solutions tailored to their specific needs.

Please see the "Facts & Figures" chapter on page → 122 for a summary of our operationally active investments and their corporate structure.

Organization and Management

Deufol SE operates as a European company (Societas Europaea, SE), using a one-tier management system with the Administrative Board acting as a uniform management body. The managing directors are responsible for implementing the strategic guidelines and overseeing the operational business in line with the Group-wide corporate objectives.

As a management holding company, Deufol SE focuses on strategic management, process standardization and the global scaling of our services. This includes the ongoing development of our go-to-market strategy, the continuous improvement of our Group-wide hub structure and the optimization of digital processes to provide customers with transparent and efficient supply chain solutions. Deufol SE is also responsible for the development of the "Deufol" brand and develops Group-wide standards and tools along with digital solutions for transaction processing.

In addition, this area of responsibility includes acquiring and retaining strategic customers and partners across the Group as well as managing the respective business relationships, making appointments to management positions and controlling the flow of capital and liquidity within the Group.

The site managers independently manage the operational business processes in their regions with due regard to local market conditions. Their management activities are based on strategic targets and regular analyses within the extended management team of the Deufol Group. Furthermore, internal corporate governance guidelines define approval requirements for investments exceeding a certain financial threshold.

Strategic Business Fields

Forming the basis of our growth strategy, the four central service areas are geared towards the standardization, digitization and sustainability of our services:

Packaging and Logistics

The Packaging and Logistics service area remains our core business and the centerpiece of our end-to-end supply chain strategy. Combining customized packaging solutions with digitalized logistics processes, we optimize our customers' value chains and generate efficiency gains throughout the entire supply chain. Our global hub strategy allows for more efficient management of the flow of goods, reduces transport mileage and improves the tracking and security of deliveries.

Alongside traditional export and industrial packaging, we are continuously expanding our range of supplementary services to include in-house logistics solutions, on-site material management and warehousing options. Our integrated approach allows us to precisely tailor our solutions to our customers' individual requirements and thus meet the growing demands of the market. We actively contribute to the optimization of global supply chains by providing standardized packaging solutions that are both resource- and cost-efficient. Moreover, we analyze and continuously optimize our customers' processes, so that we can take specific measures to identify and realize potential time, materials and cost savings.

Production

This service area within the Deufol Group combines the development, standardization and production of packaging materials with a specific focus on sustainability and efficiency. Our approach centers on providing our customers with innovative packaging solutions that guarantee the highest quality and safety, while also contributing to the reduction of resource consumption and costs.

Individual and series production, which is utilized both for direct application within our packaging solutions and for sales to third parties, plays a central role in this area. It is our goal to facilitate continuous value creation through optimized production. To this end, we pursue three key guiding principles: the smooth integration of our packaging processes into our customers' supply chains, the reduction of unit and process costs through automation and standardization and the sustainable and resource-efficient use of raw materials through innovative manufacturing technologies and the use of environmentally friendly materials.

Thanks to the systematic employment of modern production methods, such as CAD-supported packaging planning and digital simulation models, we make precise adjustments to individual customer needs and drive continuous improvement. As a result, we minimize packaging waste while maximizing the quality and efficiency of our solutions.

We utilize individual and series production in this service area, in order to achieve optimum results for our customers within the scope of the packaging process and for sales to third parties. Ultimately, we thus pursue three different objectives: seamless processes, reduced unit and process costs and the sustainable use of raw materials, while conserving resources.

IT Services

Our IT Services provide solutions for the seamless control, analysis and optimization of complex supply chains. At the heart of our digital transformation is the Deufol Supply Chain Solution (D-SCS), which offers comprehensive real-time process monitoring capabilities.

Thanks to automated analyses, AI-supported forecasts and smart data management, we create transparency and offer predictive control of logistical processes. This allows our customers to respond more quickly to market changes, minimize risks and make their supply chain more efficient.

Beyond this, we use cloud-based applications and mobile solutions that integrate seamlessly with existing ERP and TMS systems. Continuous development of our software solutions ensures that our customers always benefit from the latest technological advances and can continuously improve their business processes.

A further key area of our IT Services is the continuous advancement of data security and compliance standards to ensure that our customers can count on maximum reliability and protection of sensitive information. Through IoT-powered supply chain monitoring, we provide solutions that offer precise control over the condition and location of goods throughout the entire transportation process. On top of this, our automated reporting and analysis tools allow for comprehensive performance evaluation and systematic optimization of logistics processes.

This innovative approach makes Deufol a leading provider of digital solutions for complex supply chain challenges.

Real Estate

Optimizing our global network of locations plays a key role in our growth strategy. Selective investments in warehousing space, strategic hubs and transportation routes give our customers ever closer access to international markets, while increasing the efficiency of logistical processes.

Our locations adjacent to ports and at central logistics hubs offer additional flexibility, shortening delivery times, reducing transport costs and preventing bottlenecks in global supply chains. We pursue a coherent sustainable approach that involves optimizing our real estate structure to make it more energy-efficient and reduce the impact of unnecessary transportation on the environment.

Taking a comprehensive approach to real estate, we create economic benefits while helping our customers accelerate the achievement of their own sustainability goals. Global outbound hubs, such as our expanded location in Houston, Texas, optimize distribution and reduce sea freight capacities, improving overall logistics efficiency.

Locations of the Deufol Group

Global Presence Means Maximum Customer Proximity

As a global end-to-end supply chain expert, we pursue an international location strategy that provides the best possible support to our customers and optimizes efficiency along the entire supply chain. Our locations serve as strategic hubs through which we can provide flexible and cost-effective services tailored to our customers' needs and projects. This means that sales are generated in the same place where our services are provided – a decisive factor that ensures proximity to our customers and effective control of logistical processes.

In Germany, we operated a total of 48 locations as of December 31, 2024, which generated 66.7 % of Group sales. Our European presence comprises 31 operational facilities in Belgium, France, Italy, Austria, the Czech Republic, Slovakia, Hungary and Poland. In Poland, we opened a new location in Opole in 2024, a strategic move that underscores the expansion of our hub network. We also offer additional services through strategic partnerships in the Netherlands.

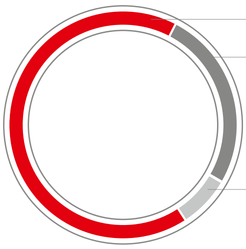
Europe

Germany	48
Rest of Europe	31

Additionally, we continued to expand our activities in North America, notably by stepping up our outbound hub strategy. Apart from our established locations in the United States, we have developed our hub in Houston, Texas, to integrate additional satellites. This hub provides warehousing, consolidation and optimized transportation solutions for the North American market and improves strategic supply to the Americas from Europe. A further customers' location is also being expanded in Franklin where, last year, we handled all of the packaging needs of a major customer, opened a new logistics center and continuously expanded our business activities. This structure allows our customers to make their logistics planning more flexible, avoid unnecessary maritime shipments and reduce transportation costs. All in all, Deufol operates nine locations in the USA.

External sales by region

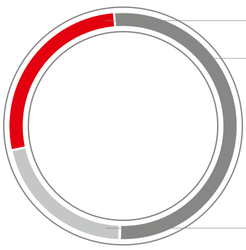
Figures in € m



206.3	Germany
79.7	Rest of Europe
23.1	USA/Rest of the World

Assets by region

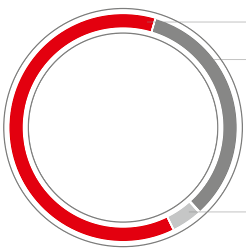
Figures in € m



75.0	Germany
143.7	Rest of Europe
58.0	USA/Rest of the World

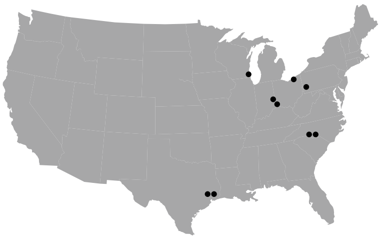
Employees by region

Deufol Group as of the reporting date



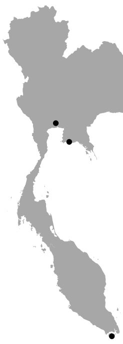
1,434	Germany
789	Rest of Europe
99	USA/Rest of the World

Number of locations



USA

USA	9



Thailand and Singapore

Thailand	2
Singapore	1

China

China	2

In Asia, we continue to focus on a dedicated network. Aside from our own location in Singapore, we offer specialized packaging and logistics solutions through our joint venture in Yantai, China. Moreover, we operate a franchise solution based in Suzhou (China) that further extends our global reach. We also expanded our presence in Thailand through the establishment of Deufol Döhle Projects (DDP). The focus of DDP Thailand is on regional EPC (engineering, procurement and construction) projects in the Southeast Asian market. On the whole, our strategic partnerships allow us to provide customer-oriented solutions in the dynamic markets of Asia.

Our global presence is complemented by the continuous expansion of our hub strategy, designed to further improve efficiency, sustainability and cost optimization in our customers' global supply chains.

Region-Oriented Segment Structure → Notes 40, 41

As in the previous year, our regional segment structure is made up as follows:

- Germany
- Rest of Europe
- USA / Rest of the World

This transparent regional structure ensures efficient strategic control, process harmonization and sustainable expansion of our services, as well as efficient coordination of our international locations. The management and reporting structure is organized accordingly. This global approach helps us create a high-performance, customer-oriented and future-proof supply chain infrastructure.

Competitive Situation

Strong Market Position and Flexibility in a Dynamic Environment

The Deufol Group operates in a volatile market environment that is affected by geopolitical uncertainties, fluctuating energy costs and multiple challenges facing global supply chains. Despite these headwinds, our scalable growth strategy, digital innovations and loyal customer base are proving resilient, putting us in a strong market position.

While energy and commodity prices have stabilized compared to previous years, fluctuations and ongoing inflation trends remain a relevant issue. Wood and packaging material prices have largely returned to normal levels. However, the shortage of skilled labor remains a challenge, which we are addressing with specific investments in automation and process standardization.

Fluctuating freight rates and regional capacity bottlenecks continue to shape the global transport market. This is where our hub strategy plays a crucial role as it allows our customers to exert more flexible and efficient control over their supply chains. The option of storing components in our strategically located hubs and sending them in batches reduces transportation costs and dependency on volatile maritime freight capacities.

Our digital transformation and increased use of planning tools offers our customers significant added value when it comes to optimizing their processes. Continuous development of our IT services allows for more precise planning and control of complex supply chains – a decisive competitive advantage in a market that is increasingly data-driven.

Regional diversification of our locations and our comprehensive service portfolio underpin our competitiveness in the long term. Thanks to our strong presence in Germany and Europe, and our growing activities in the USA and Asia, we are in a position to quickly respond to market developments. Our expansion in North America and the development of our Asian partnerships are specific measures designed to secure our market position in the long term.

Another distinguishing feature is the close integration of our end-to-end supply chain solutions with sustainability initiatives. Thanks to our combination of resource-efficient packaging solutions, optimized transport routes and digital control tools, we contribute to the reduction of carbon emissions and help our customers to achieve their own sustainability goals with optimum efficiency.

Our consistent adaptability, strong market position and digital innovation support profitable growth, the expansion of our market share and the development of new business fields, even in a challenging environment. Continuous expansion of our range of services and adaptation to changing market requirements ensures that we remain a reliable partner for our global customers in the future.

Research and Development

No Conventional Research Expenditure

As an integrated supply chain service provider, we focus on continuous optimization and customer-oriented innovation rather than conventional research and development expenditure. Our development activities are geared towards engineering customized solutions for specific market requirements and efficiently integrating new technological possibilities into existing processes.

A key component of our innovation strategy is working closely with our customers to analyze individual challenges and implement innovative solutions. This approach is clearly reflected in the continuous development of our digital applications, packaging designs and process automation. A good example for this is Deufol ConPAL/DS-BOX, our tried-and-tested standard pallet and box system, which offers our customers greater flexibility and supports optimized delivery processes.

Another important element is our internal training and development program. To promote these efforts, we opened the Deufol Academy in Dortmund in February 2024. The program underscores our long-term growth strategy and secures the Company’s innovative strength.

In addition to the ongoing development of existing products, we are increasingly focusing on data-driven process optimization, the future use of AI in supply chain management and resource-efficient packaging technologies. Thanks to these strategic approaches, we can continuously improve our own processes, while also creating sustainable, value-adding solutions for our customers.

Sustainability as a Strategic Guideline

Sustainability as an Integral Part of Our Business Model

At Deufol, sustainability is not just an isolated goal, it is a fundamental component of our end-to-end supply chain strategy. In 2024, we significantly stepped up our sustainability efforts, establishing transparent management goals and strategic guidelines to optimize the ecological, social and economic aspects of our business on a long-term basis.

A key milestone was the completion of our first double materiality assessment, which identified seven key priority topics. These topics were evaluated at different levels of ambition and integrated into our future strategy as sustainable management goals. This has given us a clear basis for measuring the effectiveness of our sustainability efforts.

Another important step was the calculation of our Scope 1 and 2 carbon footprint in Germany for the base year 2022 and the following year 2023. For the first time, we are now in a position to carry out a detailed analysis of our direct and indirect emissions. On the basis of this data, we can take specific measures to further reduce our ecological footprint. In the first year alone, we achieved a significant improvement, particularly in Scope 2 – our emissions fell by a total of 16 % year-on-year, primarily thanks to the switch to green electricity. Our long-term goal is to make a substantial contribution to the decarbonization of the supply chain through energy-efficient processes, optimized transport routes and sustainable packaging solutions.

Through our “Go Green” initiative, we are consistently expanding our range of sustainable packaging concepts. We are increasing the share of reusable packaging elements, integrating more recyclable materials and optimizing material mixtures to minimize environmental pollution. One example is our ongoing research into reducing the amount of wood in packaging materials as a way to cut down on resource consumption and reduce the risk of pest infestation. At the same time, we are exploring new ways to advance the recycling economy and minimize packaging waste.

Alongside the development of innovative packaging solutions, we are also focusing on optimizing our hub and transport strategies. Bundling delivery flows more effectively at our strategic outbound hubs allows us to make significant cuts to the consumption of transport resources, resulting in a noticeable reduction of our environmental impact. Our hub structure contributes to shorter transport routes, more efficient use of maritime freight capacities and lower carbon emissions. This is a crucial step towards the sustainable transformation of global supply chains.

Another important subject is our first EcoVadis rating in 2024, which provided us with a clear picture of the state of our sustainable business practices. The initial valuation in 2024 only included the German companies. A comprehensive international valuation of the entire Deufol Group is planned for 2025. In the first rating, we achieved an impressive 54 out of 100 points, earning us the "Committed" badge. This positive rating validates our strategic direction and demonstrates that our social and environmental measures are producing visible results. We are using the feedback from the platform and our own efforts to derive appropriate measures for improving and further expanding our good results for the upcoming rating.

Looking to the future, we are focusing on linking digitalization and sustainability. Our digital solutions allow us to use resources more efficiently, make processes more transparent and minimize material consumption. As well as contributing to our own sustainability goals, this also helps our customers address their environmental and economic challenges with greater efficiency.

With sustainability consistently anchored in our business processes, we actively contribute to reducing environmental pollution and create added value for our customers and partners. Our strategy is designed to establish an environmentally and economically sustainable supply chain that ensures long-term competitiveness and responsible use of resources.

Our actions send a clear signal: Sustainability is not just a passing trend at Deufol, but a long-term commitment firmly rooted in our corporate strategy.

Report on the Economic Environment

Economic Outline Conditions

Global Economy Sees Moderate Recovery Despite Uncertain Economic Policies

In 2024, the global economy entered a phase of slow expansion, marred by economic and political uncertainties and structural challenges. According to the IfW Kiel Institute for the World Economy, global production rose by 3.2 % last year, roughly maintaining the 3.3 % growth rate of the previous year. While the economy in India weakened noticeably, albeit at a high level, the country still acted as a growth engine. Driven by private consumption and corporate investment, the US economy was very dynamic compared to its peer group of advanced economies, with gross domestic product rising by 2.8 %. At the same time, trends in Europe and China fell short of expectations. In China, structural problems like the real estate crisis and weak export demand prevented a sustainable economic recovery. Following a 5.6 % increase in the preceding year, China's gross domestic product expanded by 4.9 %. However, the relative weakness of the Chinese economy had a positive impact on the Asian economic area. As the trade conflict between the US and China intensified with the prospect of increased tariffs on Chinese goods, production started to shift to other Asian countries last year. The election of Donald Trump to the US presidency further exacerbated trade tensions between the world's two largest economies at the end of the year, casting a shadow over the future development of global trade. A possible escalation of current geopolitical risks, such as the war in Ukraine and tensions in the Middle East, served to further destabilize the wider economy.

Additionally, the economic recovery varied across a number of industrialized nations. Despite initial interest rate cuts in the major economic areas, inflation remained a key factor. Inflation in the G7 countries fell from around 3 % in late 2023 to 2.7 % in 2024. This decline relates almost entirely to the energy component. While energy and commodity prices stabilized and prices for industrial goods saw only a slight increase, wage growth led to further increases, particularly in service prices, which remained comparatively high. Although the restrictive monetary policy of recent years gradually eased, government and corporate financing costs did not come down from their relatively high level.

Europe Still Stagnating

Economic development in Europe remained fragile in 2024. Despite a decline in inflation and the European Central Bank's (ECB) easing of monetary policy, there were few signs of a sustainable upturn. Even the 0.4 % increase in gross domestic product in the third quarter failed to compensate for the weaker first half of the year. Nevertheless, 2024 as a whole saw limited growth in Eurozone GDP of 0.8 % compared to the previous year (0.5 %). Above-average growth was posted in Croatia (3.7 %), Spain (3.1 %), Greece (2.2 %) and Slovakia (2.0 %). By contrast, countries like Germany and Austria posted a decline in their gross domestic products of –0.2 % and –0.9 % respectively.

Inflation in Europe stabilized at a moderate level of 2.6 % in 2024. Following the drastic interest rate hikes in the preceding years, this stabilization, combined with the sluggish economy, allowed the ECB to gradually reduce its key interest rate from 4.0 % in the previous year to 3.0 % in December. With this decision, the ECB marked a departure from its previous strict approach to combating inflation and signalled a greater focus on reviving the economy. In the wake of falling inflation, private consumption is slowly on the rise thanks to increasing real wages and improved financing conditions. At 6.0 %, the unemployment rate in the Eurozone remained at a historically low level. After Eurozone exports had declined by 0.5 % in the previous year, they grew by 1.0 % in 2024.

Further political uncertainty slowed down the economic development in Europe, particularly in the final quarter. Additional pressure on trade resulted from the US government's planned trade measures, including higher tariffs on imports from the EU on products such as electric cars, solar panels and steel.

German Economy Still Unable to Escape Stagnation

The German economy continued to stagnate in 2024. After a 0.3 % decline in gross domestic product in 2023, the trend persisted last year. Similar to previous years, quarters of growth alternated with quarters of decline, resulting in a further GDP contraction of 0.2 %. While other European economies posted moderate growth, Germany fell short of expectations. Specifically, the manufacturing sector continued to contract, remaining below pre-pandemic levels; at the same time, services sectors showed signs of improvement. At 76.5 %, industrial capacity utilization also hit a low, suggesting that the downturn in industry is partly structural in nature rather than purely cyclical.

Inflation in Germany dropped to 2.2 %, which was slightly below the Eurozone average (2.3 %) and well below the previous year's figure (5.9 %). However, core inflation (consumer prices excluding energy) remained at a higher level at 2.8 %. This showed that price pressure persisted, notably in the services and industrial goods sectors, despite the drop in energy prices.

Following the previous years' downturn, exports remained under pressure. While German exports to the Eurozone were down 5.6 %, exports to China fell by 10 %. Compared to Chinese competitors, the German industry is increasingly struggling with location disadvantages, which are reflected in high production costs. US trade policy under the new Trump administration increased the pressure on German exporters towards the end of the year by raising the prospect of tariffs on EU goods. This resulted in a decline in order volumes, particularly in the manufacturing sector.

The overall economic environment increasingly exacerbated the situation on the labor market. Last year's wage increases in response to inflation did compensate for the previous real wage losses and led to a slight increase in purchasing power. However, this effect was canceled out, in particular, by the above-average service prices described earlier. As a result, real household incomes stagnated, leading to sluggish consumer spending. Unemployment rose from 5.7 % in 2023 to 6.0 % in 2024, reflecting a rise in capacity reductions by companies, particularly in the manufacturing sector.

Public finances were also affected by the general economic downturn. The overall economic deficit (net lending/net borrowing) shrank to 2.3 % of the gross domestic product, down from 2.6 % in 2023. Public debt rose again to 63.2 % of the gross domestic product, up from 62.7 % in the previous year. Provisional budget management following the collapse of the coalition government also put a brake on public demand. Some public investments were delayed, particularly in the areas of infrastructure and climate protection. Moreover, options for launching new debt-financed economic stimulus programs were significantly restricted by the debt brake, which was strictly adhered to in 2024.

Results of operations

Increase in Sales and Overall Operating Performance → Notes 01, 40, 41

In the macroeconomic environment outlined above, sales amounted to € 309.1 million in the period under review and thus rose by 5.1 % (previous year: € 294.0 million). This figure is within the planning targets published in our Annual Financial Report 2023, which had envisaged sales in a range of between € 295 million and € 320 million.

No changes were made to the scope of consolidation in either the reporting year or the previous year.

The US dollar's marginal decline against the euro had no significant impact on the trend in sales. As a result of the Czech crown's average 5.4 % depreciation against the euro, revenues fell by € 1.3 million. Sales growth adjusted for currency effects thus amounted to 5.6 %.

Deufol's overall operating performance increased from € 312.6 million in the previous year to € 316.2 million in the year under review; this corresponds to an increase of € 3.5 million or 1.1 %. Excluding the one-time income from the conclusion of a settlement agreement, which was included in the previous year's overall operating performance in the amount of € 11.7 million, the increase actually amounts to € 15.2 million or 5.1 %.

Deufol's Germany Business Continues to Provide the Strongest Share of Revenue → Notes 41

In the past year, Germany once again proved its position as the Deufol Group's strongest market, contributing 66.7 % of Group sales in the past fiscal year, as in the previous year, with sales of € 206.2 million (previous year: € 196.1 million).

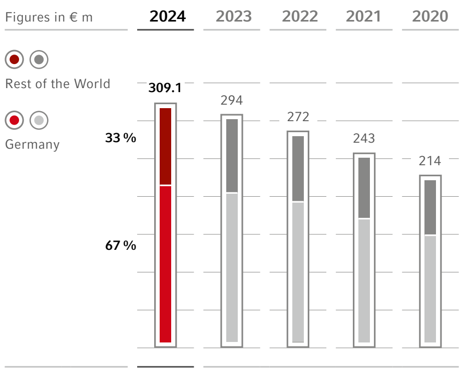
In the context of a sales volume of € 79.7 million (previous year: € 76.3 million), the Rest of Europe segment provided 25.8 % (previous year: 26.0 %) of overall Group sales in the reporting period.

In the USA / Rest of the World segment, sales rose to € 23.1 million (previous year: € 21.3 million). This means that this region represents around 7.5 % (previous year: 7.2 %) of Group activities.

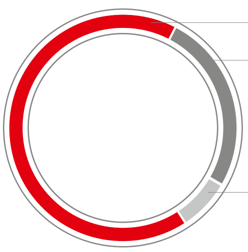
Holding accounted for a small volume of sales amounting to 0.1 % (previous year: € 0.2 million).

Please also see the disclosures on page → 033 for further information on the development of the segments.

Sales



Consolidated sales by segment



Figures in € m		2024	2023
66.7 %	Germany	206.2	196.1
25.8 %	Rest of Europe	79.7	76.3
7.5 %	USA / Rest of the World	23.1	21.3
0.0 %	Holding	0.1	0.2
100.0 %	Total	**309.1**	294.0

Consolidated sales by service

Figures in € m	2024	2023
Packaging and Logistics	288.2	275.8
Share (%)	93.2	93.8
Production	18.5	15.3
Share (%)	6.0	5.2
IT Services	0.0	0.3
Share (%)	0.0	0.1
Real Estate	2.4	2.3
Share (%)	0.8	0.8
Holding	0.1	0.2
Share (%)	0.0	0.1
Total	309.1	294.0

Cost development

Figures in € m	2024	2023
Cost of materials	113.7	114.0
as % of overall operating performance	35.9	36.5
Personnel costs	115.4	106.5
as % of overall operating performance	36.5	34.1
Depreciation, amortization and impairment	21.8	29.5
as % of overall operating performance	6.9	9.4
Other operating expenses	52.3	46.0
as % of overall operating performance	16.5	14.7
Total	303.2	296.0
as % of overall operating performance	95.9	94.7

Business Segments Deliver Stable Sales Contributions → Notes 42

With a share of sales of approx. 93.2 %, which was only slightly down on the previous year (previous year: 93.8 %), the Packaging and Logistics service area is by far the Group's most important business segment. The share of sales realized in the Production service area has increased slightly from 5.2 % in the previous year to 6.0 %. The contribution provided by the Real Estate service area was unchanged on the previous year at 0.8 %. The IT Services area is continuing to focus on internal projects for the time being. In the year under review it therefore only accounted for a marginal share of external sales.

Operating Costs Ratio Higher on Balance → Notes 03 – 05

At 35.9 % (previous year: 36.5 %), the ratio of the cost of materials to Deufol's overall operating performance improved again. The share accounted for by raw materials, consumables and supplies and purchased merchandise has decreased by 1.3 percentage points to 19.4 % (previous year: 20.7 %). This development is mainly due to Deufol's determined efforts to maximize the efficiency of its resource utilization. By contrast, the share of purchased services has increased slightly from 15.8 % in the previous year to 16.6 %.

Personnel costs were, at € 115.4 million, significantly above the previous year's figure of € 106.5 million; the personnel cost ratio in the context of Deufol's overall operating performance rose from 34.1 % in the previous year to 36.5 %. Aside from the increased volume of business activities and the wage and salary adjustments compensating for inflation, this rise is primarily due to the increase in the average number of employees in the past fiscal year to 2,335 (previous year: 2,203).

Depreciation, amortization and impairment dropped from € 29.5 million in the previous year to € 21.8 million in the reporting year; the previous year's figure included an impairment of goodwill in the amount of € 8.1 million, while no impairment was incurred in the reporting year.

The total of other operating expenses increased significantly by € 6.3 million to € 52.3 million, with virtually all components of the other operating expenses affected by this trend.

Overall, the costs ratio has increased to 95.9 % (previous year: 94.7 %) of Deufol's overall operating performance; this corresponds to an EBIT margin of 4.1 % (previous year: 5.3 %).

Operating Result

Earnings before interest, taxes, depreciation and amortization (EBITDA) were € 34.8 million, compared to € 46.1 million in the previous year; the EBITDA margin amounted to 11.0 % (previous year: 14.8 %). This decline is primarily attributable to the fact that the previous year's figure included one-time effects from the conclusion of a settlement agreement in the amount of € 10.3 million. At € 20.9 million, depreciation of property, plant and equipment was slightly higher than in the previous year (€ 20.3 million). On the other hand, amortization of other intangible assets declined slightly year-over-year to € 0.9 million (previous year:

€ 1.1 million). In the reporting year, no impairment loss was recognized on the goodwill; in the previous year, an impairment loss on goodwill was recorded for Deufol's Germany segment in the amount of € 8.1 million. The operating result (EBIT) amounted to € 13.0 million (previous year: € 16.6 million); accordingly, the EBIT margin dropped from 5.3 % in the previous year to 4.1 %.

Financial Result → Note 06

The negative financial result increased from – € 5.3 million to – € 5.7 million. Interest income remained stagnant at the previous year's figure of € 0.4 million. Gains from investments and the other financial result contributed income of € 0.6 million to Deufol's financial result (previous year: € 0.5 million). Total interest expense amounted to – € 6.6 million, compared with – € 6.2 million in the previous year; this increase essentially reflects the expansion of the financing framework via credit institutions and the expansion of finance leases.

Net Income → Notes 07 – 09

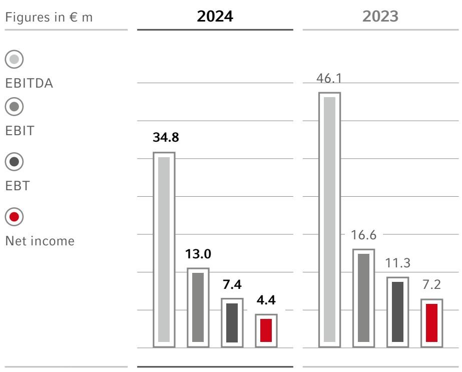
Earnings before taxes (EBT) in the year under review were € 7.4 million (previous year: € 11.3 million). Essentially, this reduction results on the one hand from the lapse of the one-time effects arising from the settlement agreement in the previous year and, on the other hand, from the goodwill impairment that had the opposite effect. Excluding these effects, the EBT for 2023 would have amounted to € 9.1 million.

Overall tax expenditure amounted to € 3.0 million, compared to € 4.1 million in the previous year. While current tax expenditure for taxes on income increased to € 4.5 million (previous year: € 3.0 million), deferred taxes showed income of € 1.5 million (previous year: expenses of – € 1.2 million). Current tax expenditure includes a € 1.6 million effective tax liability for disposal gains from previous reporting periods that occurred in 2024 and was offset by deferred tax income from the release of a deferred tax liability created for this purpose. The other positive and negative effects from deferred taxes largely canceled each other out. This means a result for the period of € 4.4 million (previous year: € 7.2 million). Non-controlling interests accounted for an amount of € 0.5 million (previous year: € 0.6 million). Earnings attributable to the shareholders of Deufol SE totaled € 3.9 million in the period under review (previous year: € 6.5 million). Earnings per share were € 0.460 in 2024 (restated figure for the previous year: € 0.763; see page → 076).

Comprehensive Income

Comprehensive income after taxes was € 4.9 million in the past year (previous year: € 6.9 million). The decline is mainly due to the lower result for the period; income from currency translation of € 0.6 million, which contrasted with expenses of – € 0.5 million in the previous year, was directly offset against equity.

Income Development



Margin development

Figures as % of overall operating performance	2024	2023
EBITDA margin	11.0	14.8
EBIT margin	4.1	5.3
EBT margin	2.3	3.6
Net income margin	1.4	2.3

Financial Position

Financing of the Deufol Group

→ Notes 26, 39

Several different financing groups exist within the Deufol Group, which operate largely independently of one another. In Europe, the Group relies on a comprehensive € 55 million syndicated financing arrangement which offers sufficient financial scope until 2028 so as to be able to act on any strategic opportunities that arise alongside day-to-day business operations. The Group also has other financing groups in the USA, the Czech Republic, Belgium, Hungary and Austria, some of which are independent and some of which are directly or indirectly integrated within its central syndicated financing arrangement.

Credit lines and guarantees of € 48.4 million are available to the Group at various banks (previous year: € 49.6 million). As of December 31, 2024, € 19.4 million (previous year: € 10.8 million) of this had been utilized. The variable-interest loans shown in the balance sheet are subject to standard market interest rate risks. In fiscal year 2024, the average weighted interest rate for loans was 4.71 % (previous year: 5.97 %). The payable credit margins are partially dependent on complying with certain financial ratios (covenants).

In the opinion of the managing directors, the Deufol Group's financial resources are sufficient to meet payment obligations at any time.

Financial liabilities

Figures in € m	2024	2023
Amounts due to banks	47.7	42.4
thereof current	4.0	6.3
thereof noncurrent	43.7	36.1
Finance leasing	47.6	44.9
Other	0.0	0.0
Total	95.3	87.3

Development of Financial Indebtedness

→ Notes 15, 19, 26

The financial liabilities of the Deufol Group amounted to € 95.3 million as of the reporting date (previous year: € 87.3 million). The main reasons for this increase were a € 3.1 million rise in working capital as of the reporting date, a € 2.7 million increase in lease liabilities and a € 10.1 million investment in fixed assets (excluding leasing assets recognized pursuant to IFRS 16).

Net financial liabilities – defined as total financial liabilities less financial receivables and cash – rose by € 8.7 million from € 72.5 million on December 31, 2023, to € 81.3 million at the end of the year under review, while cash (– € 2.2 million) decreased and financial receivables (+ € 1.4 million) increased. The balance of liabilities to banks and call deposits at banks increased substantially from – € 27.7 million in the previous year to – € 35.1 million.

Investments

→ Notes 10 – 13

The volume of investment (excluding leasing assets reported according to IFRS 16) in the past fiscal year was, at € 10.1 million, significantly higher than in the previous year (€ 5.8 million).

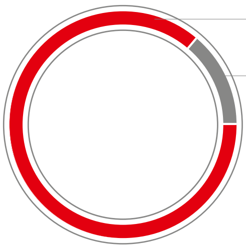
Due to the restructuring of the Group's real-estate holdings, since 2018 real estate has been reported in the "Investment property" balance sheet item. A property exclusively used by a major customer for its production operations was reported at its current fair value. Its fair value increased by € 0.7 million in the reporting period by comparison with the previous year (previous year: fair value decrease of – € 0.2 million).

Investments in property, plant and equipment rose considerably in the past fiscal year, from € 4.6 million in the previous year to € 8.7 million. On the other hand, investments in intangible assets picked up slightly, from € 1.2 million to € 1.4 million. The investment ratio – i.e., the ratio of capital expenditure to sales – amounted to 2.8 % (previous year: 1.6 %).

At € 3.9 million, the largest share of capital expenditure was attributable to assets under construction, primarily for the replacement of a gantry crane at the Port of Dortmund site, which was put into operation in January 2025. This was followed by investments in operating and office equipment (€ 2.8 million), land and buildings (€ 1.3 million) and technical equipment and machinery (€ 0.7 million). Other significant investments in the fiscal year went towards energy infrastructure, particularly towards optimizing the use of the photovoltaic system installed in Austria and towards general energy efficiency gains.

Investments

Figures in € m



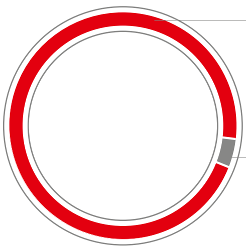
		2024	2023
86.2 %	Property, plant and equipment	8.7	4.6
13.8 %	Intangible assets	1.4	1.2
0.0 %	Investment property	0.0	0.0
100.0 %	Total	**10.1**	5.8

Investments by segment

Figures in € m	2024	2023
Germany	5.9	2.3
Rest of Europe	2.5	2.0
USA/Rest of the World	0.4	0.3
Holding	1.3	1.2
Total	**10.1**	5.8

Depreciation, amortization and impairment

Figures in € m



		2024	2023
96.0 %	Property, plant and equipment	20.9	20.3
0.0 %	Goodwill	0.0	8.1
4.0 %	Intangible assets	0.9	1.1
100.0 %	Total	**21.8**	29.5

Depreciation, amortization and impairment by segment

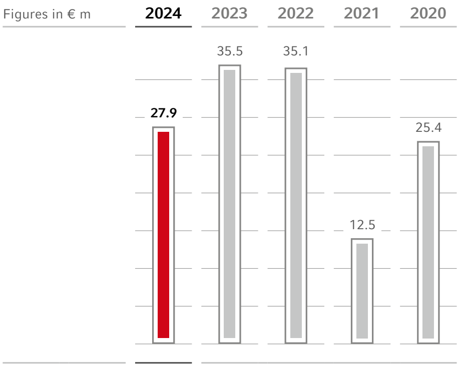
Figures in € m	2024	2023
Germany	12.8	20.9
Rest of Europe	5.4	4.7
USA/Rest of the World	2.8	2.9
Holding	0.9	1.0
Total	**21.8**	29.5

Depreciation, amortization and impairment → Note 11, 12

Depreciation of property, plant and equipment and amortization of intangible assets increased slightly by comparison with the previous year (€ 21.8 million, compared to € 21.4 million in the previous year). Depreciation of property, plant and equipment amounted to € 20.9 million, following € 20.3 million in the previous year. Of this amount, € 15.6 million (€ 14.5 million in the previous year) related to the depreciation of leased assets (IFRS 16). Amortization of other intangible assets amounted to € 0.9 million, compared to € 1.1 million in the previous year.

In the reporting year, no impairment loss was recognized (previous year: € 8.1 million impairment loss on goodwill of CGU and Deufol's Germany segment).

Cash flow from operating activities



Cash Flow

→ Notes 31 – 34

The operating cash flow amounted to € 27.3 million in the period under review compared to € 35.5 million in the previous year.

In the working capital item, the increase in trade receivables by € 1.4 million (previous year: € 1.0 million) and of inventories by € 0.6 million (previous year: decrease of – € 1.8 million) reduced liquidity, while trade payables declined by € 1.3 million (previous year: € 0.1 million).

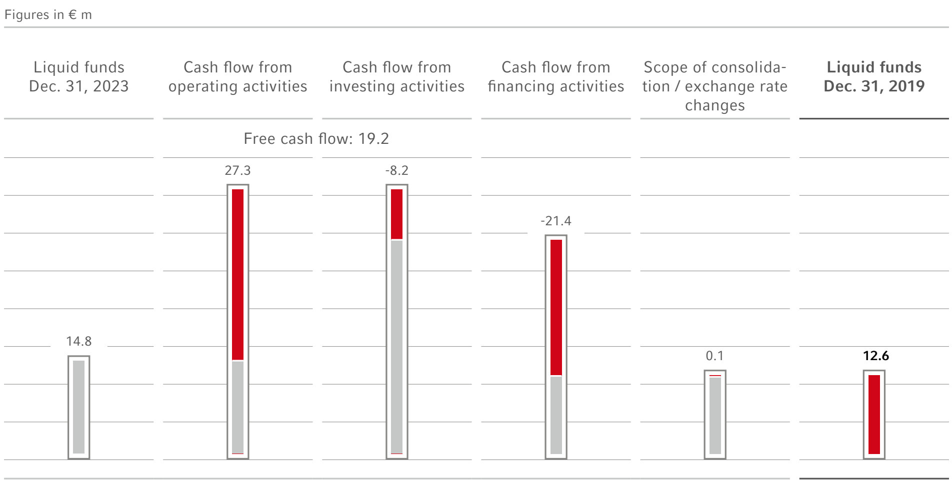
Cash outflows also resulted from the decline in other liabilities by € 2.3 million (previous year: € 1.2 million), which, however, was more than offset by the positive effect of the drop in other receivables and assets by € 2.7 million (previous year: increase of € 6.6 million). As in the previous year, the change in the other balance sheet items led to a – € 0.4 million decrease in cash flow.

The cash flow from investing activities was – € 8.2 million (previous year: – € 4.9 million). Cash-based fixed assets investments were € 9.5 million (previous year: € 5.8 million). Inflows from the disposal of intangible assets and property, plant and equipment amounted to € 0.6 million (previous year: € 0.0 million). In the reporting year, there were no inflows from the disposal of business units (previous year: € 0.4 million) and no payments for the acquisition of noncontrolling interests (previous year: – € 0.3 million). In the reporting year, net changes in financial receivables were of minor importance (previous year: + € 0.2 million), while proceeds from interest and dividends received amounted to € 0.7 million (previous year: € 0.5 million).

Accordingly, the free cash flow – which is made up of the cash flow from operating activities and the cash flow from investing activities – fell to € 19.2 million (previous year: € 30.6 million).

The cash flow from financing activities was – € 21.4 million (previous year: – € 33.3 million). Other financial liabilities were repaid in a net amount of € 15.9 million (previous year: € 13.9 million), while cash inflows resulted from the increase in amounts due to banks in the net amount of € 5.4 million (previous year: repayment of – € 12.0 million). Outflows of funds also resulted from interest paid in the amount of € 6.3 million (previous year: 5.9 million) as

Change in liquid funds



well as the payment of a dividend to the shareholders of Deufol SE in the overall amount of € 4.2 million (previous year: € 1.3 million).

Cash and cash equivalents decreased by € 2.2 million to € 12.6 million as of December 31, 2024.

Assets position

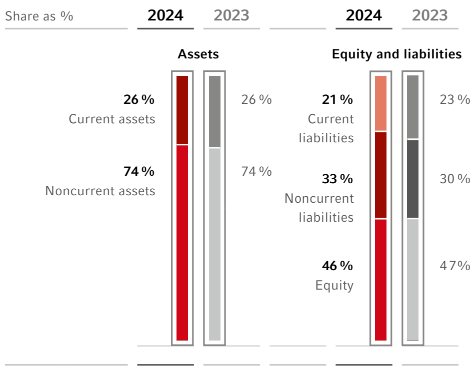
Slightly Increased Balance Sheet Total → Notes 10 – 19

In 2024, the balance sheet total of the Deufol Group increased slightly by 1.9 %, or € 5.1 million, to € 276.7 million. On the assets side of the balance sheet, noncurrent assets rose by 2.2 %, from € 201.3 million to € 205.7 million. Property, plant and equipment increased substantially from € 109.2 million to € 113.3 million. The asset depreciation ratio (ratio of accumulated depreciation to historical cost) dropped by 2.1 percentage points on the previous year to 48.5 %. The property, plant and equipment ratio (i.e., the ratio of property, plant and equipment to the balance sheet total) rose from 40.2 % to 40.9 %. The carrying amount of the real estate held as investment property has increased by € 0.7 million due to the restatement in line with its current fair value. The goodwill item was unchanged in the reporting year (previous year: impairment loss of € 8.1 million). Investments in associates increased to € 2.8 million. In the other noncurrent assets item, other receivables and other assets declined by € 2.3 million. This drop is mainly due to the pro-rata settlement of a receivable that resulted from a settlement agreement concluded in the previous year, under which Deufol received an installment of € 2.2 million (see page → 072). There were no other significant changes.

Current assets have increased to € 71.0 million (previous year: € 70.3 million). Inventories have increased by € 0.7 million to € 15.4 million. At the same time, trade receivables have risen by € 1.7 million to € 36.1 million. Cash and cash equivalents declined by € 2.2 million to € 12.6 million. The other current assets items have increased slightly overall, by € 0.5 million to € 6.9 million.

Working capital – the difference between current assets and current non-interest-yielding liabilities – amounted to € 34.5 million (previous year: € 31.4 million).

Balance sheet structure

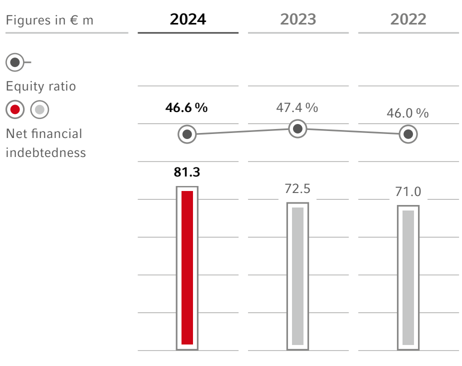


Increased Equity and Equity Ratio → Notes 20 – 30

At the end of fiscal year 2024, the Deufol Group's equity amounted to € 129.0 million (previous year: € 128.6 million); its equity ratio declined slightly to 46.6 % (previous year: 47.4 %). Equity increased by € 4.4 million due to the result for the period. Dividends paid in the reporting year to the shareholders of Deufol SE (– € 4.2 million) and to noncontrolling interests (– € 0.3 million) had the opposite effect. Other comprehensive income mainly comprises currency effects, effects of cash flow hedges recognized directly in equity as well as actuarial gains resulting from the pension provisions, and has increased by € 0.5 million in the reporting year.

Noncurrent liabilities increased by € 9.0 million to € 90.6 million; in particular, this is attributable to a substantial increase in noncurrent financial liabilities by € 9.8 million to € 74.7 million, while deferred tax liabilities declined to – € 1.0 million.. There were no other significant changes.

Net financial indebtedness and equity ratio



Current liabilities have declined by € 4.2 million to € 57.1 million. On balance, current financial liabilities have fallen by € 1.8 million to € 20.6 million. This has mainly resulted due to the repayment of short-term loans. On the other hand, current lease liabilities have increased slightly. Other liabilities (– € 2.3 million, down to € 12.0 million) and trade payables (– € 1.3 million, down to € 21.7 million) also decreased, whereas the other items increased by a total of € 1.2 million to € 2.8 million.

Overview of employees

Deufol Group	2024	2023
Annual average, Germany	1,425	1,340
Annual average, Rest of the World	909	863
Annual average, women	442	396
Annual average, men	1,892	1,807
Annual average, total	2,335	2,203
As of: Dec. 31	2,322	2,226

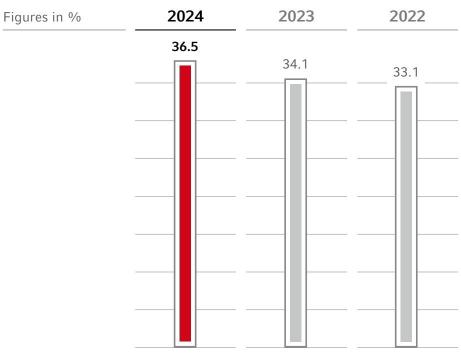
Employees

Increase in Number of Employees → Note 04

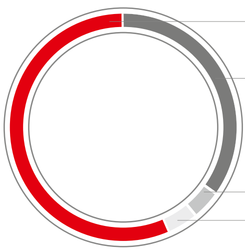
The Deufol Group had 2,335 employees on average over the course of the year. This represents an increase of 132 employees or 6.0 % on the previous year. On average, the Group had 1,425 employees in Germany (61.0 %) and 909 employees (39.0 %) elsewhere. With 1,322 employees at the Group's operating locations in Germany, its workforce grew by an average of 71 employees year-over-year. In the Rest of Europe, the average number of employees increased by 43 to 810. In the USA / Rest of the World, the average workforce over the year as a whole rose by 3 to 99. Holding's workforce increased on the previous year by 15 employees. It now has 103 employees. Personnel costs rose by 8.3 % in the reporting period to € 115.4 million; at the same time, the personnel cost ratio as a ratio of personnel costs to Deufol's overall operating performance increased by 2.4 percentage points to 36.5 % (previous year: 34.1 %).

Our employees' particularly strong level of expertise and their productivity underpin the quality of Deufol's services. The rate of fluctuation in our workforce was not any higher than usual over the past few fiscal years.

Personnel cost ratio



Employees by segment (annual average)



Deufol Group		2024	2023
56.6 %	Germany	1,322	1,252
34.7 %	Rest of Europe	810	767
4.2 %	USA / Rest of the World	99	96
4.4 %	Holding	103	88
100.0 %	Total	2,335	2,203

Thanks for Commitment

The managing directors would like to thank all of the Company's employees for the dedication and flexibility which they displayed in fiscal year 2024.

Development of the Segments

Germany → Notes 40, 41

At € 206.2 million, consolidated sales in Germany in 2024 exceeded the previous year's sales volume of € 196.1 million. While material price markups have decreased due to the trend on the procurement markets, Deufol has nonetheless generally been able to pass on inflation-related cost increases. In addition, sales were positively impacted thanks to market shares that Deufol was able to secure, and the expansion of its business with existing customers, as well as the growth of project logistics.

In the reporting period, EBIT for this segment amounted to € 8.0 million, double the previous year's figure of € 4.0 million. It should be noted that the figure for the previous year was reduced by a goodwill impairment of € 8.1 million, which was only partially offset by a positive earnings contribution of € 3.6 million arising from the conclusion of a settlement agreement. The EBITA margin increased from 1.7 % in the previous year to 3.5 %.

Germany

Figures in € m	2024	2023
Sales	229.5	229.5
Consolidated sales	206.2	196.1
EBIT	8.0	4.0
EBIT margin (%)	3.5	1.7
EBT	3.4	0.1

Rest of Europe → Notes 40, 41

In the Rest of Europe, we realized consolidated sales of € 79.7 million, which is also higher than in the previous year (€ 76.3 million). This increase in revenue resulted primarily from a significant rise in revenue in Hungary and from the continued growth and healthy business situation in Austria and Belgium.

In the past year, this segment achieved an operating result (EBIT) of € 10.5 million, compared to € 9.3 million in the previous year. The EBIT margin increased to 8.9 %, compared to 8.1 % in the previous year.

Rest of Europe

Figures in € m	2024	2023
Sales	117.1	114.0
Consolidated sales	79.7	76.3
EBIT	10.5	9.3
EBIT margin (%)	8.9	8.1
EBT	9.8	8.5

USA / Rest of the World → Notes 40, 41

The USA / Rest of the World segment likewise achieved an increase in consolidated sales from € 21.3 million in the previous year to € 23.1 million in the current year. New business relationships and new locations contributed to this positive sales trend through our global end-to-end strategy. However, the sale of the thermoforming business, which was primarily geared towards manufacturers of electric vehicles, had no significant impact on the development of sales.

The segment generated EBIT of – € 1.6 million (previous year: € 1.8 million). The start-up costs for new locations played a major role in this development. The EBIT margin dropped from 8.1 % in the previous year to –6.9 %.

USA / Rest of the World

Figures in € m	2024	2023
Sales	23.5	22.2
Consolidated sales	23.1	21.3
EBIT	–1.6	1.8
EBIT margin (%)	–6.9	8.1
EBT	–2.1	1.3

Holding → Notes 40, 41

The EBIT figure in the Holding segment amounted to – € 4.0 million in the past fiscal year, compared to € 1.5 million in the previous year. This trend is mainly attributable to one-time income associated with the conclusion of the settlement agreement that accrued to the holding in the amount of € 6.7 million in the previous year.

Group figures

Figures in € m	2024
Sales	309.1
EBITDA	34.8
EBIT	13.0
Net financial liabilities	81.3

Goal achievement 2024

Figures in € m	Sales	EBIT
Planning	295 – 320	12 – 18
Actual figures	309.1	13.0

Overall Summary of Business Performance

Sales and EBIT Targets Achieved

With our annual sales volume of € 309.1 million, we have achieved the ambitious sales target for the year under review. The key reason for this positive trend was the stable level of industrial output in the first half of 2024. However, due to the geopolitical crises and political developments in the second half of the year, these trends did not continue to the same extent.

At € 13.0 million, earnings before interest and taxes (EBIT) were within the forecast range, despite the persistent cost pressure to which the Deufol Group was exposed in the reporting year, particularly in the second half of the year.

At the time of the preparation of these consolidated financial statements, the Deufol Group's economic position is stable. Nonetheless, the economic environment remains difficult, not least due to the current global economic upheavals triggered by the Ukraine war and exacerbated by the conflict in the Middle East. On top of this, the signals sent out by the new US administration that took office at the beginning of 2025 is creating significant uncertainty worldwide about the future political and economic course of the United States. The German economy, on the other hand, is generally optimistic about the newly elected German government and hopes for rapid and effective measures to promote economic recovery.

Nevertheless, sustained increases in price levels on procurement, capital and labor markets are dampening companies' willingness to invest and are having a long-term negative effect on economic development in Europe, specifically in Germany. This is posing challenges for us and for our customers.

It therefore remains our goal to improve the efficiency of our customers' supply chains by further standardizing processes and developing innovative, primarily digital solutions to provide them with the best possible support in dealing with the various cost increases.

In the first quarter of 2025, all markets and regions delivered a satisfactory performance, although the previously described challenges for the economy as a whole are expected to persist and are currently intensifying due to political developments. There are also signs that commodity prices will rise, whereas key interest rates will continue to fall. Higher prices for customers, substantial new orders and the expected further increase in our market share all add up to an optimistic outlook for the current fiscal year.

Our financial and assets position remains very solid.

Single-Entity Financial Statements of Deufol SE

Sales and Results of Operations

In fiscal year 2024, Deufol SE realized sales of € 13,748 thousand (previous year: € 11,342 thousand) and other operating income of € 4,975 thousand (previous year: € 11,827 thousand). In the previous year, this included income related to a settlement agreement in the amount of € 6,058 thousand, which did not occur in the reporting year.

These sales mainly resulted from purchasing services provided to affiliated companies, other services, license income from brand name rights and from rents. Outside Germany, sales amounted to € 3,750 thousand (previous year: € 2,559 thousand).

Other operating income consists of income from other passed-on expenses in the amount of € 3,795 thousand (previous year: € 10,984 thousand), income from currency translation in the amount of € 155 thousand (previous year: € 72 thousand) and € 234 thousand (previous year: € 281 thousand) from the release of provisions.

Other operating expenses (€ 10,883 thousand, compared to € 11,272 thousand in the previous year) comprise legal fees and consulting expenses in the amount of € 3,113 thousand (previous year: € 3,550 thousand), insurance costs in the amount of € 1,312 thousand (previous year: € 1,303 thousand), IT and communications costs in the amount of € 1,671 thousand (previous year: € 1,689 thousand), rental and lease expenses in the amount of € 1,061 thousand (previous year: € 1,089 thousand), vehicle fleet costs in the amount of € 1,003 thousand (previous year: € 1,009 thousand) as well as exchange losses in the amount of € 4 thousand (previous year: € 228 thousand). Expenses unrelated to the accounting period totaled € 231 thousand (previous year: € 94 thousand).

In the past year, the financial result was positive and amounted to € 5,276 thousand, compared to € 5,350 thousand in the previous year. Net interest income has increased from – € 224 thousand to – € 161 thousand. Income from profit transfer agreements has declined from € 4,574 thousand to € 3,667 thousand, and in the past fiscal year investment income was recognized in the amount of € 1,770 thousand (previous year: € 1,000 thousand). As in the previous year, no impairment was recognized on financial assets in the past fiscal year.

Tax expenses amounted to € 15 thousand (previous year: € 454 thousand). The net profit for the year under review was € 1,644 thousand (previous year: € 4,448 thousand).

Income Statement of Deufol SE

Figures in € k	**2024**	2023
Sales	13,748	11,342
Other operating income	4,975	11,827
Cost of materials	–23	–132
Personnel costs	–10,748	–11,269
Depreciation, amortization and impairment	–686	–944
Other operating expenses	–10,883	–11,272
Financial result	5,276	5,350
Taxes	–15	–454
Annual net profit	**1,644**	4,448

Balance Sheet of Deufol SE

Figures in € k	2024	2023
Fixed assets	119,696	112,897
thereof financial assets	111,445	105,041
Current assets and accrued and deferred items	36,255	44,461
Balance sheet total	155,952	157,358
Equity	96,987	99,591
Provisions	1,815	3,018
Liabilities	57,149	54,749
thereof amounts due to banks	26,516	17,418
Balance sheet total	155,952	157,358

Assets and Financial Position

Deufol SE's balance sheet total has decreased slightly year-over-year by € 1,406 thousand to € 155.9 million (previous year: € 157.4 million). Fixed assets amount to € 119.7 million, compared to € 122.9 million in the previous year. At € 36.3 million, the current assets item including deferred expenses and accrued income is significantly lower than in the previous year (previous year: € 44.5 million). Depreciation of property, plant and equipment and amortization of intangible assets amounted to € 686 thousand (previous year: € 944 thousand). As in the previous year, no amortization of financial assets was recognized. Investments in property, plant and equipment and intangible assets were made in the amount of € 1,330 thousand (previous year: € 1,408 thousand). Investments in financial assets amounted to € 9,137 thousand (previous year: € 1,300 thousand) and mainly consist of long-term loans to subsidiaries.

On the liabilities side, equity has decreased from € 99.6 million to € 97.0 million; this decline is due to a € 4.2 million dividend payment and a lower net profit for the year in the amount of € 1,644 thousand. The equity ratio has declined slightly year-over-year from 63.3 % to 62.2 % as of December 31, 2024. Reference is made to the disclosures made in the notes to the annual financial statements of Deufol SE under section 160 (1) no. 2 of the German Stock Corporation Act (AktG). At € 1.8 million, provisions have increased relative to the previous year (€ 3.0 million). Liabilities have risen slightly, from € 54.7 million to € 57.1 million. Liabilities to banks have significantly increased by € 9.1 million to € 26.5 million. Liabilities have declined, from € 34.5 million to € 28.6 million.

The following cash flow statement shows the financial position of Deufol SE:

Cash flow statement of Deufol SE

Figures in €k	2024	2023
Annual net profit	1,644	4,448
Depreciation/(appreciation)	686	944
Increase/(decrease) in provisions	−1,211	420
Other noncash expenses/(revenue)	−335	−893
Net changes in working capital and other assets	1,082	−974
Net changes in working capital and other liabilities	−3,033	4,397
(Gain)/loss from disposal of fixed assets	67	117
Interest income/interest expense	161	224
Income from investments and profit transfer	−5,437	−5,574
Expenses/income of extraordinary size or significance	0	−6,058
Noncash income tax expense	9	438
Proceeds associated with income of extraordinary size or significance	0	4,438
Income tax refunds/payments	−1	−335
Cash flow from operating activities	**−6,368**	1,592
Payments made for investments in intangible assets	−1,232	−1,036
Payments made for investments in property, plant and equipment	−98	−372
Proceeds from the sale of financial assets	109	0
Payments made for investments in financial assets	−5,602	−1,300
Proceeds from the sale of financial assets	2,697	3,769
Interest received	2,244	1,806
Income received from investments and profit transfer	5,437	5,574
Cash flow from investing activities	**3,555**	8,441
Proceeds from borrowings	15,976	1,458
Repayment of borrowings	−6,877	−9,175
Interest paid	−2,405	−2,030
Dividend paid	−4,248	−1,293
Proceeds from cash pool receivables/payments made due to cash pool liabilities	152	−2,665
Cash flow from financing activities	**2,598**	−13,705
Change in cash	−215	−3,672
Cash at the beginning of the period	381	4,053
Cash at the end of the period	166	381

Risk Report

Risk Policy

Deufol SE is a management holding company whose subsidiaries in Germany and elsewhere provide industrial services, focusing on industrial packaging. As part of its holding tasks, among other activities Deufol SE provides the resources required for the Group's general risk management and monitors implementation of risk-policy and risk-management procedures on an ongoing basis. Corporate management, corporate governance, the by-laws and the risk policy are coordinated within the Deufol Group.

Exposure to risks is unavoidable in our efforts to achieve long-term success by taking advantage of opportunities in our regions and services divisions in an environment of constantly changing requirements and challenges. These are carefully examined and assessed on the basis of a risk/opportunity calculation. Our corporate and business strategy is to concentrate operational activities and the risks associated with them within separate legal entities in order to insulate the rest of the Group from possible negative influences.

Appropriate measures are developed in order to counter the core risks, which are continuously identified and monitored. The core risks comprise, in particular, those associated with the Company's current and future potential. Risks include potential losses of customers due to the relocation of packaging-related production locations or insufficiently rigorous development of market leadership in Deufol's core business fields. Noncore and residual risks are accepted provided they can be specifically identified and mapped. Certain noncore risks are externalized by taking out insurance policies (force majeure, liability to third parties for loss or damage, etc.). In particular, corporate governance guidelines (incl. the by-laws for Deufol SE and the subsidiaries) and the active monitoring of subsidiaries as the parent company ensure that the deliberate acceptance of risks proceeds in a transparent and controlled fashion.

The managing directors of Deufol SE consider a highly developed awareness of risk in all business divisions to be indispensable for the success of its risk policy. Awareness of existing and potential risks is an important element of business management. Due to the various risk areas and the different ways in which risks are applicable within the individual subsidiaries, this increased awareness is vital for the successful implementation of risk policy.

All activities of subsidiary companies are supported by an integrated risk management system without exception. The purpose of risk management activities is, firstly, to ensure that statutory requirements are complied with and, secondly, to promote value-oriented management of individual companies and thus of the Deufol Group as a whole.

Risk Controlling

Risks are identified by division managers or managing directors on the basis of the following nine risk categories:

- Strategy / planning / corporate management
- Market / sales / customers
- Procurement / suppliers
- Service provision
- Finance
- Personnel
- IT
- Contracts / legal
- Other

The responsible managers review and document the risks identified in "risk maps" on a semi-annual basis. By means of the resulting aggregation at Group level and its reporting to the managing directors, the scope of relevant risks is thus kept up to date and monitored at all times.

Risk measurement is standardized throughout the Group. The companies' local or site managers assess the risks identified in risk maps in terms of the probability of occurrence and the potential loss amount, in the context of the gross risk level. Individual risks are assigned quantitative values and require risk-limiting measures upon reaching specific thresholds. The resulting net risk is subsequently assessed following the implementation of these measures.

Risk controlling reviews the suitability of measures and supervises their implementation at a local level. The managing directors and regional managers also perform their risk monitoring functions in the course of regular dialogues with the management teams of the individual subsidiaries, through on-site visits at irregular intervals and intensive data analysis and by bringing on board independent experts.

Specific Risks

Environment Risks

The Deufol Group is exposed to environmental risks resulting from the geopolitical and global economic situation that may affect the Group's business activities.

The world markets are facing sustained pressure, not only as a result of the Ukraine war and the Middle East crisis, but also from the political situation in major economic nations. Since the beginning of 2025, the signals sent out by the new US administration have contributed to significant uncertainty regarding the future political and economic policy of the United States. Trade conflicts resulting from a general increase in protectionist moves, in particular the imposition of tariffs, erode market confidence and jeopardize trade relations. In Europe, unstable majority governments in various European states, including Germany, are making it more difficult to form stable and durable government coalitions. Added to this are the growing regulatory requirements imposed by the EU, which a large proportion of companies regard as a heavy burden. German companies, in particular, are subject to high taxes as well as high personnel and energy costs.

Taken together, these factors reduce investment confidence and economic growth and may therefore lead to a decline in demand, which would also affect the services provided by the Deufol Group.

A significant risk on the procurement side is the increasing scarcity and rising cost of raw materials, particularly wood and wood-based materials, due to forest fires, pest infestation and other unpredictable events. The Deufol Group also faces risks arising from higher procurement costs in relation to purchased services, higher wage and non-wage labor costs and rising public-sector charges. On top of this, further increases in financing costs cannot be ruled out due to the prospect of significant increases in government spending. Insofar as these overall increases in costs cannot be adequately absorbed by means of adjustments to sales prices and efficiency gains, they may have a substantial impact on the financial situation of the Deufol Group. In order to minimize these risks, the Deufol Group is continuing to step up its continuous process of improvement and systematically implementing efficiency measures and active cash management. Deufol is already increasingly focusing on targeted sustainability efforts and will do so even more strongly in the near future.

The close exchange of information at a global management level, which has proven itself as a tool in the past, together with active strategic supplier management and the implementation of more price-sensitive adjustment mechanisms in relation to our customers have to date enabled us to absorb the effects of the large number of price shocks and end the fiscal year with a positive result. This notwithstanding, our market environment remains challenging given the stagnating level of inflation and ongoing geopolitical uncertainty.

Acquisition and Investment Risks

Acquisition and investment decisions intrinsically entail complex risks, since they tie up substantial capital on a long-term basis. Such decisions can only be made on the basis of specific, predefined terms governing responsibilities and approval requirements. The described environment risks, in particular, are persistently hampering both acquisitions and investments.

Performance-Related Risks

The sales and earnings of the Group's subsidiaries are partly influenced by a relatively small number of business relationships with larger customers. This therefore means a relatively high level of risk of dependence on these customers. However, conversely, due to Deufol's specialized know-how and its high level of integration within its customers' processes, it is only possible to replace Deufol to a limited extent, and subject to an extended lead time. Risk is moreover mitigated in that customers are drawn from a variety of industries such as plant engineering, mechanical engineering, vehicle construction and manufacturing of medical products (healthcare); on the other hand, different services are provided for one and the same customer independently of one another and at different locations and for different plants, frequently on the basis of long-term framework agreements. Accordingly, individual risk factors are compensated for by means of offsetting or risk-mitigating aspects.

The Deufol Group thus aims in general to ensure its customers' long-term loyalty and to strengthen this over time. As well as ensuring a high level of quality and continuously improved standards, this objective is achieved by means including joint process and efficiency improvement projects etc. with our customers as well as a strong customer focus, a high level of flexibility and expansion of the services provided throughout the supply chain over time. Further measures with the goal of stabilizing Deufol's customer base include the continuous development and expansion of long-term business relationships with small and medium-sized enterprises as well as the implementation of projects and provision of services at an individual level.

The contract drafting process may also give rise to risks. For instance, this includes a failure to take quantitative or qualitative changes into account. Inadequate price adjustment clauses might mean that Deufol alone bears price risks resulting from unexpected increases in purchase prices, e.g., for raw materials such as wood, but also for personnel costs and in the event of a strong decline in an unbalanced indicator. Management discussions are regularly held with the Group's subsidiaries in all of its regions as well as within service areas and spanning multiple service areas, in order to identify negative trends for the Company early on. Declines in sales volumes or negative cost trends can be identified at an early stage and appropriate countermeasures initiated. The continuous and forward-looking development of price-adjustment mechanisms in framework agreements is a fundamental aspect of our risk management strategy. This is accompanied by a continuous dialogue with our customers, enabling us to respond individually in the case of exceptional situations.

Personnel Risks

The skills, qualifications and motivation of the Deufol Group's employees and managerial staff play a key role in its business success. For this reason, they undergo permanent training in order to live up to our quality and service commitments to our customers. Increased awareness on the part of our employees in risk-relevant areas at every level of the Company safeguards implementation of our Company-wide risk policy. This includes the use of appropriate variable, performance-related salary components for our managers.

Thanks to the use of external service providers to provide services, busy periods and lulls in business activity can be handled without having to make any changes to the Company's trained workforce.

Our subsidiaries are run by managers with close ties to Deufol and an entrepreneurial attitude. The risk of a loss of know-how due to the departure of key personnel is limited through the documentation of relevant know-how in a structured manner and its decentralized allocation to multiple employees.

The Deufol Group is addressing the challenges associated with the lack of specialist staff by means of a proactive human resources management strategy and a broad range of measures in order to underline its attractiveness as a (potential) employer for its workforce and for applicants. The success of these recruitment and retention measures, which also contributed to the Group's growing attractiveness as an employer, is reflected in the significant increase in the number of Deufol Group staff in the reporting year.

IT Risks

IT risks cover, in general, risks affecting the in-house network as well as the falsification or, in an extreme scenario, the destruction of data due to operating and/or programming errors. The IT infrastructure is decentralized, in line with the Group's structure. This means that risks apply in isolation for the respective entities, with only marginal Group-wide interfaces. Other elements of the Group's IT infrastructure have been centralized or outsourced. Extensive and comprehensive protection measures tailored to the specific requirements of the Deufol Group – such as virus protection concepts, firewalls, emergency and recovery plans as well as backup solutions with redundant servers – are used to minimize risk.

The growing frequency and professionalization of cyber attacks – which are particularly aimed at theft or encryption of relevant data – represent a major challenge for companies worldwide. Deufol addresses this risk through ongoing security measures to ensure these are up to date at all times and to proactively identify and defend against new threats. As well as meeting the necessary technical requirements, the employees of the Deufol Group undergo awareness training covering this type of IT risk on an ongoing basis.

Financial Risks

Several different financing groups exist within the Deufol Group. In Europe, the Group's central syndicated financing arrangement was renegotiated in 2023. It offers sufficient financial scope until September 2028, so as to be able to act on any strategic opportunities that arise alongside day-to-day business operations. The Group also has other financing groups in the USA, the Czech Republic, Belgium, Hungary and Austria, some of which are independent and some of which are directly or indirectly integrated within its central syndicated financing arrangement.

In some cases, credit agreements are tied to compliance with financial ratios ("financial covenants"). In principle, a violation of the financial covenants grants the institutions providing financial support a right to terminate an agreement but does not trigger an immediate repayment obligation. In addition, the agreed credit margin and thus the Group's financing costs may be increased in the case of a deterioration in the ratios.

At the present time, interest rate risks exclusively relate to the variable interest rates for the financial instruments used for the Group's general financing. Property, plant and equipment are financed to a significant degree on a long-term basis by means of fixed-rate amortization loans. In addition, the Deufol Group has entered into interest rate hedges on multiple variable-interest loans. A loan is allocated to each of these interest rate hedges as the underlying transaction. The conditions for each interest rate hedge are virtually identical to those of the underlying transaction in question as regards the interest rates, the interest rate adjustment dates, the terms, the nominal amounts and the dates of payment. In addition, the trend on the interest rate markets is continuously monitored; if necessary, measures to adjust interest rate agreements will be initiated and implemented. The Deufol Group is thus able to respond at short notice to changes in interest rate levels.

The risks resulting from volatile exchange rates that fluctuate strongly mainly apply within the scope of consolidation as a result of the conversion of the annual financial statements of the Group's subsidiaries that are situated outside the euro currency zone. To date, exchange rates have had a fairly minor effect on operating business. In Deufol SE's single-entity financial statements, currency risks are almost entirely limited to transactions with subsidiaries outside the euro currency zone. For some years now, a substantial proportion of business in the Czech Republic has been handled in euros. A separate currency hedge is therefore not required. Our business in Hungary is likewise mainly carried out in euros, and the euro is the functional currency of our Hungarian companies. This approach minimizes exchange-rate risks in relation to the Hungarian forint. This notwithstanding, personnel costs and taxes in particular arise in the national currency in both the Czech Republic and Hungary. Business in the USA is mainly characterized by income and expenses in US dollars. The currency risk is thus limited to the annual net profit. Deufol has not currently entered into any currency hedging transactions. Please see Note (39) for further disclosures on financial risks.

The Group has recognized goodwill as a consequence of its expansion strategy. Impairment testing pursuant to IAS 36 may give rise to goodwill impairment. The impairment testing implemented in 2024 did not identify any impairment requirement.

Legal Risks

The legal risks for the Deufol Group relate to the general legal risk resulting from its business activities as well as tax issues. It is not possible to state with any certainty the outcome of currently pending or future proceedings, so that expenses may result due to judicial or official rulings or settlements such as are not covered or are not fully covered by insurance benefits and which may significantly affect our business operations and earnings.

Please see Note (36) for further disclosures regarding legal risks.

Overall Group Risk Position

In summary, the Deufol Group continues to face environment risks that may have a substantial impact from an operational or financial point of view. Added to the existing geopolitical and global economic upheavals, triggered in particular by the Ukraine war and the Middle East conflict, is growing uncertainty caused by the new US administration's signals regarding its future political and economic direction, which is particularly noticeable among the USA's major trading partners and political allies.

Prices for wood and wood-based materials in the industrial goods packaging sector, which have been stagnating or even falling in the reporting year, may come under pressure due to shortages as a result of forest fires, pest infestations or the repurposing of cultivation land. Deufol is continuing to address this risk by means of the strategy that it has adopted in the past in order to secure supplies and hedge prices. In addition, Deufol continuously reviews and optimizes the materials used in its products to ensure efficiency gains in material consumption and the sustainable use of resources.

Measures to reduce energy consumption, which are in any case a priority from the point of view of sustainability, have been and will be accelerated. Deployment of photovoltaic systems, which began in 2023, will continue.

In the context of falling inflation rates in the Eurozone, the financial markets expect a stagnation of the ECB key interest rate, or even further cuts. The Deufol Group therefore anticipates a reduced risk of rising interest rates and expects that refinancing rates will more likely fall.

It remains challenging to retain qualified personnel, and wages and salaries are continuing to rise. Our risk management strategy therefore continues to include proactive human resources management.

The Deufol Group's holding structure – comprising a large number of operating units, together with a broad portfolio of services in various sectors and regions – has proven effective from a risk standpoint. Operating risks for individual subsidiaries are covered through appropriate insurance protection as far as possible. Deufol's risk management system is being continually upgraded and enhanced, to allow risks to be identified at an early stage and appropriate countermeasures to be initiated.

Report on Dependence

Since there is no control agreement with the majority shareholder, pursuant to Section 312 of the German Stock Corporation Act (AktG), the managing directors of Deufol SE were obliged to prepare a report on Deufol SE's relationships with associates. This report covers the relationships with Lion's Place GmbH and its majority shareholders (who are members of the Hübner family) as well as the companies of the Deufol Group. Pursuant to section 312 (3) AktG, the managing directors declare: "With regard to the legal transactions listed in the report on Deufol SE's relationships with associates, for each such transaction our Company has received appropriate consideration in accordance with the known circumstances at the time of its execution. No disadvantageous events for the Company occurred during the fiscal year such as are subject to a reporting obligation."

Report on Opportunities and Expected Developments

Orientation and Strategic Opportunities for the Group

The Deufol Group's long-term strategic direction centers on flexible adaptation to market and customer needs and the consistent implementation of our scalable growth platform. Our focus remains on the provision of end-to-end services to our customers along the entire value chain. We leverage standardization, digitalization and integrated sustainability measures to create added value that positions Deufol as a global supply chain service provider with a long-term outlook.

In 2024, Deufol's internal focus projects made a significant contribution to the further development of our organization. What continues to set us apart from our competitors is our optimized hub structure, which allows for more efficient management of product flows and closer integration with our customers' processes. It is our aim to help our customers transition from a fragmented logistical approach to an integrated and fully interconnected supply chain.

The Group structure – with Deufol SE as the top management holding company and around 45 operating companies – remains our basis for stable growth. We are continuously exploiting synergies, harmonizing processes and establishing global standards to respond swiftly to changing market conditions.

Strategic Business Fields

Our strategic opportunities specifically entail the further standardization and scalability of our services and the global integration of our locations. In 2024, we will continue to focus on four central service areas that drive our business development:

1. Packaging and Logistics: Digital solutions and sustainable processes are adding to our core expertise in the field of industrial and export goods packaging. Optimization of our global hub structures ensures efficient, resource-saving and customer-oriented logistics services that create significant added value for our partners.
2. Production: Standardized and automated production of packaging materials is an important lever for efficiency and scalability. In this field, we are increasingly relying on environmentally friendly materials, resource-efficient production processes and sustainable packaging solutions to meet our ecological responsibility.
3. IT Services: Thanks to the continuous evolution of our digital solutions, we can offer our customers greater transparency, process optimization and efficiency gains along the entire supply chain. Our IT-based services deliver automated control, accurate forecasting and enhanced decision-making for proactive management of market dynamics.
4. Real Estate: The strategic use of our global locations as supply chain nodes is an essential element of our growth strategy. By optimizing space, storage capacities and transport routes, we are reducing costs, improving flexibility and providing even faster access to international markets for our customers.

Thanks to our consistent focus on standardization, digital transformation and sustainability, we can offer our customers long-term, stable and competitive solutions. With customers increasingly looking for scalable services that are available worldwide, our global presence is a key driver of our growth strategy.

Economic Outline Conditions

Global Economic Recovery Held Back by Political Uncertainties

The performance of the global economy in 2025 is marked by uncertainties in times of geopolitical tensions, the unpredictable impact of recently elected governments, especially in the USA, and insecurity surrounding the formation of viable governments in some European countries, including Germany, as a result of current elections and/or government crises. Lack of clarity in trade and fiscal matters are adding to economic uncertainty. US protectionist tariffs are a barrier to international trade, with China set to suffer most.

Although economic growth is likely to remain stable for the most part, growth rates worldwide are expected to reach only 3.3 % in 2025 and 2026, well below the pre-pandemic average (2000–2019) of 3.7 %. Inflation is also expected to move slowly towards the target of 2.0 % in 2025. However, this goes hand in hand with a reduction in profit margins and companies' propensity to invest, which suggests a return to rising unemployment from its current low level.

Sluggish Momentum and Structural Problems in the Eurozone

By global standards, economic growth in the Eurozone is lagging behind other economic areas, in some cases significantly. Rising real wages are expected to boost consumer spending. However, geopolitical tensions and growing political uncertainties are undermining the recovery evident in other regions. In the Eurozone, unstable majorities within some EU governments have a greater impact than in other regions, which explains the lower economic growth rate of 1.0 % in 2025 and 1.4 % in 2026.

This trend is offset by more expansive monetary policies and the associated improvement in financing conditions in Europe. The European Central Bank was surprisingly quick to cut its key interest rate last year, with further reductions of 0.25 percentage points implemented in both February and March 2025. This move suggests that the ECB is anticipating a decline in inflation towards 2.0 %, suggesting a further cut to 2.0 %.

German Economy Continues to Lag Behind in International Comparison

The situation is particularly tense in Germany. Following the general election at the beginning of the year, Germany's economic and fiscal policy for 2025 is unclear. However, there is also an opportunity to refocus German politics by delivering a government capable of taking action. While the German economy shrank in 2024, as in the previous year, growth is expected again in 2025, albeit modestly at 0.3 %. International orders are still below the level of imports, and competition from countries such as China and the protectionist trade policy of the USA are increasingly impacting German industry.

At the same time, inflation is slowing in Germany, and energy prices are expected to decline further in the current year. Nevertheless, the German economy is stagnating, while the rest of the Eurozone and the international market continue to rebound from pandemic lows.

Company-Specific Outlook

Predicted Sales and Results of Operations

Deufol's market environment will be dominated by consistent and rising uncertainty in fiscal year 2025. However, Deufol is broadly diversified and its anchor customers have full order books. In 2025, the rise in personnel costs should level off after the significant increases in previous years, and energy costs are expected to fall again. We expect the costs of wood and wood-based materials to rise as the year progresses, resulting in a further increase in overall costs. Nevertheless, we also expect to pass on appropriate price increases to our customers, for example, via price adjustment clauses.

However, Deufol is also feeling the effects of the uncertainty prevailing in the Group's core markets, particularly in Germany. The situation is further complicated by the current political and economic developments in the US, which are likely to have a lasting impact on the global economy. Deufol will continue to digitalize its day-to-day business operations with the aim of improving the evaluation of its business segments. In the past fiscal year, the Group's service portfolio was analyzed and streamlined to support focused international growth and cross-border links, and to expand the range of end-to-end solutions in the international project business. In the human resources field, we are stepping up our efforts to raise our profile as an attractive employer in order to address the ongoing shortage of skilled labor. Deufol's management focuses on the Group's employees as the most valuable resource in our value chain. Long-standing relationships with our network of strategic suppliers allow Deufol to successfully address challenges in the procurement markets and mitigate emerging price effects.

The Group continues to pursue geographic expansion. The optimization of our locations in our core markets, for example, the expansion of our Bremerhaven site and the opening of a new location in Celle, or the growth of our business in Brno (Czech Republic) and Debrecen (Hungary), will also contribute to our economic success. Together with Deufol's established inland locations and the growing range of services provided by its hub system, the Group expects to continuously increase its market share, which means that Group sales are expected to keep growing regardless of the current market situation. In addition, growth linked to the effects of our investments and the progress of our continuous optimization measures, including economies of scale, will further improve the Group's profitability.

The Deufol Group looks ahead to a sustained positive development of its business, thanks to various measures aimed at strengthening and increasing its market share and investing in the sustainability and digitization of its value chains. For 2025, we expect sales in a range of between approx. € 315 to 330 million and an EBIT figure for operating business of between € 12 and 16 million. As a result of this substantial operating result and an improved financial result thanks to the significant drop in interest rates, we envisage a positive performance in 2025 that will match and likely exceed the level achieved in the reporting year.

Expected Financial Position

As things currently stand, there will not be any need for unplanned financing measures to support our business activities, even in the case of a conservative course of business. The Group's central syndicated financing arrangement in Europe is secure up to September 2028. Combined with current bilateral financing arrangements and funding lines, as well as sufficient opportunities to realize investments through additional financing measures in line with our planning, the current financial resources also ensure that the Group's target growth is covered in terms of liquidity requirements, even in challenging times.

In the current year, investments in fixed assets (excluding leasing assets reportable according to IFRS 16) are planned with a volume of around €9.3 million, which is thus higher than the level in 2024 (€10.1 million). The envisaged investments are intended to improve the level of sustainability in terms of energy use and optimize Deufol's vehicle fleet and machinery, while also supporting its planned growth.

Managing Directors' Overall Summary of the Group's Expected Development

In the next few years, the Deufol Group intends to further strengthen its profile as a holistic end-to-end logistics services provider. In particular, it aims to make further progress in relation to the distribution and development of the innovative software solutions that we provide through our IT services. Sustainable solutions for packaging materials and optimized flows of goods are another core area of focus. In an environment characterized by strong geopolitical tensions and economic uncertainty, following a successful year 2024, our broad customer base and long-term business relationships, our specific know-how and our financial resources enable us to maintain a confident outlook regarding the Group's development in fiscal year 2025.

Hofheim am Taunus, March 24, 2025

The Managing Directors

Dennis Hübner	Ebrahem Al Kadari	Jürgen Hillen
Detlef W. Hübner	Marc Hübner	Jürgen Schmid

A CENTRAL BUILDING BLOCK

SUSTAINABILITY AS A STRATEGIC GUIDELINE

Sustainability is not an isolated corporate goal – it is an integral component of our business strategy. Significant progress was made in 2024 thanks to the first-time calculation of our Scope 1 and 2 carbon footprint and the successful EcoVadis rating – both of which were initially carried out for the German companies – as well as the completion of our double materiality assessment (see also "Sustainability as a Strategic Guideline" – page 020). The measures we take to conserve resources and reduce emissions express our commitment to meet our ecological responsibility and represent a central building block when it comes to the future viability of our customers and partners. We are continuing these efforts in 2025, inter alia through an EcoVadis rating of all Deufol SE entities, including all international business locations.

Consolidated Financial Statements

as of December 31, 2024

Consolidated Income Statement

Figures in € k	2024	2023	Note/Page
Sales	**309,142**	**294,004**	01/072
Other own work capitalized	1,413	1,083	
Inventory changes	12	606	
Other operating income	5,623	16,949	02/072
Overall operating performance	**316,191**	**312,642**	
Cost of materials	−113,670	−113,965	03/072
Personnel costs	−115,381	−106,542	04/073
Depreciation, amortization and impairment	−21,797	−29,474	11/079
Other operating expenses	−52,311	−46,019	05/073
Income (loss) from operating activities (EBIT)	**13,032**	**16,642**	
Financial income	400	379	06/074
Finance costs	−6,626	−6,178	06/074
Income (loss) from investments accounted for using the equity method	549	484	14/081
Other financial result	23	14	
Profit (loss) before taxes (EBT)	**7,379**	**11,341**	
Income taxes	−2,970	−4,145	07/074
Result for the period	**4,408**	**7,196**	
thereof share of profits held by noncontrolling interests	497	647	08/076
thereof share of profits held by shareholders in the parent company	**3,911**	**6,550**	

Earnings per share [1]

Figures in €			
Basic and diluted earnings per share, based on the income (loss) attributable to common shareholders of Deufol SE	0.460	0.763	09/076

1) Restatement of the previous year's figure as per IAS 33

Consolidated Statement of Comprehensive Income

Figures in € k	2024	2023	Note/Page
Result for the period	**4,408**	**7,196**	
Other comprehensive income	**502**	**−318**	
Items which may be reclassified to the income statement in future			
Income (loss) from currency translation, after taxes	558	−517	
Cash flow hedges before taxes	−146	286	
Deferred taxes on cash flow hedges	44	−86	
Cash flow hedges after taxes	−102	200	39/097
Items which will not be reclassified to the income statement in future			
Actuarial gains/losses (–) from pensions, before taxes	65	25	
Deferred taxes on actuarial gains/losses from pensions	−19	−27	
Actuarial gains/losses (–) from pensions, after taxes	46	−2	27/091
Comprehensive income after taxes	**4,911**	**6,878**	
thereof noncontrolling interests	497	647	
thereof shareholders in the parent company	4,413	6,231	

Consolidated Balance Sheet

Assets Figures in € k	Dec. 31, 2024	Dec. 31, 2023	Note/Page
Noncurrent assets	**205,732**	**201,309**	
Property, plant and equipment	113,292	109,178	11/079
Goodwill	60,747	60,747	12/79
Other intangible assets	5,069	4,693	12/79
Investment property	15,095	14,387	13/080
Investments accounted for using the equity method	2,797	2,487	14/081
Financial receivables	628	43	15/086
Other financial assets	273	273	
Other receivables and other assets	2,270	4,550	16/086
Deferred tax assets	5,559	4,951	07/074
Current assets	**70,975**	**70,275**	
Inventories	15,393	14,738	17/086
Trade receivables	36,072	34,379	18/087
Other receivables and other assets	5,160	5,735	16/086
Tax receivables	949	658	
Financial receivables	802	0	15/086
Cash and cash equivalents	12,599	14,765	19/088
Total assets	**276,707**	**271,584**	

Equity and liabilities Figures in € k	Dec. 31, 2024	Dec. 31, 2023	Note/Page
Equity	**129,003**	**128,639**	
Equity attributable to the shareholders of Deufol SE	126,247	126,081	
Subscribed capital	8,629	43,774	20/088
Capital reserves	142,474	107,330	21/089
Retained earnings	12,181	12,181	22/089
Profit brought forward	−37,880	−37,543	
Other comprehensive income	1,317	815	
Treasury stock at cost	−475	−475	23/089
Noncontrolling equity interests	2,756	2,558	24/089
Noncurrent liabilities	**90,598**	**81,633**	
Financial liabilities	74,691	64,844	26/090
Provisions for pensions	3,006	3,179	27/091
Other provisions	5,829	5,551	28/094
Other liabilities	14	2	29/094
Deferred tax liabilities	7,058	8,058	07/074
Current liabilities	**57,106**	**61,312**	
Trade payables	21,702	22,998	30/094
Financial liabilities	20,611	22,427	26/090
Other liabilities	11,996	14,259	29/094
Tax liabilities	2,678	1,236	
Other provisions	119	392	28/094
Total equity and liabilities	**276,707**	**271,584**	

Consolidated Cash Flow Statement

Figures in € k	2024	2023	Note/Page
Income (loss) from operating activities (EBIT)	13,032	16,642	
Adjustments to reconcile net income (loss) to cash flow from operating activities			
Depreciation, amortization and impairment	21,797	29,474	10–12/077ff.
(Gain) loss from disposal of fixed assets	6	51	02, 05/072, 073
Taxes paid	−3,320	−2,625	
Restatement of the fair value of investment property	−708	218	02/072
Other noncash expenses/revenue	−254	−893	
Changes in assets and liabilities from operating activities			
Decrease (increase) in trade accounts receivable	−1,379	−985	
Decrease (increase) in inventories	−582	1,831	
Decrease (increase) in other receivables and other assets	2,705	−6,573	
Increase (decrease) in trade accounts payable	−1,329	−121	
Increase (decrease) in other liabilities	−2,265	−1,159	
Increase (decrease) in provisions	−507	−304	
Decrease (increase) in other operating assets/liabilities (net)	130	−67	
Cash flow from operating activities	**27,326**	**35,487**	31/095
Payments made for investments in intangible assets and property, plant and equipment	−9,490	−5,767	11, 12/079
Proceeds from the sale of intangible assets and property, plant and equipment	633	3	
Payments made for the acquisition of noncontrolling interests	0	−250	32/095
Disposal of business units less cash disposed of	0	400	32/095
Net change in financial receivables	30	207	
Interest and dividends received	663	525	
Cash flow from investing activities	**−8,163**	**−4,882**	33/095
Addition (extinction) of amounts due to banks	5,403	−11,979	
Addition (extinction) of other financial liabilities	−15,904	−13,945	
Proceeds from capital increase	0	0	
Payments made due to capital decreases for noncontrolling interests	−1	−1	
Interest paid	−6,348	−5,914	
Dividends paid	−4,248	−1,293	25/090
Dividend paid to noncontrolling interests	−298	−154	
Cash flow from financing activities	**−21,396**	**−33,286**	34/095
Exchange rate- and scope of consolidation-related changes in financial resources	68	−117	
Change in cash and cash equivalents	**−2,165**	**−2,799**	35/096
Cash and cash equivalents at the beginning of the period	14,765	17,564	
Cash and cash equivalents at the end of the period	12,599	14,765	

Consolidated Statement of Changes in Equity[1)]

						Accumulated other comprehensive income				
Figures in € k	Subscribed capital	Capital reserves	Retained earnings	Profit brought forward	Treasury stock at cost	Cumulative translation adjustment	Cash flow hedges and provisions for pensions	Equity attributable to the shareholders of Deufol SE	Noncontrolling equity interests	**Total equity**
Balance at Jan. 1, 2023	**43,774**	**107,329**	**13,073**	**– 42,799**	**– 475**	**819**	**314**	**122,035**	**2,066**	**124,101**
Result for the period				6,550				6,550	647	7,196
Other comprehensive income						−517	198	−318	0	−318
Comprehensive income	0	0	0	6,550	0	−517	198	6,231	647	6,878
Dividends				−1,293				−1,293	−154	−1,447
Capital transactions not resulting in change to shareholding interest								0	−1	−1
Withdrawal of treasury stock			−892					−892	0	−892
Balance at Dec. 31, 2023	**43,774**	**107,330[2]**	**12,181**	**−37,543**	**– 475**	**303**	**512**	**126,081**	**2,558**	**128,639**
Result for the period				3,911				3,911	497	4,408
Other comprehensive income						558	**– 56**	502	0	502
Comprehensive income				3,911		558	**– 56**	4,413	497	4,911
Dividends				−4.248				−4.248	−298	−4.546
Capital transactions not resulting in change to shareholding interest								0	−1	−1
Capital decrease	−35,145	35,145						0	0	0
Balance at Dec. 31, 2024	8,629	**142,474**	**12,181**	**−37,880**	−475	**861**	**456**	**126,247**	**2,756**	**129,003**

1) Cf. Notes (20) to (25).
2) Adjusted due to rounding.

Notes to the Consolidated Financial Statements

for the fiscal year from January 1, 2024 to December 31, 2024

General Information

Deufol SE is domiciled in Hofheim am Taunus and has been entered in the Frankfurt am Main commercial register under the number HRB 95470.

Deufol is a global premium service provider in the field of packaging and supplementary services. Please see the disclosures in the segment reporting for further details.

The address of the Company's registered office is Johannes-Gutenberg-Strasse 3–5, 65719 Hofheim am Taunus, Germany. Lion's Place GmbH, Hofheim am Taunus, is the parent company that prepares the consolidated financial statements for the largest group of companies. These documents are published in the German Company Register.

The Company's managing directors approved the IFRS consolidated financial statements on March 24, 2025, so that they could then be forwarded to the Administrative Board.

Individual figures within the consolidated financial statements may not precisely add up to the stated total amount due to rounding.

Basis of Preparation

Deufol SE prepares its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as mandatorily applicable in the European Union. In addition, the provisions of section 315e of the German Commercial Code were complied with and applied in the preparation of the consolidated financial statements. All IFRS (IFRS, IAS, IFRIC, SIC) as adopted by the European Union and mandatorily applicable as of the balance sheet date were applied.

In principle, the consolidated financial statements are prepared using the historical cost principle. This excludes derivative financial instruments as well as investment property, which are measured at fair value.

Consolidation

All subsidiaries over which Deufol SE has legal or effective control are included in the consolidated financial statements. In addition to Deufol SE, the consolidated financial statements include 16 (previous year: 19) fully consolidated subsidiaries in Germany and 26 (previous year: 26) in other countries (hereinafter referred to as the "Deufol Group" or the "Group").

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee that have a significant impact on its return)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the noncontrolling interests, even if this results in the noncontrolling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (incl. goodwill), liabilities, noncontrolling interests and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

Joint ventures are included in the consolidated financial statements using the equity method in accordance with IFRS 11 in conjunction with IAS 28. Other significant equity investments are accounted for using the equity method if the Deufol Group does not hold a controlling interest, but is able to exert a significant influence on the operating and financial policies of the investee. This is always the case if it holds between 20 % and 50 % of the voting rights ("associates").

On acquisition of an equity investment accounted for using the equity method, the difference between cost and proportionate equity is initially allocated to the assets and liabilities of this investment by making certain adjustments to the fair values. Any remaining excess of cost of acquisition over net assets acquired is recognized as goodwill, and is not amortized.

If the recoverable amount of an investment in an associate (the higher of its value in use and its fair value less costs to sell) falls below the carrying amount this will lead to a corresponding impairment. The impairment loss will be recognized in the income statement.

The annual financial statements of consolidated companies are prepared as of the reporting date of the consolidated financial statements.

Acquisition accounting is performed in accordance with the purchase method, whereby the cost of the acquired interests is eliminated against the parent's share of the revalued equity at the date of acquisition. Any resulting difference is allocated to the corresponding assets and liabilities of the subsidiary insofar as it is due to hidden reserves or hidden liabilities. Any remaining excess of cost of acquisition over net assets acquired is recognized as goodwill. In accordance with IFRS 3 (Business Combinations) in conjunction with IAS 36 (Impairment of Assets), goodwill is not amortized over the expected useful life, but instead tested at least annually to establish whether there is any need to recognize impairment losses.

Noncontrolling interests represent the share of net profit/loss and net assets that is not attributable to the Group. They are reported separately in the consolidated income statement and the consolidated balance sheet. They are reported on the face of the consolidated balance sheet as a separate component of equity from the equity attributable to the shareholders of the parent company.

Intercompany receivables and liabilities, revenue, expenses, income and profits are eliminated as part of consolidation.

Currency Translation

The consolidated financial statements are prepared in euros, the functional and presentation currency of the Deufol Group. Unless indicated otherwise, all amounts are given in thousands of euros.

Each company within the Deufol Group determines its own functional currency. In accordance with IAS 21, the annual financial statements of the foreign subsidiaries included in the consolidated financial statements whose functional currency is not the euro were converted into the Group currency euro on the balance sheet cut-off date on the basis of the functional currency concept. Financial statements are translated using the modified closing-rate method, i.e., assets and liabilities are translated from the functional currency to the reporting currency at the ECB's reference rates on the balance sheet date, while income statements are translated at the average rates for the year. Equity is translated at historical rates.

Differences resulting from the translation of assets and liabilities compared with the translation of the previous year and translation differences between the income statement and the balance sheet are taken directly to equity and are reported under "Other recognized income and expense". When a foreign operation is disposed of, the cumulative amount recognized in equity for this foreign operation is reversed to the income statement.

Foreign-currency transactions are translated at the spot rate of the foreign currency to the functional currency prevailing at the transaction date. Foreign-currency monetary assets and liabilities are translated at the rate on the balance sheet date. The resulting foreign exchange differences are recognized in profit or loss for the period, with the exception of foreign exchange differences resulting from foreign-currency loans insofar as the loans are used to hedge a net investment in a foreign operation. These are recognized directly in equity until the net investment is disposed of and only recognized in profit or loss on the date of disposal.

The exchange rates for the translation of key currencies that are not part of the European Monetary Union changed as follows:

Foreign currency	ECB reference rate as of the balance sheet date		Average rate for the year	
per €	**2024**	2023	**2024**	2023
US dollar	1.0389	1.1050	1.0821	1.0816
Renminbi	7.5833	7.8509	7.7863	7.6591
Singapore dollar	1.4164	1.4591	1.4457	1.4523
Thai baht	35.6760	—	35.7936	—
Forint	411.3500	382.8000	395.4216	381.7592
Zloty	4.2750	4.3395	4.3057	4.5421
Czech crown	25.1850	24.7240	25.1189	24.0007

Sales Recognition

Deufol applies the standard IFRS 15. This standard prescribes the amount and timing of revenue recognition and envisages a uniform, five-step revenue realization model. In principle, this must be applied for all customer contracts.

A contract with a customer within the scope of IFRS 15 must be recognized in the balance sheet subject to the cumulative fulfillment of the following criteria:

- The parties have agreed to the contract and undertaken to fulfill their contractual obligations.
- The entity is able to determine for each party which rights this has in relation to the goods or services that are to be transferred.
- The entity is able to determine the payment terms for the goods or services that are to be transferred.
- The contract has economic substance.
- The entity is likely to receive the consideration to which it is entitled in return for the goods or services that are to be transferred to the customer.

Revenue is primarily generated from services, products and rental agreements and is recognized in income upon Deufol transferring to a customer the power of control over goods or services over time or at a point in time. Revenue from sales of products and service agreements is recognized when the power of control is transferred to the acquirer. Invoices will be issued on this date; the payment terms stipulate periods for payment in line with those customary in the industry. Revenue from rental agreements is recognized on a straight-line basis over a specific period.

Revenue is recognized in line with the value of the consideration that the entity is expected to receive in exchange for these goods or services. Sales are recognized net of purchase price reductions such as cash and sales discounts and rebates.

Earnings per Share

Earnings per share (EPS) are calculated in accordance with IAS 33. Basic earnings per share are calculated by dividing the net profit/loss for the period attributable to the holders of common shares of the parent company by the weighted average number of common shares in circulation. Shares newly issued or repurchased during a period are included pro rata for the time they are in circulation. Diluted earnings per share are calculated by dividing the adjusted net profit/loss for the period attributable to the holders of common shares of the parent company by the weighted average number of common shares in circulation and the weighted average number of common shares that would be issued following the conversion of all potential common shares with a dilutive effect into common shares.

Intangible Assets and Goodwill

Purchased intangible assets with finite useful lives are recognized at cost and amortized on a straight-line basis over their economic lives. Proprietary software is capitalized at cost and undergoes straight-line amortization over its economic life. Capitalized software licenses and customer relationships are amortized on a straight-line basis over their expected useful life or over the term of the relevant agreement. The amortization recognized is allocated to the relevant functions in the income statement based on the asset's use. If there are indications of impairment and the recoverable amount is less than amortized cost, impairment losses are recognized on the intangible assets. If the reasons for impairment cease to apply, the impairment losses are reversed accordingly, up to the amortized cost. This does not apply to capitalized goodwill.

Goodwill is recognized in accordance with IFRS 3 "Business Combinations" in conjunction with IAS 36 "Impairment of Assets". These standards require goodwill to be tested annually for impairment rather than amortized.

The accounting principles for intangible assets are as follows:

	Customer relationships	Licenses and software
Amortization method used	Straight-line	Straight-line
Useful life	5 – 11 years	3 – 8 years
Remaining useful life	up to 4 years	up to 4 years

Property, Plant and Equipment

Property, plant and equipment are carried at cost less straight-line depreciation recognized over the economic life of the respective item.

Assets are removed from the balance sheet on disposal or scrapping; any disposal gains or losses are recognized in income.

The following useful lives are used for depreciation:

Useful lives of property, plant and equipment

Factory and office buildings	10 – 50 years
Operating and office equipment	3 – 10 years
Machinery and equipment	6 – 20 years
Vehicle fleet	5 – 7 years

If there are indications of impairment and the recoverable amount is less than amortized cost, impairment losses are recognized on the items of property, plant and equipment. If the reasons for impairment cease to apply, the impairment losses are reversed accordingly, up to the amortized cost. More complex items of property, plant and equipment consisting of clearly separable components with different useful lives are split into these components for the purposes of calculating depreciation. Depreciation is calculated using the useful lives of the individual components.

Investment Property

Investment properties as defined in IAS 40 are measured initially at cost, including transaction costs. Within the scope of subsequent measurement, IAS 40 offers the option of measurement at amortized cost or fair value as of the balance sheet date. Deufol exercises this option in relation to a measurement according to the fair-value model. Fair value reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are recognized through profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined through regular valuations in accordance with IAS 40.

Investment properties are derecognized either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized through profit or loss in the period of derecognition. The amount of consideration to be included in the income statement in the case of the derecognition of investment property is calculated in accordance with the requirements for determining the transaction price in IFRS 15.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent measurement is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated in the “Property, plant and equipment” section up to the date of change in use.

Leases

The IFRS 16 standard applies in regard to the accounting rules for leases. Its central goal is balance-sheet recognition of all leases. In principle, lessees must recognize a right of use and a lease liability in their balance sheet for all leases. The lease liability is measured in the Deufol Group at the present value of the outstanding lease payments, while the right of use is measured at the amount of the lease liability plus direct costs. During the term of the lease, the right of use must be depreciated and the lease liability subsequently measured using the effective-interest-rate method, while taking the lease payments into consideration. According to IFRS 16, in principle, lease payments must be discounted using the interest rate serving as the basis for the lease. Since this interest rate cannot generally be determined in the case of the leases entered into in the Deufol Group, as a rule discounting is implemented on the basis of the incremental borrowing rate.

IFRS 16 permits practical expedients for short-term and low-value leases. Deufol has applied these practical expedients for short-term leases. Accordingly, no right of use and no liability are recognized for such leases. The related lease payments will continue to be recognized as an expense in the income statement.

As of first-time adoption, existing agreements have not been reassessed in terms of whether or not these constitute a lease on the basis of the IFRS 16 criteria. Instead, agreements that were already classified as a lease under IAS 17 continued to be classified as a lease as of first-time adoption and were treated as such.

If the Deufol Group, as the lessee, has entered into a (continuing) contractual obligation regarding the provision of an asset with a lessor and has agreed a sublease for this asset, thereby transferring the right of use to another party, the Group is deemed to be the lessor in the sublease. The classification of the sublease as a finance or operating lease is based on the underlying right of use of the intermediate lessor as established by the head lease. If the sublease is a finance lease, Deufol, in its capacity as lessor, recognizes the corresponding asset under the receivables item of the balance sheet in the amount of its net investment in the lease. As a general rule, the interest rate underlying the lease must be used to measure the net investment.

Joint Ventures and Associates

Investments in joint ventures and associates are accounted for using the equity method. The cost of investments accounted for using the equity method is increased or decreased annually by changes in equity insofar as these are attributable to the Deufol Group.

Nonderivative Financial Assets

IFRS 9 prescribes a uniform model for the categorization of financial assets, which classifies financial assets in terms of three different categories as of their initial recognition:

- financial assets measured at amortized cost,
- financial assets measured at fair value through other comprehensive income, and
- financial assets measured at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial assets' contractual cash flow characteristics and the Company's business model for managing them. The Company's management classifies financial assets on acquisition and checks their classification at each balance sheet date. All standard market purchases and sales of financial assets are recorded in the balance sheet on the transaction date, i.e., the date on which the Company entered into the obligation to purchase the asset.

For purposes of subsequent measurement, financial assets are classified in terms of four categories:

- financial assets measured at amortized cost (debt instruments),
- financial assets measured at fair value through OCI with reclassification of cumulative gains and losses (debt instruments),
- financial assets measured at fair value through OCI with no reclassification of cumulative gains and losses upon derecognition (equity instruments), and
- financial assets measured at fair value through profit or loss.

A financial asset (or a portion of a financial asset or a portion of a group of similar financial assets) will mainly be closed out subject to one of the following conditions:

- The contractual rights to receive cash flows resulting from the financial asset have expired.
- The Group has transferred to third parties its contractual rights to receive cash flows resulting from the financial asset or else entered into a contractual obligation to pay over the cash flow to a third party immediately, within the scope of a so-called "pass-through arrangement", thereby either (a) substantially transferring all risks and opportunities associated with ownership of the financial asset or (b) not having substantially transferred or retained all risks and opportunities associated with ownership of the financial asset, but having transferred the power of control over the asset.

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not measured at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For financial instruments for which there has not been a significant increase in credit risk since initial recognition, a loss allowance is recognized in the amount of the expected credit losses that result from default events that are possible within the next twelve months (12-month ECL). For financial instruments for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognized in the amount of the credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience and has been adjusted for forward-looking factors specific to its debtors and the economic outline conditions. The need to recognize impairment will be reviewed in terms of ECLs on each balance sheet date and will be adjusted where necessary. The impairment rates will be determined on the basis of the level of delinquency for receivables.

In the case of objective indications for trade receivables that amounts due will not all be received in accordance with the originally agreed invoice terms (e.g., the probability of an insolvency or significant financial difficulties for the debtor), an impairment will be recognized with use of a valuation account. Receivables are closed out once they are classified as uncollectible.

Derivative Financial Instruments

As a rule, derivative financial instruments are exclusively used by the Group to hedge interest rate and currency risks. Derivatives that have not been included in hedge accounting, as hedging instruments, are reported in income as financial assets or financial liabilities measured at fair value. In these cases, profits or losses from these financial assets or financial liabilities are recognized in income.

Insofar as the hedge accounting rules pursuant to IFRS 9 are applied, the effective portion of the profit or loss resulting from a cash flow hedge is recorded directly in equity as a portion of the accumulated changes recognized directly in equity, including deferred taxes, while the ineffective portion is immediately recognized through profit or loss.

The fair value of derivative hedging instruments is classified in full as a noncurrent asset or liability if the remaining term of the hedged item exceeds 12 months. It will be classified as a current asset or liability if the remaining term of the hedged item is less than 12 months.

Derivatives are measured according to recognized methods and in consideration of current market parameters. The financial instruments in their entirety are explained in Note (39).

Cash Flow Hedges

The amounts recognized in equity will be reclassified to the income statement in the period in which the hedged transaction affects the period result, e.g., if hedged financial income or expenses are recognized or if an expected sale is executed.

Where a hedge leads to the reporting of a nonfinancial asset or a nonfinancial liability, the amounts recognized in equity will form part of the costs of acquisition at the time of the addition of the nonfinancial asset or nonfinancial liability.

Where the stipulated transaction or fixed obligation is no longer expected to be realized, the amounts previously recognized in equity will be reclassified to the income statement. In the case of the expiry or sale, termination or exercise of the hedging tool without a replacement or the rollover of the hedging tool into another hedging tool, the amounts previously recognized in equity will remain a separate equity item until the envisaged transaction or fixed obligation has been realized.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation covers the identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (incl. the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Cash and Cash Equivalents

Cash and cash equivalents on the face of the balance sheet comprise cash on hand, checks, bank balances and short-term deposits with an original maturity of up to three months.

Inventories

Inventories are carried at the lower of cost and net realizable value. As a rule, carrying amounts are calculated using the FIFO method; for certain inventories, the weighted-average-cost method is used. Cost comprises all production-related costs, calculated on the basis of normal employment. As well as direct costs (such as direct material and manufacturing costs), it also includes fixed and variable material and manufacturing overheads relating to the production process and appropriate portions of depreciation of manufacturing equipment.

Income Taxes

The taxes levied in the individual countries on taxable profits and the change in deferred taxes recognized through profit or loss are reported as income taxes.

The reported income taxes are recognized on the basis of the statutory provisions applicable or adopted as of the balance sheet date, in the expected payment amount. A tax liability is reported on the basis of appropriate estimates for obligations to the respective national tax authorities that are uncertain in terms of their amount and the probability of their applicability.

Deferred taxes are calculated using the balance sheet liability method in accordance with IAS 12. This standard requires deferred taxes to be recognized for all temporary differences between the tax bases of the individual companies and the carrying amounts according to IFRS, and on consolidation adjustments. Deferred tax assets are also recognized for future benefits expected to arise from tax loss carryforwards. However, deferred tax assets have only been recognized for accounting differences and for tax loss carryforwards to the extent that it is probable that the asset will be realized. Deferred tax assets are measured at the applicable national rates of income tax.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when an asset is realized or a liability is settled. Deferred taxes for items recognized directly in equity will also be recognized directly in equity. Deferred tax liabilities are not recognized in the case of taxable temporary differences associated with investments in subsidiaries and associates where the timeframe for the reversal of the temporary differences may be controlled and a reversal of the temporary differences is not probable in the foreseeable future. Deferred tax assets and tax liabilities are netted subject to a legally enforceable right to offset current tax assets against current tax liabilities and insofar as these are levied by the same tax authority.

Other Recognized Income and Expenses

Items taken directly to equity are reported under this item, unless they result from capital transactions with shareholders, such as capital increases or dividend payments. This item includes the cumulative translation adjustment, unrealized gains or losses from the fair-value measurement of financial instruments and derivative financial instruments used in cash flow hedges as well as actuarial gains and losses in connection with pension commitments. They are recognized including deferred taxes, where applicable.

Provisions for Pensions and Similar Obligations

The actuarial valuation of pension provisions for defined-benefit plans is based on the "projected-unit-credit method" prescribed in IAS 19. The interest element of pension expenses is shown as a finance cost. Actuarial gains and losses are recognized directly in other comprehensive income. The provisions for pensions result from the pension obligations less the market values of the plan assets.

In the case of defined-contribution pension plans (e.g., direct insurance schemes), the contributions payable are recognized immediately as an expense. Provisions for pension obligations are not recognized for defined-contribution plans, as in these cases, the Group has no other obligation above and beyond its obligation to pay premiums.

Other Provisions

Other provisions are recognized where a present obligation exists to third parties as a result of a past event, an outflow of resources is expected and the amount can be reliably measured. They are uncertain obligations that are recognized in the amount of the best estimate. Provisions with a remaining maturity of more than one year are discounted at market interest rates reflecting the risk specific to the liability and the period of time until the settlement date.

Nonderivative Financial Liabilities and Other Liabilities

Initial Recognition and Measurement

Financial liabilities are classified as follows as of their initial recognition according to IFRS 9:

- financial liabilities measured at amortized cost,
- financial liabilities measured at fair value through profit or loss.

Subsequent Measurement

In principle, financial liabilities will be carried at amortized cost. This excludes financial liabilities that were allocated to the category "financial liabilities measured at fair value through profit or loss" as of their initial recognition. Differences between historical cost and the repayment amount and transaction costs are accounted for using the effective-interest method. Other liabilities are carried at their nominal value or the repayment amount. Noncurrent other liabilities bearing no interest are accounted for at their present value.

Where an existing financial liability is replaced by another financial liability of the same lender subject to substantially different contract terms or where the terms of an existing liability are subject to substantial change, this replacement or change will be treated as a closing-out of the original liability and a valuation for a new liability. The difference between the respective carrying amounts will be recognized in income.

Derecognition

A financial liability will be closed out in the case of the fulfillment, cancellation or expiry of the underlying obligation. Where an existing financial liability is replaced by another financial liability of the same lender subject to substantially different contract terms or where the terms of an existing liability are subject to substantial change, this replacement or change will be treated as a closing-out of the original liability and a valuation for a new liability. The difference between the respective carrying amounts will be recognized in income.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

Treasury Stock

Where the Group acquires treasury stock, this is recognized at cost on acquisition and deducted from equity. The purchase, sale, issue or withdrawal of treasury stock is recognized directly in equity, in the reserves.

Cash Flow Statement

The cash flow statement is prepared in accordance with the provisions of IAS 7 and shows the changes in the Group's cash and cash equivalents over the course of the year under review as a result of cash inflows and outflows. A distinction is made between cash flows from operating activities, investing activities and financing activities. Cash flows from operating activities are presented using the indirect method.

Segment Reporting

Segment reporting is performed in accordance with IFRS 8 (Operating Segments). The segments correspond to those of the internal reporting structure. Segmentation aims to make transparent the assets and financial position and results of operations of the Group's individual activities and its various regions.

Borrowing Costs

All borrowing costs are expensed in the period in which they are incurred. The Group does not have any qualified assets requiring mandatory inclusion of borrowing costs in their historical costs.

Government Grants

In previous years, Deufol received government grants relating to its investment projects. Pursuant to IAS 20, these grants may either be recognized as deferred income and amortized to income over the respective depreciation period (gross method) or, as applied by Deufol, they may be deducted from the carrying amount of the respective asset and recognized as income over the asset's useful life by means of a reduced depreciation amount (net method). IAS 20 also offers an option for performance-related grants to be recognized as other income in the income statement or to be deducted from the relevant expenses. Deufol applies the second option.

Government grants are recognized if there is reasonable assurance that the grants will be received and the Company meets the conditions attached to the grants.

Management Judgments and Key Sources of Estimation Uncertainty

The preparation of the consolidated financial statements in accordance with IFRS sometimes requires the managing directors to make estimates, judgements or assumptions that can affect the reported amounts of assets, liabilities and financial liabilities as of the balance sheet date, and the income and expenses for the reporting period. Actual amounts and changes may differ from these estimates and assumptions.

The significant judgments and estimates applied are described in the following section:
A significant portion of the valuation adjustment for doubtful accounts receivable relates to assessments and judgments regarding individual receivables that are based on the creditworthiness of the relevant customer, current economic trends and an analysis of historical losses of receivables outstanding on a portfolio basis.

Recognition and valuation of other provisions are based on an estimate of the probability of the future outflow of benefits, supplemented by past experience and the circumstances known at the balance sheet date. As such, the actual outflow of benefits may differ from the amount recognized under other provisions. Please see Note (28) for further disclosures.

Deferred tax assets from tax loss carryforwards are recognized on the basis of an estimate of the future recoverability of the corresponding tax benefits, i.e., if there is expected to be sufficient taxable income or a reduced tax expense in future. The next five years is assumed as the assessment timeframe for this. The actual taxable income situation in future periods, and hence the extent to which tax loss carryforwards can actually be utilized, may differ from the estimate performed at the date on which the deferred taxes are recognized. Please see Note (07) for further disclosures.

Significant forward-looking estimates and assumptions are made in the context of the impairment tests performed on goodwill, because the discounted-cash-flow method used for these tests requires the calculation of future cash flows, an appropriate rate of interest and long-term future growth rates. Any change in these factors may affect the results of such impairment tests. Please see Note (12) for further disclosures.

The determination of the fair value of investment property includes future-oriented estimates regarding the trend for index-based rents in the contractually agreed tenancy period as well as the rents subsequently achievable on the market. Assumptions must also be made regarding the amount of the operating costs that cannot be apportioned to the tenant(s) as well as the disposal costs. The discounted-cash-flow method used for measurement also requires the application of an adequate interest rate. Please see Note (13) for further disclosures.

Valuation of property, plant and equipment and intangible assets with a limited useful life requires the use of estimates for calculation of the fair value at the time of acquisition, particularly for assets acquired in connection with a business combination. In addition, these assets' expected useful life is to be determined. Calculation of the fair values of the assets and their useful life and the impairment testing in the case of indications of impairment are based on judgments made by the management. Please see Notes (11) and (12) for further disclosures.

Further judgments may apply in regard to the specification of the necessary parameters for balance-sheet recognition of leases under IFRS 16; in particular, this relates to the determination of the interest rates used for discounting. Please refer to Note (10).

Judgments and estimates made by the management may affect the measurement of assets and liabilities and related disclosures as well as the income and expenses reported for the period under review. Due to the complex global economic situation, these judgments and estimates on the part of the management are subject to a heightened level of uncertainty. The actual amounts may differ from the management's judgments and estimates. Changes to these judgments and estimates may have a significant impact on the consolidated financial statements. All of the information available on the expected economic trends has been taken into consideration within the scope of updates made to the management's judgments and estimates. This information has also been factored into the analysis of the fair value and recoverability of assets and receivables. We have therefore based our underlying estimates and assumptions on our existing knowledge and the best sources of information available to us. We will continue to analyze potential future effects on the measurement of individual assets and liabilities.

Changed Accounting and Valuation Methods

In principle, the accounting and valuation methods used are the same as those used in the previous year.

New Accounting Standards

Accounting Standards Applied for the First Time

In the current fiscal year, Deufol has applied the following new or amended standards and interpretations for the first time, which, however, did not have any impact, or no significant impact, on the Group's net assets, financial position and results of operations:

Standard/amendments	
IFRS 16	Amendments to IFRS 16 (Leases): Lease Liability in a Sale and Leaseback Transaction
IAS 7 and IFRS 7	Amendments to IAS 7 (Cash Flow Statement) and IFRS 7 (Financial Instruments: Disclosures): Supplier Finance Arrangements
IAS 1	Amendments to IAS 1 (Presentation of Financial Statements): Classification of Liabilities as Current or Noncurrent as well as Long-Term Liabilities with Covenants

Accounting Standards Published and Not Yet Applied

The IASB has approved the following new or amended standards. However, since application of these standards is not yet mandatory and they have not yet been endorsed by the EU, they have not been applied in Deufol's consolidated financial statements as of December 31, 2024. The new standards and amendments to existing standards apply for fiscal years beginning on or after the respective date of entry into force. Deufol has not opted for early adoption, even though this is permitted by some standards. In principle, Deufol does not expect any of these amendments to have a significant, or any, effect on its net assets, financial position or results of operations.

Standard/amendments		Date of application (EU)
IAS 21	Amendment to IAS 21 (Effects of Changes in Foreign Exchange Rates): Lack of Exchangeability of a Currency	Jan. 1, 2025
IFRS 7 and IFRS 9	Amendments to IFRS 7 (Financial Instruments – Disclosures) and IFRS 9 (Financial Instruments): Classification and Measurement of Financial Assets	Jan. 1, 2026 [1]
IAS 7, IFRS 1, IFRS 7, IFRS 9 and IFRS 10	Annual Improvements to IFRS Accounting Standards — Volume 11	Jan. 1, 2026 [1]
IFRS 18	Presentation and Disclosure in Financial Statements	Jan. 1, 2027 [1]
IFRS 19	Subsidiaries without Public Accountability: Disclosures	Jan. 1, 2027 [1]

1) Not yet endorsed by the EU.

IFRS 18 (Presentation and Disclosure in Financial Statements) will replace IAS 1 (Presentation of Financial Statements) and introduces the following significant new requirements. Companies are required to break down all income and expenses in the income statement into specified categories and report redefined subtotals. Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements. Extended guidelines for grouping information in the financial statements are provided. In addition, undertakings are required to use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities.

The Deufol Group is currently assessing the impact of the new IFRS 18 standard, particularly with regard to the presentation of the Group's income statement, its cash flow statement and the additional disclosures required for MPMs.

Scope of Consolidation

Consolidated Companies

In addition to Deufol SE, the group of fully consolidated companies includes all major subsidiaries and subgroups over which Deufol SE has legal or effective control.

	Dec. 31, 2023	Additions	Disposals	Dec. 31, 2024
Consolidated subsidiaries	45	0	−3	42
thereof in Germany	19	0	−3	16
thereof abroad	26	0	0	26
Companies valued using the equity method	6	3	−1	8
thereof in Germany	4	0	0	4
thereof abroad	2	3[1]	−1	4
Total	**51**	3	−4	**50**

1) Indirect additions through acquisition by a company recognized at equity; see disclosures under “Acquisitions” on page → 071.

The following table shows the companies fully consolidated as of December 31, 2024:

Companies fully consolidated as of Dec. 31, 2024

	Country	Equity interest (%)
Deufol Services & IT GmbH, Hofheim am Taunus	Germany	100.0
Deufol time solutions GmbH, Hofheim am Taunus	Germany	100.0
Deufol Industrieverpackungsmittel GmbH, Hofheim am Taunus (incl. subsidiary)	Germany	100.0
Deufol CZ Production s.r.o., Cheb	Czech Republic	100.0
Deufol Real Estate GmbH, Hofheim am Taunus (incl. subsidiaries)	Germany	100.0
Deufol Hungary Real Estate Kft, Debrecen	Hungary	100.0
Deufol Immobilien CZ s.r.o., Brno	Czech Republic	100.0
Manamer NV, Lier (incl. subsidiaries)	Belgium	100.0
Deufol Belgium Real Estate NV, Lier	Belgium	100.0
Wallmann & Co. (GmbH & Co. KG), Hamburg	Germany	100.0
Deufol Nürnberg GmbH, Nuremberg, (incl. subsidiaries)	Germany	100.0
Deufol Consulting & Project Solutions GmbH, Hofheim am Taunus	Germany	100.0
Deufol Südwest GmbH, Frankenthal	Germany	100.0
Deufol West GmbH, Mülheim an der Ruhr	Germany	100.0
Deufol Nord GmbH, Peine (incl. subsidiary)	Germany	100.0
Deufol Hamburg GmbH, Hamburg	Germany	100.0
Deufol Supply Chain Solutions GmbH, Mülheim an der Ruhr	Germany	100.0
Deufol Süd GmbH, Neutraubling	Germany	100.0
DTG Verpackungslogistik GmbH, Fellbach	Germany	51.0
Deufol Berlin GmbH, Berlin	Germany	100.0
Wallmann & Co. Hamburg GmbH, Hamburg	Germany	100.0
Deufol Austria Management GmbH, Ramsau nr. Hainfeld (incl. subsidiaries)	Austria	70.0
Rieder Kistenproduktion Gesellschaft m.b.H., Ramsau nr. Hainfeld	Austria	69.3
Deufol Austria Pack Center Solutions GmbH, St. Pölten	Austria	70.0
Deufol Česká republika s.r.o., Brno	Czech Republic	100.0
Deufol Slovensko s.r.o., Krušovce	Slovak Republic	100.0

Companies fully consolidated as of Dec. 31, 2024

	Country	Equity interest (%)
Deufol North America Inc., Richmond, Indiana (incl. subsidiaries)	USA	100.0
Deufol Sunman Inc., Richmond, Indiana	USA	100.0
Deufol Charlotte LLC., Richmond, Indiana	USA	100.0
Deufol Worldwide Packaging LLC., Richmond, Indiana	USA	100.0
Deufol België NV, Lier (incl. subsidiaries)	Belgium	100.0
Deufol Technics NV, Houthalen	Belgium	100.0
Deufol Waremme S.A., Waremme	Belgium	100.0
Deufol Waremme Operations S.A., Waremme	Belgium	100.0
Deufol Lier NV, Lier	Belgium	100.0
Deufol Port of Antwerp NV, Antwerp	Belgium	100.0
Deufol Paris SAS, Mitry Mory	France	100.0
Deufol St. Nabord SAS, Saint Nabord (incl. subsidiary)	France	70.0
SCI Immo DLS, Saint Nabord	France	70.0
Deufol Polska Sp. z o. o., Chwaszczyno	Poland	100.0
Deufol Hungary Kft, Debrecen	Hungary	100.0
Deufol South East Asia PTE. LTD., Singapore	Singapore	100.0

Investments Accounted for Using the Equity Method

The following companies were included in the consolidated financial statements using the equity method:

Companies accounted for using the equity method as of Dec. 31, 2024

	Country	Equity interest (%) [1]
SIV Siegerländer Industrieverpackungs GmbH, Kreuztal	Germany	50.0
Deutsche Tailleur Bielefeld GmbH & Co. KG, Bielefeld	Germany	30.0
Mantel Industrieverpackung GmbH i. L., Stockstadt	Germany	50.0
Deufol Döhle Projects GmbH, Hamburg	Germany	50.0
Deufol Doehle Projects Ltd., Bangkok [2]	Thailand	49.0
NEPTUMAR Services (Thailand) Ltd., Bangkok [2]	Thailand	49.0
Menzell Asia Ltd., Bangkok [2]	Thailand	49.0
Deufol Meilink (Yantai) Packaging Co. LTD, Yantai	China	50.0

1) Direct shareholding attributable to the relevant parent
2) See disclosures under “Acquisitions” on page → 071

Information in Accordance with Section 313 (2) No. 4 of the German Commercial Code

Deufol SE holds at least 20 % of the shares in the following companies:

Company's name and registered office	Country	Equity interest (%)	Equity in € k	Result for the fiscal year in € k
Deutsche Tailleur Bielefeld Beteiligungs GmbH, Bielefeld	Germany	30.00	41	3

Mergers

Deufol Remscheid GmbH, Remscheid, and Deufol Rheinland GmbH, Troisdorf, merged with Deufol West GmbH, Mülheim an der Ruhr, with effect of January 1, 2024. The merger was entered in the commercial registers of Deufol Rheinland GmbH and Deufol Remscheid GmbH on June 13 and June 14, 2024, respectively; in the case of Deufol West GmbH, both mergers were entered in the commercial register on July 1, 2024.

Deufol Frankfurt GmbH, Frankfurt am Main, merged with Deufol Nürnberg GmbH, Nuremberg, with effect from July 1, 2024. The merger was entered in the commercial register on August 29, 2024, in the case of Deufol Frankfurt GmbH and on November 4, 2024, in the case of Deufol Nürnberg GmbH.

These transactions did not have any impact in relation to the Group.

Acquisitions

With effect of January 1, 2024, Deufol Döhle Projects GmbH, Hamburg, which is included in the consolidated financial statements at equity, acquired 49 % of the shares in each of three companies that were founded in 2023 and are seated in Bangkok / Thailand: Deufol Doehle Projects Ltd., NEPTUMAR Services (Thailand) Ltd. and Menzell Asia Ltd. The remaining 51 % of the shares in each company is held among these three companies. The latter two companies are not pursuing any active business operations; however, they are integrated with Deufol Doehle Projects Ltd. via the ownership structure. Deufol Doehle Projects Ltd. provides project logistics services, especially in the Asia region, complementing the range of services offered by Deufol Döhle Projects GmbH principally in geographical terms. Due to the corporate and performance-related interdependency between the three Thai companies and Deufol Döhle Projects GmbH, they are of material significance for the development of the at-equity investment Deufol Döhle Projects GmbH.

Disposals

Deufol Meilink Asia Pacific PTE. LTD., Singapore, which had so far been included in the consolidated financial statements at equity, was liquidated in the reporting year. This did not have any significant effect on the Group's net assets, financial position or results of operations.

Consolidated Income Statement Disclosures

01 Sales

Sales mainly result from the provision of services and, to a lesser extent, from product sale and rents. Sales include rental income from investment property in the amount of € 1,177 thousand (previous year: € 1,163 thousand). For further information on sales, we refer to the segment reporting reflecting the breakdown described above on pages → 104 ff.

02 Other Operating Income

The following table shows the breakdown of other operating income:

Figures in € k	2024	2023
Income from the conclusion of a settlement agreement	0	11,657
Release of provisions and liabilities	1,332	1,533
Reversal of valuation adjustments on receivables	191	1,168
Income from the fair-value adjustment of investment property	708	0
Insurance compensation and other indemnification	574	705
Income from disposal of fixed assets	63	37
Exchange-rate gains	286	121
Other	2,470	1,729
Total	**5,623**	**16,949**

The income recognized in the previous year from the conclusion of a settlement agreement related to a settlement agreement concluded in fiscal year 2023 by Deufol SE and other Group companies with former managers of the Group as well as other individuals, under which the Group was entitled to payments in the amount of € 11.9 million (before taxes). These payments were recognized in profit or loss, including discounting effects of € 0.2 million, and were attributable to the Germany segment in the amount of € 10.0 million and to the Holding segment in the amount of € 1.7 million. Due to the agreed payment terms, a portion of the settlement amount was paid in each of the financial years 2023 (€ 5.3 million) and 2024 (€ 2.2 million). The balance of € 4.4 million outstanding at the end of 2024 is due for payment in two equal installments of € 2.2 million in 2025 and 2026. The amount is fully secured by bank guarantees.

03 Cost of Materials

The cost of materials includes the following expenses:

Figures in € k	2024	2023
Expenses for raw materials, consumables and supplies	61,295	64,620
Cost of purchased services	52,375	49,346
Total	**113,670**	**113,965**

04 Personnel Costs

The personnel costs include the following expenses:

Figures in € k	2024	2023
Wages and salaries	90,023	83,397
Social security contributions and employee benefits	25,358	23,145
Total	**115,381**	**106,542**

Number of employees by region:

Number of employees by region	2024	2023
Germany	1,425	1,340
Rest of Europe	810	767
USA/Rest of the World	99	96
Group employees	**2,335**	**2,203**

On average, the Group had 2,335 employees in 2024, of whom 690 were office employees and 1,645 industrial employees. Holding had 103 employees on average (previous year: 88).

As of the reporting date, December 31, 2024, the Group had 2,322 employees (previous year: 2,226).

05 Other Operating Expenses

The following table shows the breakdown of other operating expenses:

Figures in € k	2024	2023
Rental and lease expenses	10,837	8,499
Space costs	8,111	7,337
Maintenance costs	3,779	3,358
Legal and consulting costs	5,336	5,069
Insurance premiums	2,844	2,236
IT and communications costs	2,713	2,695
Vehicle fleet costs	3,834	3,936
Expenses for loss or damage incurred	2,765	2,140
Expenses for tools and fuel	967	952
Personnel costs	2,111	1,635
Travel expenses and advertising costs	2,806	2,258
Losses on disposal of fixed assets	69	87
Currency losses	415	165
Valuation adjustments and losses on receivables	190	649
Loss resulting from the restatement of fair value	0	218
Other	5,534	4,783
Total	**52,311**	**46,019**

The Group auditor's overall fees for the fiscal year amounted to € 317 thousand (previous year: € 280 thousand) for financial statements audit services provided in the year under review, € 102 thousand (previous year: € 103 thousand) for tax consulting services and € 32 thousand (previous year: € 40 thousand) for other services.

The other operating expenses include direct operating expenses in the amount of € 236 thousand (previous year: € 286 thousand) that are directly allocable to investment property through which rental income has been realized during the fiscal year.

06 Financial Result

The financial result can be broken down as follows:

Figures in € k	2024	2023
Financial income	**400**	**379**
Other interest and similar income	400	379
Finance costs	**−6,626**	**−6,178**
from financial liabilities	−4,341	−4,171
from finance leases	−1,731	−1,490
Accumulation of liabilities and provisions	−217	−219
Other interest and similar expenses	−337	−299
Shares of profits of companies accounted for using the equity method	**549**	**484**
Other financial result	23	14
Total	−5,654	−5,301

07 Tax Proceeds/ Expenses

The Group’s income taxes can be broken down as follows:

Figures in € k	2024	2023
Effective income tax expense	4,469	2,993
Germany	698	1,261
Rest of the World	3,772	1,731
Deferred income taxes due to the occurrence or reversal of temporary differences	**−1,499**	**1,152**
Germany	102	778
Rest of the World	−1,601	374
Total	**2,970**	**4,145**

Deferred tax expenses/proceeds are as follows:

Figures in € k	2024	2023
– Increase /+ decrease in deferred tax assets on loss carryforwards	−249	1,359
Valuation of property, plant and equipment	279	82
Valuation of clientele	−11	−11
Finance leasing	87	−184
Tax-free reserves	−1,577	−50
Other	−28	−45
Total	**−1,499**	**1,152**

The deferred taxes on tax-free reserves were associated with the sale of real estate in Belgium in fiscal year 2020. Under Belgian tax law, in the case of corporations, disposal gains on fixed assets may be transferred to a tax-free investment reserve provided that they are then promptly reinvested. Since reinvestments were not made in the required amount within the specified period, the original disposal gain was subject to the effective tax liability in the reporting year; the deferred tax liability created for this purpose was released accordingly.

As of December 31, 2024, deferred taxes were calculated for German companies with an overall tax rate of 30.60 % (previous year: 30.49 %); in addition to 15 % corporate income tax, the 5.5 % solidarity surcharge levied on this corporate income tax and the average rate of trade tax within the Group have been taken into consideration. The relevant national tax rate applies for the deferred taxes of companies outside Germany.

The following table shows the reconciliation between the expected and reported income tax expense for the Group, subject to the 30.60 % (previous year: 30.49 %) income tax rate for Deufol SE:

Figures in € k	2024	2023
Earnings before taxes	7,379	11,341
Income tax rate of the Deufol Group as %	30.60	30.49
Expected tax expense	**2,258**	**3,458**
Effect of different tax rates	−1,016	−1,069
Unrecognized deferred tax assets on loss carryforwards	702	624
Use of previously unconsidered tax losses	−597	−1,038
Write-down on loss carryforwards recognized to date	486	504
Effect of tax-exempt income	−218	−1,652
Effect of expenses not deductible for tax purposes	1,122	3,377
Prior-period tax effects	352	71
Other	−119	−130
Effects of tax-rate changes	0	0
Income taxes	**2,970**	**4,145**
Effective tax rate (%)	**40.26**	**36.55**

Deferred tax assets can be broken down as follows:

Figures in € k	2024	2023
Tax loss carryforwards	3,062	2,796
Leases	11,996	11,431
Clientele	316	337
Property, plant and equipment	964	910
Provisions for pensions	167	173
Other	526	512
Deferred tax assets	**17,032**	**16,160**
Offset against deferred tax liabilities	−11,472	−11,209
Total	**5,559**	**4,951**

Of the deferred tax assets, an amount of € 3,267 thousand (previous year: € 2,858 thousand) relates to domestic Group companies. Domestic tax loss carryforwards may be carried forward for an unlimited duration, but domestic earnings are subject to a minimum level of taxation. As of December 31, 2024, corporate income tax loss carryforwards amounted to € 48.8 million (previous year: € 46.5 million). The trade tax loss carryforwards of German Group companies amount to € 29.8 million (previous year: € 29.3 million). The Group's foreign subsidiaries' tax loss carryforwards amounted to € 2.4 million (previous year: € 3.3 million). Of this amount, € 1.6 million (previous year: € 2.5 million) may be carried forward for an unlimited duration.

Temporary differences relating to shares in subsidiaries for which no deferred taxes have been shown in the balance sheet total € 46.1 million (previous year: € 41.0 million).

No tax is expected to be levied on the proposed dividend payment for German shareholders, since this would constitute payments out of the tax deposit account (section 27 (1) – (7) of the German Corporate Income Tax Act (KStG)). Deufol is unable to assess whether individual scenarios may apply where the distribution at the level of the shareholders will, after all, trigger a tax liability. The recipients of this capital income have sole responsibility for making this assessment.

Deferred tax liabilities can be broken down as follows:

Figures in € k	2024	2023
Property, plant and equipment	5,362	5,090
Leases	12,629	11,980
Clientele	205	256
Tax-free reserves	0	1,577
Other	334	363
Deferred tax liabilities	**18,530**	**19,267**
Offset against deferred tax assets	– 11,472	– 11,209
Total	**7,058**	**8,058**

08 Profit/Loss Attributable to Noncontrolling Interests

The consolidated net profit attributable to noncontrolling interests primarily consists of profit shares attributable to companies in the Deufol Nürnberg Group as well as the Deufol België Group.

09 Earnings per Share

Income Figures in € k	2024	2023 [1]
Result attributable to the holders of Deufol SE common stock	3,911	6,550
Shares in circulation Figures in units		
Weighted average number of shares	8,495,293	8,582,699
Earnings per share Figures in €		
Basic and diluted earnings per share, based on the income (loss) attributable to common shareholders of Deufol SE	0.460	0.763

1) Restatement of the weighted average number of shares and of the earnings per share in accordance with IAS 33 item 64; see the following disclosures and the disclosures in Note (20).

During the reporting year, an ordinary capital decrease was carried out on the basis of a 5:1 reverse stock split, i.e., five no-par value shares were combined into one no-par value share. Please refer to the disclosures in Note (20). According to IAS 33 item 64, the previous year's figures for the weighted average number of shares and the earnings per share must be restated on the basis of the new number of shares.

Excluding the restatement of the previous year's figures, the weighted average number of shares in the previous year was 42,913,494; this corresponded to earnings per share (basic and diluted) of € 0.153.

Consolidated Balance Sheet Disclosures

10 Leases

The Deufol Group accounts for leases in accordance with the IFRS 16 requirements. The lease liability must be recognized at the present value of the outstanding lease payments. The present value calculation is based on incremental borrowing rates.

As a lessee, Deufol has mainly entered into agreements for warehouse and office space, vehicles and operating and office equipment. Leases are individually negotiated and their provisions vary in relation to extension, termination or purchase options, etc. In addition, in several cases, price-adjustment clauses apply that are based on standard indexes.

Leases of land and buildings have an average term of ten years (previous year: ten years). As of the balance sheet date, their average remaining term is slightly less than three years (previous year: three years). On the whole, leases for assets other than land and buildings have an average term of four years (previous year: four years).

The following rights of use for leasing assets have been reported in property, plant and equipment:

Figures in € k	Dec. 31, 2024	Dec. 31, 2023
Land, land rights and buildings	36,703	36,327
Technical equipment and machinery	577	584
Operating and office equipment	6,849	6,091
Total	**44,129**	43,002

In fiscal year 2024, additions of rights of use for leasing assets were recognized in the amount of € 16,367 thousand (previous year: € 24,773 thousand).

Depreciation of rights of use for leasing assets in fiscal year 2024 relates to the following groups of assets:

Figures in € k	2024	2023
Land, land rights and buildings	13,118	12,643
Technical equipment and machinery	127	109
Operating and office equipment	2,383	1,798
Total	**15,628**	14,549

Moreover, the following items were recognized in the income statement in fiscal year 2024 in connection with leases for which Deufol is a lessee:

Figures in € k	Dec. 31, 2024	Dec. 31, 2023
Interest expenses for leases	−1,731	−1,490
Expenses for short-term leases with a term of more than one month and not more than 12 months	−10,837	−8,499
Expenses for leases of low-value assets (excl. short-term leases)	0	0
Expenses for variable lease payments not included in the measurement of the lease liability	0	0
Income from subleasing of rights of use for leasing assets	240	0
Gains and losses from sale and lease-back transactions	0	0
Total	−12,329	−9,989

Cash outflows associated with Deufol's activities as a lessee amounted to € 27,866 thousand in 2024 (previous year: € 23,844 thousand).

As of December 31, 2024, as in the previous year obligations not reported in the balance sheet for short-term leases that had not yet begun as of the balance sheet date were of minor numerical significance. The same is true of leases already entered into as of the balance sheet date that will begin after December 31, 2024, and are not short-term leases.

The outstanding lease payments reported under current and noncurrent financial liabilities have the following maturities:

	2024				2023			
		thereof with a remaining maturity of				thereof with a remaining maturity of		
Figures in € k	Total	up to 1 year	1 to 5 years	over 5 years	Total	up to 1 year	1 to 5 years	over 5 years
Liabilities under financial leases	47,562	16,583	27,983	2,996	44,900	16,122	25,132	3,646

As of December 31, 2024, the future (non-discounted) minimum payments under non-terminable rental agreements and leases amounted to a total of € 51,643 thousand (previous year: € 48,392 thousand), of which € 16,900 thousand with a remaining term of one year (previous year: € 16,359 thousand), € 30,748 thousand with a remaining term of between one and five years (previous year: € 27,066 thousand) and € 3,995 thousand with a remaining term of more than five years (previous year: € 4,967 thousand).

During the fiscal year, the Deufol Group entered into several rental agreements and leases as a lessor, under which all opportunities and risks were transferred to the lessee. These were classified as finance leases with Deufol as the lessor. Without exception, they relate to land and buildings leased by Deufol (head leases) and subleased under sublease agreements.

In this context, financial receivables were capitalized in the amount of the net investment based on the lease payments owed by the lessees in the future.

Figures in € k	2024	2023
Total future payments	**1,621**	**0**
thereof due within one year	837	0
thereof due between one and two years	646	0
thereof due between two and three years	139	0
Present value of future payments	**1,392**	**0**
thereof due within one year	772	0
thereof due between one and two years	536	0
thereof due between two and three years	84	0
Included interest element	**229**	**0**

11 Property, Plant and Equipment

In respect of the leased assets included in property, plant and equipment, please refer to the previous section 10 “Leases”.

In the past fiscal year, as in the previous year no impairment was recognized on property, plant and equipment.

12 Intangible Assets

Intangible assets primarily consist of the goodwill recognized on consolidating acquirees as well as acquired customer relationships.

The following table shows the breakdown of goodwill by segment:

Figures in € k	Germany	Rest of Europe	USA/ Rest of the World	Total
Carrying amount as of Jan. 1, 2024	**44,463**	**16,284**	**0**	**60,747**
Additions	**0**	**0**	**0**	0
Disposals	**0**	**0**	**0**	0
Impairments	0	0	0	0
Currency translation adjustments	0	0	0	0
Carrying amount as of Dec. 31, 2024	**44,463**	**16,284**	**0**	**60,747**

In accordance with IAS 36 “Impairment of Assets”, goodwill should be tested for impairment at least once a year. In the course of impairment testing, the carrying amount of a cash-generating unit (CGU) is compared with its recoverable amount. The recoverable amount of a CGU is the higher of its fair value less costs to sell and its value in use.

Fair values are calculated according to Level 3 of the IFRS 13 fair value hierarchy, i.e., using information not based on observable market data.

In principle, the lowest level within the Group at which goodwill is monitored for internal management purposes is the level for operating segments as defined by IFRS 8. Accordingly, goodwill is allocated to the operating segments Germany, Rest of Europe and USA/Rest of the World. A full valuation adjustment has been implemented on the goodwill allocated to the USA/Rest of the World segment. In the Rest of Europe segment, the management monitors goodwill by distinguishing between three regionally classified cash-generating units. The recoverable amount corresponds to the value in use and was calculated as the present value of future cash flows.

These cash flows are determined on the basis of the multiple-year planning of the companies included in the scope of consolidation, which is based on the financial plans approved by the management. The concrete planning period in each case is three years. This planning constitutes the management's assessment of future developments in the relevant industries and is based on past experience, according to both external and internal sources, and the expected future segment and market development.

The discount rates before taxes are calculated on the basis of market data. For the Group's individual CGUs, they are between 7.12 % and 7.81 % (previous year: 9.67 % to 10.77 %). Cash flows for a period of more than three years have been extrapolated according to a constant annual growth rate (terminal growth rate) of 2.0 % (previous year: 2.0 %). This is based on the management's estimate and does not exceed the average long-term growth rates for the industry and the region in which the cash-generating units operate.

The impairment test did not reveal any need for impairment for the defined CGUs (previous year: impairment in the amount of € 8,108 thousand for the Germany segment and cash-generating unit, which was recognized in the consolidated income statement under depreciation, amortization and impairment).

The Group has analyzed the sensitivity of the impairment test to changes in the key assumptions applied in order to determine the recoverable amount for each group of cash-generating units to which goodwill has been assigned. A modification of the basic assumptions regarding an increase in the discount interest rate and the long-term growth rate by 1.0 percentage points in each case would not lead to any need to recognize impairment losses.

13 Investment Property

The "Investment property" item includes existing properties that are neither owner-occupied nor held for sale and are instead held in order to generate rental income as well as increases in value.

Real estate that is classified in this category is subsequently measured at fair value. Changes in relation to the current carrying amount before subsequent measurement (previous year's fair value plus subsequent/additional costs less subsequent purchase price reductions) are recognized through profit or loss in other operating expenses or other operating income.

The balance sheet item for the Group's investment property relates to a commercial property in the Eurozone. The measurement made in the year under review resulted in a restatement of the fair value in the amount of + € 0.7 million (previous year: – € 0.2 million), which has been reported under other operating income (previous year: other operating expenses).

Figures in € k	2024	2023
As of Jan. 1	**14,387**	**14,605**
Additions through acquisition	0	0
Ongoing production, subsequent purchase costs	0	0
Impairment/write-ups due to subsequent measurement at fair value	708	−218
As of Dec. 31	**15,095**	**14,387**

The Group is not subject to any restrictions in terms of the disposability of investment properties or any contractual obligations to purchase, produce or develop investment properties.

The Group has done its own calculation of the fair value of this property as of December 31, 2024. The internationally recognized discounted-cash-flow method was applied, i.e., anticipation of the future cash flows, discounted to their present value on the balance sheet date. The fair value was determined on the basis of key non-observable input factors (Level 3). The cash flows were calculated according to the rent agreed with the tenant in the contract for the non-terminable basic tenancy period. Since this rent is subject to an index-based annual adjustment, the future development of the relevant index was estimated on the basis of the historical trend, while taking into account the inflation rates expected in the short term in the Eurozone. An opinion prepared by an independent real estate expert was referred to in respect of the market rent achievable following this period. The disposal costs deductible from the total present values were also obtained from this opinion and were adjusted for expected cost increases. The interest rate of 7.68 % (previous year: 7.85 %) that was required in order to determine the present values of the cash flows was derived from the prime yield indicated in several studies of the Belgian real estate market published in 2024, to which a risk premium was added. In regard to the calculation of the operating costs for the property that are not allocable to the tenant, the cost ratio has been determined on the basis of the expenses that have actually arisen and that were ultimately borne by the landlord over the past few fiscal years, since these data are also considered to be representative of future years.

In the event of an increase (decrease) in the discount interest rate of 0.25 percentage points, this will result in a decrease (increase) in the fair value of −€ 487 thousand (+€ 519 thousand). In the previous year, a corresponding decrease (increase) in the fair value of −€ 456 thousand (+€ 486 thousand) would have resulted.

14 Investments Accounted for Using the Equity Method

As of December 31, 2024, the carrying amount of the investments in associates accounted for using the equity method amounts to € 2,797 thousand (previous year: € 2,487 thousand).

The following table provides summary information for the companies accounted for using the equity method. The figures are for the Group’s share in the associates:

Assets Figures in € k	Dec. 31, 2024	Dec. 31, 2023
Current assets	3,283	2,294
Noncurrent assets	641	641
Total assets	**3,924**	**2,935**

Equity and liabilities Figures in € k	Dec. 31, 2024	Dec. 31, 2023
Debt	2,308	1,751
Equity	1,616	1,184
Total equity and liabilities	**3,924**	**2,935**
Total sales	11,384	6,811
Total expenses	−10,835	−5,980
Income	**549**	**831**

Unrecognized gains or losses did not arise in the reporting year (previous year: unrecognized gains of € 347 thousand); cumulative unrecognized losses total € 0 thousand as in the previous year. In the year under review, there were no direct additions from the equity investment in an associate accounted for using the equity method (previous year: addition in the amount of € 250 thousand); see comments under “Acquisitions” on page → 071. The disposal in the reporting year of an associate accounted for using the equity method due to liquidation did not have any material impact. Distributions from associates accounted for using the equity method were received in the amount of € 240 thousand (previous year: € 130 thousand).

Consolidated Statement of Changes in Assets in 2024

	Acquisition and production costs								
Figures in € k	**Jan. 1, 2024**	Currency differences	Additions	Additions through business combinations	Disposals	Disposals due to company sales	Restatement of fair value	Reclassifications	**Dec. 31, 2024**
Property, plant and equipment									
Land, land rights and buildings	79,492	95	1,297	0	−834	0	0	514	80,563
Technical equipment and machinery	14,272	−14	683	0	−3,190	0	0	363	12,115
Operating and office equipment	27,526	1	2,795	0	−567	0	0	−55	29,699
Assets under construction	934	8	3,897	0	−7	0	0	−771	4,061
Leased assets	113,773	895	16,367	0	−23,091	0	0	−51	107,893
Investment property	14,387	0	0	0	0	0	708	0	15,095
Total	**250,384**	**985**	**25,038**	**0**	**−27,689**	**0**	**708**	**0**	**249,426**
Intangible assets									
Patents, licenses, trademarks and similar rights and assets	12,721	161	98	0	−98	0	0	0	12,882
Internally generated intangible assets	8,508	0	1,295	0	−141	0	0	0	9,661
Goodwill	69,926	1,211	0	0	0	0	0	0	71,137
Total	91,154	1,372	1,393	0	−239	0	0	0	93,681
Sum total	**341,539**	**2,357**	**26,432**	**0**	**−27,928**	**0**	**708**	**0**	**343,107**

Depreciation, amortization and impairment								Net amounts	
Jan. 1, 2024	Currency differences	Additions	Disposals	Disposals due to company sales	Reversals of impairment losses	Reclassifications	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024
25,659	60	2,416	−709	0	0	7	27,433	53,832	53,130
8,809	−18	1,038	−3,002	0	0	0	6,827	5,463	5,288
21,554	−2	1,813	−392	0	0	−2	22,971	5,972	6,728
27	1	20	−5	0	0	0	44	908	4,018
70,770	449	15,628	−23,078	0	0	−5	63,764	43,002	44,129
0	0	0	0	0	0	0	0	14,387	15,095
126,819	**491**	**20,916**	**−27,187**	**0**	**0**	**0**	**121,039**	**123,565**	**128,387**
11,206	160	292	−98	0	0	0	11,561	1,515	1,322
5,329	0	589	−4	0	0	0	5,914	3,179	3,748
9,179	1,211	0	0	0	0	0	10,390	60,747	60,747
25,714	1,372	881	−102	0	0	0	27,864	65,441	65,816
152,533	**1,863**	**21,797**	**−27,289**	**0**	**0**	**0**	**148,904**	**189,006**	**194,203**

Consolidated Statement of Changes in Assets in 2023

	Acquisition and production costs								
Figures in € k	**Jan. 1, 2023**	Currency differences	Additions	Additions through business combina-tions	Disposals	Disposals due to company sales	Restate-ment of fair value	Reclassifi-cations	**Dec. 31, 2023**
Property, plant and equipment									
Land, land rights and buildings	79,957	−246	1,037	0	−1,559	0	0	303	79,492
Technical equipment and machinery	14,021	−157	527	0	−189	0	0	70	14,272
Operating and office equipment	27,773	−10	2,011	0	−2,283	0	0	36	27,526
Assets under construction	363	−4	984	0	0	0	0	−409	934
Leased assets	90,750	−557	24,773	0	−1,194	0	0	0	113,773
Investment property	14,605	0	0	0	0	0	−218	0	14,387
Total	**227,469**	**−973**	**29,332**	**0**	**−5,225**	**0**	**−218**	**0**	**250,384**
Intangible assets									
Patents, licenses, trade-marks and similar rights and assets	14,832	−109	149	0	−2,150	0	0	0	12,721
Internally generated intangible assets	7,452	0	1,060	0	−4	0	0	0	8,508
Goodwill	70,611	−685	0	0	0	0	0	0	69,926
Total	**92,895**	−795	1,208	0	−2,154	0	0	0	91,154
Sum total	**320,364**	**−1,768**	**30,540**	**0**	**−7,379**	**0**	**−218**	**0**	**341,539**

Depreciation, amortization and impairment								Net amounts	
Jan. 1, 2023	Currency differences	Additions	Disposals	Disposals due to company sales	Reversals of impairment losses	Reclassifications	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2023
24,298	−75	2,883	−1,450	0	0	4	25,659	55,659	53,832
8,143	−135	991	−189	0	0	−2	8,809	5,878	5,463
21,976	−13	1,869	−2,276	0	0	−2	21,554	5,797	5,972
81	2	20	−77	0	0	0	27	282	908
57,726	−323	14,549	−1,182	0	0	0	70,770	33,024	43,002
0	0	0	0	0	0	0	0	14,605	14,387
112,224	**−544**	**20,312**	**−5,174**	**0**	**0**	**0**	**126,819**	**115,245**	**123,565**
13,104	−109	360	−2,149	0	0	0	11,206	1,728	1,515
4,640	0	693	−4	0	0	0	5,329	2,812	3,179
1,756	−685	8,108	0	0	0	0	9,179	68,855	60,747
19,500	−795	9,161	−2,153	0	0	0	25,714	73,395	65,441
131,724	**−1,338**	**29,474**	**−7,326**	**0**	**0**	**0**	**152,533**	**188,640**	**189,006**

15 Financial Receivables

The following table shows the breakdown of financial receivables:

Figures in € k	2024	2023
Receivables from finance leases	1,392	0
Other	38	43
Total	**1,430**	**43**

With regard to the receivables from finance leases, please refer to Note (10).

16 Other Receivables and Other Assets

The following table shows the breakdown of the "Other receivables and other assets" item:

	2024		2023	
Figures in € k	Total	Current	Total	Current
Value-added tax and other taxes receivable	63	63	211	211
Deferred expenses	1,642	1,642	2,202	2,202
Guarantees	484	484	302	302
Receivables from related parties	162	162	215	215
Insurance refunds	60	60	10	10
Receivables from employees/social security authorities	31	31	54	54
Interest rate hedges	142	0	288	0
Receivable from settlement agreement	4,315	2,188	6,385	2,188
Other	530	530	618	554
Total	**7,430**	**5,160**	**10,285**	**5,735**

Please see Note (2) regarding the receivable resulting from a settlement agreement.

17 Inventories

The following table shows the breakdown of inventories:

Figures in € k	2024	2023
Raw materials, consumables and supplies	12,906	12,285
Work in progress	1,905	1,993
Finished products and merchandise	583	461
Total	**15,393**	**14,738**

18 Trade Receivables

Trade receivables are as follows:

Figures in € k	2024	2023
Trade receivables	36,680	36,856
Valuation adjustments	−608	−2,477
Trade receivables, net	**36,072**	**34,379**

There were no trade receivables from related parties as of the current reporting date, as was likewise the case on the reporting date in the previous year.

As of December 31, 2024, the age structure of the trade receivables was as follows:

			Overdue, but not value-impaired				
Figures in € k	Total	Neither overdue nor value-impaired	< 30 days	30 – 60 days	61 – 90 days	91 –180 days	> 180 days
2024	**36,072**	**25,225**	**7,870**	**1,230**	**778**	**439**	**530**
2023	34,379	20,940	7,507	3,556	643	726	1,007

The breakdown by impairment rates is as follows:

		Receivables not subject to specific valuation allowance, overdue						
Figures in € k	Not subject to specific valuation allowance, not overdue	< 30 days	30 – 60 days	61 – 90 days	91 –180 days	> 180 days	Receivables subject to specific valuation allowance	**Total 2024**
Gross carrying amount	25,312	7,897	1,227	757	403	496	588	**36,680**
Expected loss ratios	0–1 %	0–1 %	1–2 %	1–2 %	2–5 %	5–10 %	—	
Loss allowance	87	27	12	8	8	25	441	**608**

		Receivables not subject to specific valuation allowance, overdue						
Figures in € k	Not subject to specific valuation allowance, not overdue	< 30 days	30 – 60 days	61 – 90 days	91 –180 days	> 180 days	Receivables subject to specific valuation allowance	**Total 2023**
Gross carrying amount	20,984	7,523	3,513	493	503	733	3,107	**36,856**
Expected loss ratios	0–1 %	0–1 %	1–2 %	1–2 %	2–5 %	5–10 %	—	
Loss allowance	44	16	35	5	10	37	2,330	**2,477**

In respect of the receivables that are neither value-impaired nor overdue, as of the reporting date there are no indications that the debtors will be unable to meet their payment obligations.

The following table shows the development of valuation adjustments on trade receivables:

Figures in € k	2024	2023
Valuation adjustments at start of period	**2,477**	**2,160**
Currency differences	–14	–144
Addition	97	1,544
Utilization	–1,762	–347
Reversal	–191	–736
Valuation adjustments at end of period	**608**	**2,477**

19 Cash and Cash Equivalents

The following table shows the breakdown of cash and cash equivalents:

Figures in € k	2024	2023
Cash on hand	51	51
Bank balances	12,548	14,714
Total	**12,599**	**14,765**

There are no restrictions on the amounts reported as cash.

20 Subscribed Capital

As of December 31, 2024, the Subscribed Capital is € 8,629,127 (previous year: € 43,773,655) and is divided up into 8,629,127 (previous year: 43,145,638) no-par-value registered shares.

On the basis of the resolutions of the Annual General Meeting of Deufol SE, most recently on June 29, 2022, which authorized Deufol SE to acquire treasury stock in accordance with Section 71 (1) no. 8 AktG and to withdraw such stock by resolution of the Administrative Board, three treasury shares were withdrawn in a simplified procedure without a capital decrease in accordance with the Administrative Board resolution of April 26, 2024. The measure was implemented in preparation for the reverse split described below in order to achieve a number of shares that is divisible by five.

On June 27, 2024, the Annual General Meeting passed a resolution to reduce the Company’s share capital in accordance with the provisions of the German Stock Corporation Act governing ordinary capital decreases (Sections 222 ff. AktG) by € 35,144,528, from € 43,773,655, divided into 43,145,635 no-par-value shares, to € 8,629,127, divided into 8,629,127 no-par-value shares. To this end, the share capital was initially reduced by € 628,000, with the proportionate value of the shares in the share capital being reduced to € 1.00 per current no-par-value share. Subsequently, the share capital was reduced by a further € 34,516,508 by merging five no-par-value shares into one no-par-value share (“reverse split”).

An amount of € 4,000,000 remained unchanged as Approved Capital as of December 31, 2024, for the issuance of new shares in return for cash contributions or contributions in kind (end of previous year: € 20,000,000). This is based upon the resolution adopted by the Annual General Meeting on June 27, 2024, which authorizes Deufol SE to increase the Company's share capital once or several times by up to € 4,000,000 in return for cash contributions or contributions in kind in the period up to June 26, 2029, by issuing new no-par-value registered shares.

In accordance with the resolution adopted by the Annual General Meeting on June 29, 2022, Deufol SE has been authorized in the period from June 29, 2022 to June 28, 2027 to purchase treasury stock corresponding to up to 10 % of the share capital as of the date of the resolution adopted by the Annual General Meeting or else of the share capital as of the date of exercise of this authorization, if this is less than the share capital as of the date of the resolution adopted by the Annual General Meeting.

21 Capital Reserves

The capital reserves, which mainly consist of the premium resulting from the issue of shares plus payments by the shareholders, amount to € 142,474 thousand as of the end of 2024 (previous year: € 107,330 thousand). As a result of the ordinary capital decrease described in Note (20), which was carried out in full for the purpose of allocating the released amounts to the Company's free capital reserves in accordance with Section 272 (2) no. 4 HGB, the capital reserves increased by € 35,145 thousand in 2024.

22 Retained Earnings

At the end of 2024, retained earnings continued to amount to € 12,181 thousand.

23 Treasury Stock

Pursuant to the resolution adopted by the Annual General Meeting on June 30, 2016, in accordance with Section 71 (1) No. 8 AktG, Deufol purchased 812,775 treasury shares in fiscal year 2016. This treasury stock was repurchased for € 536 thousand, amounting to an average cost of € 0.66 per share.

On the basis of the resolution authorizing the purchase of treasury stock that was adopted by the Annual General Meeting on June 28, 2017 and that replaced the resolution adopted on June 30, 2016, in fiscal year 2019, 120,000 treasury shares were purchased in accordance with section 71 (1) no. 2 AktG. This treasury stock was repurchased for a total of € 126 thousand, amounting to an average cost of € 1.05 per share.

Within the scope of the acquisition of an equity investment by Deufol SE in December 2019, the purchase price was settled in the form of 263,600 treasury shares whose weighted average price amounted to € 0.71 per share.

In the reporting year, three treasury shares were withdrawn in a simplified procedure without a capital decrease in accordance with the Administrative Board resolution of April 26, 2024. The measure was implemented in preparation for the reverse split in order to achieve a number of shares that is divisible by five; see disclosure in Note (20). As part of the settlement of fractions during the implementation of the reverse split, Deufol SE sold two treasury shares at a price of € 0.94 per share. The weighted average price of the shares withdrawn and the shares sold amounted to € 0.71 per share.

After the reverse split, the number of treasury shares held by Deufol SE as of December 31, 2024, amounted to 133,834 (previous year: 669,175).

24 Noncontrolling Equity Interests

The noncontrolling equity interests primarily consist of shares held by external third parties in Deufol Nürnberg Group and Deufol België Group companies. The development of these shares is outlined in detail in the statement of changes in equity.

25 Appropriation of Net Profit

In the 2024 fiscal year, Deufol SE distributed a dividend of € 0.06 plus an additional special dividend of € 0.04, i.e., a total of € 0.10 per share; this corresponds to a total dividend payout of € 4,248 thousand.

It will be proposed to the Annual General Meeting that the net income of Deufol SE for fiscal year 2024 in the amount of € 13,760 thousand (calculated in accordance with the principles of the German Commercial Code – HGB) should be used for the distribution of a dividend of € 0.30 per eligible share; this corresponds to a total distribution amount of € 2,549 thousand. The remaining amount of € 11,211 thousand is to be carried forward to the new account.

26 Financial Liabilities

The following table summarizes the financial liabilities of the Deufol Group:

	2024				2023			
		thereof with a remaining maturity of				thereof with a remaining maturity of		
Figures in € k	Total	up to 1 year	1 to 5 years	over 5 years	Total	up to 1 year	1 to 5 years	over 5 years
Amounts due to banks	47,740	4,027	40,614	3,099	42,371	6,305	19,968	16,098
Liabilities under financial leases	47,562	16,583	27,983	2,996	44,900	16,122	25,132	3,646
Other financial liabilities	0	0	0	0	0	0	0	0
Financial liabilities	**95,302**	**20,611**	**68,597**	**6,095**	**87,271**	**22,427**	**45,100**	**19,744**

Property, plant and equipment in the amount of € 36.6 million (previous year: € 43.3 million) and fully consolidated interests in the amount of € 5.0 million (previous year: € 5.0 million) serve as collateral to secure liabilities to banks and other financial liabilities.

Liabilities to Banks

The Group has access to short-, medium- or long-term credit lines and guarantees of € 48.4 million at various banks (previous year: € 49.6 million). As of December 31, 2024, € 19.4 million (previous year: € 10.8 million) of this amount had been utilized. The variable-interest loans shown in the balance sheet are subject to standard market interest rate risks. In fiscal year 2024, the average weighted interest rate for short-term loans was 4.71 % (previous year: 5.97 %). The payable credit margins are partially dependent on complying with certain financial ratios (covenants).

Covenants are in place for medium- and long-term liabilities to banks in the amount of € 33.0 million (previous year: € 23.3 million), which were met during the reporting year. In principle, a violation of the financial covenants grants the institutions providing financial support a right to terminate an agreement but does not trigger an immediate repayment obligation.

Please see Note (38) for further disclosures.

The following table presents the Group’s main short, medium and long-term bank loans:

	2024				2023			
	Currency	Net carrying amount (€ k)	Re-maining maturity (years)	Effective interest rate (%)	Currency	Net carrying amount (€ k)	Re-maining maturity (years)	Effective interest rate (%)
Loans	€	9,000	4	variable [1]	€	10,000	5	variable [1]
Loans	€	0	0	2.41	€	231	1	2.41
Loans	€	82	0	2.62	€	566	1	2.62
Loans	€	0	0	3.05	€	162	1	3.05
Loans	€	536	8	2.38	€	599	9	2.38
Loans	€	163	8	2.38	€	182	9	2.38
Loans	€	0	0	1.65	€	256	1	1.65
Loans	€	9,639	6	2.95	€	10,344	7	2.95
Loans	€	1,000	2	1.28	€	1,500	3	1.28
Loans	€	432	3	1.38	€	590	4	1.38
Loans	€	586	7	1.58	€	663	8	1.58
Loans	€	2,006	4	1.95	€	2,461	5	1.95
Loans	€	1,375	2	variable [2]	€	1,875	3	variable [2]
Loans	€	1,125	1	variable [2]	€	1,825	2	variable [2]
Loans	€	3,780	7	variable [3]	€	4,268	8	variable [3]

1) 3-month Euribor zero-floored +1.80 %
2) 3-month Euribor zero-floored +1.80 %; from 2022 interest rate hedged, please refer to “Other Disclosures,” Note (39)
3) 3-month Euribor zero-floored +2.20 %; from 2022 interest rate hedged, please refer to “Other Disclosures,” Note (39)

There are also further noncurrent amounts due to banks for the financing of property, plant and equipment, particularly technical equipment and machinery, in the amount of €0.6 million (previous year: €0.3 million).

Liabilities under Financial Leases

Please refer to the summarized disclosures regarding leases provided in Note (10).

27 Provisions for Pensions

The Deufol Group has both defined-contribution and defined-benefit pension schemes in place. The defined-benefit pension plans include pension obligations as well as noncurrent-benefit entitlements (provisions for other post-employment benefits). Noncurrent-benefit entitlements are recognized in the balance sheet at the Group’s Austrian and Italian subsidiaries and facilities.

In Germany, most entitlements arise from defined-benefit pension obligations. These obligations comprise those under pensions already in payment as well as expectancies for pensions payable in the future. They are partially covered by an occupational pension scheme whose assets are partly classifiable as plan assets in accordance with IAS 19.

The benefit entitlements for the Group’s subsidiaries in Austria and its facility in Italy are in accordance with the specific rules and legislation in the country in question.

Pension obligations are measured in accordance with the IAS 19 rules. The recognized provisions can be broken down as follows:

Figures in € k	2024	2023
Provisions for pensions and other post-employment benefits	973	1,057
Liabilities to pension fund	2,033	2,122
Total	**3,006**	**3,179**

The pension obligations (actuarial present value of benefit entitlements or defined benefit obligation) were calculated using actuarial methods. The calculations were based on the following parameters:

	Germany		Austria		Italy	
Figures in %	2024	2023	2024	2023	2024	2023
Discount rate	3.40	3.30	3.40	3.30	3.38	3.17
Turnover rate[1)]	0.00	0.00	0.00	0.00	0.00	0.00
Index-linked salary increase	—	—	4.00	3.60	2.50	2.50
Index-linked pension increase	2.25	2.25	—	—	—	—

1) No turnover is assumed, since all benefits are vested.

The Heubeck mortality tables (RT) 2018 G were applied for the pension obligations applicable in Germany.

The following table indicates the changes in the present value of the total obligation and the net pension commitment shown in the balance sheet:

Figures in € k	2024	2023
Present value of the obligation at Jan. 1	1,057	970
Current service cost	25	15
Interest cost	49	53
Pension payments	–137	–73
Actuarial (gains) / losses	–65	–25
Change in the market value of the plan assets	45	11
Business combinations and disposals	0	0
Other	–1	106
Present value of the obligation/net pension commitment at Dec. 31	**973**	**1,057**

The market value of the plan assets that relates to German pension obligations decreased in the reporting year to € 464 thousand (previous year: € 478 thousand), due to actuarial gains in the amount of € 31 thousand and a – € 45 thousand change in their market value over the course of the year. Of the fair value of the plan assets as of the balance sheet date, € 135 thousand (previous year: € 138 thousand) comprises cash and cash equivalents, € 80 thousand (previous year: € 80 thousand) fixed-interest securities and € 249 thousand (previous year: € 260 thousand) claims under employer's pension liability insurance in the form of endowment insurance. The valuations of the plan assets are exclusively based on publicly quoted market prices.

Pension expense in the fiscal year can be broken down as follows:

Figures in € k	2024	2023
Current service cost	25	15
Interest cost	49	53
Total pension expense	**74**	**68**

The expected pension expense for 2025 is € 70 thousand.

In the case of defined-contribution plans, the Deufol Group does not enter into any obligations above and beyond its obligation to pay contributions. In addition, contributions were paid to state pension insurance agencies in the amount of € 4,515 thousand (previous year: € 4,320 thousand).

The Company has carried as a liability in relation to a pension fund an amount of € 2,033 thousand (previous year: € 2,122 thousand) in connection with the closure of its carton business in the USA. No calculations in accordance with IAS 19 are required for this obligation, but it requires repayment over a period of 20 years and for the last time in 2032.

In general, pension payments depend on the period of employment and/or the remuneration paid to the eligible persons as of the occurrence of the covered event.

The pension obligations and the investments within the scope of the plan assets are subject to various risks that may have negative effects on provisions and equity in particular. These are mainly demographic/biometric risks as well as interest rate and investment risks.

Sensitivity Analysis

An increase or decrease in the key actuarial assumptions by 0.25 percentage points would have the following effects on the pension obligations as of December 31, 2024:

	Increase of 0.25 percentage points	Decrease of 0.25 percentage points
Interest rate	−42	44
Index-linked salary increase	5	−5
Index-linked pension increase	**35**	**−34**

The sensitivity calculations are based on the average period of the pension obligations calculated on December 31, 2024. For the German obligations, this weighted average period amounts to 12.2 years (previous year: 12.4 years). The weighted average term of the provisions made for benefit entitlements in Austria is 11.5 years (previous year: 11.6 years). The calculations have been made in isolation for the actuarial parameters classified as significant, in order to separately report the effects on the present value of the pension obligations calculated as of December 31, 2024. The sensitivity analysis does not include the obligations to a pension fund in the USA, since these have been frozen and the changes in the actuarial assumptions will not therefore have any effect on the pension obligation.

28 Other Provisions

The following table shows the changes in other provisions:

Figures in € k	Jan. 1, 2024	Utilization	Reversal	Addition	Changes in scope of consolidation	Dec. 31, 2024
Litigation risk	123	−119	0	20	0	24
Dismantling obligations	5,551	0	0	278	0	5,829
Other risks	268	−224	−44	95	0	95
Total	**5,943**	**−343**	**−44**	**393**	**0**	**5,948**

The provisions for legal disputes were made for anticipated claims due to ongoing legal disputes.

The provision made for dismantling obligations relates to the buildings on leased areas in the port of Hamburg that were added through the acquisition of the Wallmann Group. The allocation of € 278 thousand (previous year: € 264 thousand) that was made in the year under review resulted due to the interest rollup on this provision.

The provisions recognized by the Deufol Group are current and noncurrent provisions. More specifically, the outflows are structured as follows, based on when they are expected to be settled:

	Current		Noncurrent		Total	
Figures in € k	2024	2023	2024	2023	2024	2023
Litigation risk	24	123	0	0	24	123
Dismantling obligations	0	0	5,829	5,551	5,829	5,551
Other risks	95	268	0	0	95	268
Total	**119**	**392**	**5,829**	**5,551**	**5,948**	**5,943**

29 Other Liabilities

Other liabilities can be broken down as follows:

	2024		2023	
Figures in € k	Total	Current	Total	Current
Value-added tax and other taxes payable	1,924	1,924	2,511	2,511
Social security liabilities	1,538	1,538	1,763	1,763
Liabilities to employees relating to wages and salaries	6,893	6,893	8,393	8,393
Deferred income	441	441	485	485
Other	1,215	1,200	1,109	1,108
Total	**12,010**	**11,996**	**14,261**	**14,259**

30 Trade Payables

Trade payables amount to € 21,702 thousand (previous year: € 22,998 thousand) and all have a remaining term of less than one year. This includes liabilities for trade payables that have not yet been invoiced in the amount of € 6,540 thousand (previous year: € 6,106 thousand).

Consolidated Cash Flow Statement Disclosures

The consolidated cash flow statement is prepared in accordance with IAS 7. It shows the origin and appropriation of the money flows in fiscal years 2024 and 2023. It is thus of key significance for an assessment of the financial position of the Deufol Group. The cash flow statement distinguishes between cash flows from operating activities, investing activities and financing activities.

The cash and cash equivalents reported in the cash flow statement correspond to the "Cash and cash equivalents" item in the balance sheet and comprise cash on hand, checks and immediately available bank balances with an original maturity of up to three months. Please see Note (18) for the breakdown of cash and cash equivalents. There are no restrictions on the amounts reported as cash and cash equivalents.

The cash flow from investing activities and the cash flow from financing activities are both calculated directly. In contrast, the cash flow from operating activities is derived using the indirect method.

31 Cash Flow From Operating Activities

In fiscal year 2024, operating activities provided net cash of € 27.3 million (previous year: € 35.5 million).

32 Acquisitions and Sales

As in the previous year, no acquisitions, formations or sales of subsidiaries occurred in the year under review.

In fiscal year 2023, Deufol SE acquired 50 % of the shares in a joint venture company included in the consolidated financial statements using the equity method, for which it expended financial resources in the amount of € 0.3 million. In 2023, the Deufol Group recorded an inflow of € 0.4 million due to the scheduled payment of the final purchase price component from the sale of a subsidiary in fiscal year 2021. Both items were recognized in the cash flow from investing activities for fiscal year 2023.

33 Cash Flow From Investing Activities

In the past fiscal year, a € 8.2 million (previous year: € 4.9 million) outflow of funds resulted from investing activities.

Investments in intangible assets and property, plant and equipment amounting to € 9.5 million were juxtaposed with inflows from the disposal of intangible assets and property, plant and equipment amounting to € 0.6 million. The interest and dividends received amounted to € 0.7 million.

34 Cash Flow From Financing Activities

In the past fiscal year, a € 21.4 million (previous year: € 33.3 million) outflow of funds resulted from financing activities.

Cash outflows from the repayment of other financial liabilities amounted to € 15.9 million, while cash and cash equivalents increased by € 5.4 million due to new borrowing. The interest paid in the reporting year totalled € 6.3 million. In addition, in the reporting year Deufol SE distributed a dividend totaling € 4.2 million to its shareholders. Dividends paid to noncontrolling interests amounted to € 0.3 million.

The adjustments to reconcile financial liabilities to the cash flow from financing activities in fiscal year 2024 and the previous year are shown below:

			Noncash-effective					
Figures in € k	**Dec. 31, 2023**	Cash-effective	Changes in the scope of consoli-dation	Currency trans-lation adjust-ments	IFRS 16	Other	Changes in fair value	**Dec. 31, 2024**
Noncurrent financial liabilities	64,844	8,751	0	335	762	0	0	74,691
Current financial liabilities	22,427	−19,252	0	92	17,343	0	0	20,611

			Noncash-effective					
Figures in € k	**Dec. 31, 2022**	Cash-effective	Changes in the scope of consoli-dation	Currency trans-lation adjust-ments	IFRS 16	Other	Changes in fair value	**Dec. 31, 2023**
Noncurrent financial liabilities	64,155	−4,413	0	−225	5,327	0	0	64,844
Current financial liabilities	24,570	−21,511	0	−78	19,446	0	0	22,427

35 Change in Cash and Cash Equivalents

The cash and cash equivalents balance decreased by € 2.2 million to € 12.6 million. Net financial indebtedness – defined as financial liabilities less the Group’s financial receivables and cash and cash equivalents – increased by € 8.8 million to € 81.3 million.

Other Disclosures

36 Contingencies and Contingent Liabilities

Within the Group, guarantees have been granted to third parties for obligations reported in the balance sheet or for reciprocal rental payment guarantees. As of the previous year's reporting date, there were no guarantees issued to associates. In the reporting year, a guarantee was provided to a bank to secure a performance bond in the amount of €0.5 million in favor of an associate.

We examine legal disputes and administrative procedures on an individual basis. We evaluate the possible outcomes of such legal disputes on the basis of the information we have received and in consultation with our lawyers and tax advisers. Where we are of the opinion that an obligation will probably lead to future fund outflows, we carry as a liability the present value of the expected fund outflows where these are deemed to be reliably measurable. Legal disputes and tax affairs present complex issues and are associated with a large number of uncertainties and difficulties, including the facts and circumstances of the individual case and the authority involved.

In Hungary, in the period from 2019 to 2021, Deufol made extensive investments in land and buildings, technical equipment and machinery and operating and office equipment in particular. This was in connection with the construction of a new plant. These investments were partially supported through government subsidies under a funding agreement. During the monitoring phase, which will now run from 2022 to 2027, certain conditions must be fulfilled on an annual basis or else cumulatively at the end of the monitoring phase. If these conditions are not met or are not met in full, the return of the subsidy may be required either in whole or in part. Deufol SE has provided the Hungarian government with a guarantee covering the possibility of (partial) repayment of this funding.

37 Contingent Assets

There were no contingent assets in the year under review such as might have a significant financial impact on the Deufol Group.

38 Capital Management Disclosures

In principle, Deufol's goal is to secure its equity capital base on a long-term basis. A Group equity ratio in excess of 40 % is aimed for. As of December 31, 2024, the Group's equity ratio was 46.6 % (previous year: 47.4 %). The equity ratio thereby functions merely as a passive management criterion, with sales and the operating result (EBIT) being used as active management variables.

In some cases within the Group, credit agreements are tied to compliance with financial ratios. In these cases, the development of the relevant financial ratios forms a fixed component of the regular reporting of the affected companies, for early recognition and rectification of undesirable trends and negotiations with the relevant lenders. All financial ratios were complied with in the past fiscal year.

39 Financial Risk Management

The Deufol Group is exposed to various financial risks in its normal business activities. These include, in particular, market risks (currency risk, interest risk and goods price risk), the risk of nonpayment and the liquidity risk. The Deufol Group uses a standardized, Group-wide risk management system to manage these risks. The aim is to establish an operating routine based on actions, and therefore on constant risk minimization. Within the Deufol Group, derivative financial instruments are used exclusively for risk reduction purposes.

Currency Risks

The currency risk is the risk of the fair value or future cash flows of a financial instrument being subject to change due to exchange-rate fluctuations. Overall, the risks resulting from the change in exchange rates are of minor significance for the operating activities of the Deufol Group.

The main effect on the Group's assets position results from the translation of the financial statements of the American and Czech companies, denominated in the US dollar and the Czech crown, respectively, into the reporting currency, the euro. If the euro were 10 % stronger (weaker) against the US dollar, the earnings of the Group would have been € 164 thousand higher (€ 200 thousand lower) and in the previous year € 84 thousand lower (€ 102 thousand higher). The balancing item in equity would have been € 7 thousand lower (€ 8 thousand higher) and in the previous year € 2 thousand lower (€ 2 thousand higher). If the euro were 10 % stronger (weaker) against the Czech crown, the earnings of the Group would have been € 127 thousand lower (€ 155 thousand higher) and in the previous year € 144 thousand lower (€ 176 thousand higher). The balancing item in equity would have been € 1 thousand lower (€ 1 thousand higher) and in the previous year € 4 thousand lower (€ 5 thousand higher). Further currency risks result, above all, from the consolidation of the Hungarian companies as well as the Polish company; these risks are of minor significance for the Group.

The Group has not currently entered into any forward exchange transactions for hedging of currency risks.

Interest Rate Risk

The interest rate risk is the risk of the fair value or future cash flows of a financial instrument being subject to fluctuation due to changes in the market interest rate. Businesses may be exposed to this risk through variable-interest and fixed-interest financial instruments.

The Deufol Group holds both fixed-interest and variable-interest financial instruments. If the interest rate level as of December 31, 2024, for variable-interest liabilities had been an average of 100 basis points higher (lower), this would have had an effect on the Group's interest expense in the approx. amount of € 258 thousand (previous year: € 202 thousand).

In the context of the current interest-rate trends, in fiscal year 2022 the Deufol Group entered into interest rate hedges for several different loans with varying terms and subject to interest based on a fixed interest margin plus a zero-floored 3-month Euribor as a reference interest rate. Each interest rate hedge is allocated to a loan, as the underlying transaction, and its conditions are virtually identical to those of the underlying transaction in question, in particular with regard to the reference interest rate, the dates for the adjustment of interest rates, the terms, the nominal amounts and the dates of payment.

In accordance with IFRS 9, the interest rate hedge agreements have been designated in full as cash flow hedges for variable cash flows arising from the loans in question. An economic relationship exists between the hedged item and the hedging instrument, since the conditions for the interest rate hedge agreements match those of the variable-interest loans from the point of view of all of the material terms of the contract. The underlying risk for the interest rate hedges is identical to that of the hedged risk components. The Group has therefore specified a hedge ratio of 1:1 for these hedges.

The interest rate hedges held by the Deufol Group on the balance sheet date comprise three loans redeemed by installments with varying terms (expiring 2026, 2027 and 2032) and amounting to € 6.3 million as of the reporting date. All of these loans attract interest on the basis of the 3-month Euribor plus a fixed interest rate margin of between 1.80 % and 2.20 %. The interest rate hedges consist of an interest rate swap and a floor component and include a fixed interest rate (including a floor premium) of between 1.37 % and 1.80 %.

The Deufol Group undertakes to pay the bank a fixed interest rate on these interest rate swaps. In return, the bank pays the 3-month Euribor, provided that this is positive. In the event of a negative 3-month Euribor, the Deufol Group is required to pay this to the bank; however, in such cases, due to the floor component included in each interest rate swap, the bank is also obliged to pay the 3-month Euribor to the Deufol Group, so that the cash flows from the 3-month Euribor will offset one another and match the underlying transactions that attract interest on the basis of a zero-floored 3-month Euribor.

The effects of these interest rate swaps on the Group's net assets, financial position and results of operations are explained below.

The hedging instruments used have had the following effects on the balance sheet:

Carrying amounts/fair values of the hedging instruments used for hedge accounting Figures in € k	Dec. 31, 2024	Dec. 31, 2023
Noncurrent financial assets	142	288
Current financial assets	0	0
Noncurrent financial liabilities	0	0
Current financial liabilities	0	0

Within the scope of the accounting for cash flow hedges, the designated effective portions of a hedge are to be reported through OCI. Any additional changes in the market value of the designated component will be recognized through profit or loss as ineffective. All cash flow hedges were considered to be fully effective in fiscal year 2024 (as in the previous year).

The following table is a reconciliation of the reserve for the cash flow hedges:

Figures in € k	2024	2023
Balance at Jan. 1	201	1
Profits or losses (after taxes) from effective hedges recognized in equity	–101	200
Reclassifications due to the realization of the hedged item	0	0
Balance at Dec. 31	**100**	**201**

Goods Price Risk

The Group's key requirements include packaging materials such as wood, foils, screws and cardboard. The purchasing prices for these products may fluctuate, depending on the market situation. It is not always possible to directly pass on fluctuating prices to customers. A goods price risk therefore applies that may influence the Group's earnings, equity and cash flow situation. To minimize risks, outline delivery agreements have been concluded with various suppliers. In addition, some agreements include a stipulation that the cost of materials will be passed on directly, so that no material goods price risk applies in the case of these agreements. We also adjust our inventory levels in order to cushion price movements and to ensure the availability of our inventories in line with the market situation.

Credit Risk (Nonpayment Risk)

The Group only enters into business with creditworthy third parties. In almost all cases, customers of the Deufol Group are major industrial companies with good or very good credit standing. In addition, the Group's receivables are continuously monitored so that the Group is not exposed to any significant default risk. The maximum default risk for trade receivables is limited to their carrying amount. Please see Note (18) for further disclosures.

In the case of other financial assets of the Group such as cash and cash equivalents, receivables under finance leases and other assets, the maximum credit risk in the event of the counterparty's default is the carrying amount of these instruments.

Liquidity Risks

The liquidity risk is the risk of a company experiencing difficulties in meeting its payment obligations for its financial instruments.

The Deufol Group is financed through various regional financing groups. Most financing is provided by means of syndicated borrowing facilities and bilateral bank loans. Local management continuously monitors the liquidity status of consolidated foreign Group companies and regularly notifies the Group's management of this; the Group's management handles daily liquidity monitoring and control centrally for the German companies.

The following table shows all the contractually agreed payments for interest and repayment for financial liabilities shown in the balance sheet:

Figures in € k	2025	2026 to 2029	After 2029
As at December 31, 2024			
Amounts due to banks	9,082	55,185	3,250
Liabilities under financial leases	16,900	30,748	3,995
Trade payables	21,702	0	0
Other liabilities (excl. tax liabilities)	10,073	14	0

Figures in € k	2024	2025 to 2028	After 2028
As at December 31, 2023			
Amounts due to banks	7,607	22,377	16,418
Liabilities under financial leases	16,359	27,066	4,967
Trade payables	22,998	0	0
Other liabilities (excl. tax liabilities)	11,749	2	0

Further Financial Instruments Disclosures

The net result for the financial instruments in terms of valuation categories is as follows:

		From subsequent valuation					
Figures in € k	From interest and dividends	At fair value	Currency translation	Valuation adjustment	From disposal	2024	2023
Financial assets measured at amortized cost	423	0	−80	94	−93	344	−510
Financial assets measured at fair value through other comprehensive income	0	0	0	0	0	0	0
Financial liabilities measured at amortized cost	−6,072	0	−48	0	0	−6,120	−5,679

Valuation of Financial Instruments

Cash and cash equivalents, trade receivables and other receivables normally have short residual maturities. Accordingly, on the reporting date their carrying amounts approximately correspond to the fair value.

The fair values of receivables with a remaining term of more than one year are calculated as present values of the payments associated with the receivables, using market interest rates.

Trade payables and other liabilities generally have short residual maturities. The figures shown in the balance sheet therefore approximately correspond to the fair values.

The fair values of interest-bearing loans and borrowings and lease liabilities are calculated as the present value of the payments associated with the liabilities, using market interest rates.

Financial instruments measured at fair value through other comprehensive income relate to derivative interest rate hedging contracts which have been included in hedge accounting. The fair values of the interest rate hedges are calculated by means of valuation techniques based on observable market data as of the balance sheet date (Level 2) and are determined by discounting the future cash flows; the market interest rates applied over the remaining terms of the instruments are used for discounting purposes.

The fair-value hierarchy levels in accordance with IFRS 7 in conjunction with IFRS 13 are as follows:

Level 1: quoted market prices for identical assets and liabilities in active markets,

Level 2: information other than quoted market prices that is observable directly (e.g., prices) or indirectly (e.g., derived from prices) and

Level 3: information for assets and liabilities that is not based on observable market data.

The carrying amounts for the financial instruments in terms of valuation categories and fair-value hierarchy levels are as follows:

			Balance sheet valuation (IFRS 9)					
				Fair value through OCI				
Figures in € k	Fair-value hierarchy	**Carrying amount Dec. 31, 2024**	Amortized cost	Incl. recycling 1)	Excl. recycling 2)	Fair value through profit or loss	Valuation according to IFRS 16	**Fair value Dec. 31, 2024**
Financial assets								
Cash and cash equivalents	1	12,599	12,599	—	—	—	—	12,599
Trade receivables	2	36,072	36,072	—	—	—	—	36,072
Other receivables	2	7,325	7,325	—	—	—	—	7,325
Other financial assets	3	273	273	—	—	—	—	273
Receivables from finance leases	2	1,392	—	—	—	—	1,392	1,392
Derivatives used for hedging purposes	2	142	—	142	—	—	—	142
Financial liabilities								
Amounts due to banks	2	47,740	47,740	—	—	—	—	47,740
Trade payables	2	21,702	21,702	—	—	—	—	21,702
Liabilities under financial leases	2	47,562	—	—	—	—	47,562	47,562
Other liabilities	2	10,087	10,087	—	—	—	—	10,087

1) Incl. recycling = items that may be reclassified to the income statement in future
2) Excl. recycling = items that will not be reclassified to the income statement in future

Figures in € k	Fair-value hierarchy	Carrying amount Dec. 31, 2023	Balance sheet valuation (IFRS 9)					Fair value Dec. 31, 2023
				Fair value through OCI				
			Amortized cost	Incl. recycling [1]	Excl. recycling [2]	Fair value through profit or loss	Valuation according to IFRS 16	
Financial assets								
Cash and cash equivalents	1	14,765	14,765	—	—	—	—	14,765
Trade receivables	2	34,379	34,379	—	—	—	—	34,379
Other receivables	2	10,040	10,040	—	—	—	—	10,040
Other financial assets	3	273	273	—	—	—	—	273
Receivables from finance leases	2	0	—	—	—	—	0	0
Derivatives used for hedging purposes	2	288	—	288	—	—	—	288
Financial liabilities								
Amounts due to banks	2	42,371	42,371	—	—	—	—	42,371
Trade payables	2	22,998	22,998	—	—	—	—	22,998
Liabilities under financial leases	2	44,900	—	—	—	—	44,900	44,900
Other liabilities	2	11,750	11,750	—	—	—	—	11,750

1) Incl. recycling = items that may be reclassified to the income statement in future
2) Excl. recycling = items that will not be reclassified to the income statement in future

Segment Information by Region and Services

40 Segment Reporting

The segment reporting is prepared in accordance with the provisions of IFRS 8 (Operating Segments).

Its primary reporting format is based on geographical regions that have been grouped for the purpose of corporate management. As the segment result – used for assessment of the business success of the respective segments – the management has calculated the result for the period before taxes, financial income, financial expenses and shares of profits of companies accounted for using the equity method (EBIT).

The Deufol Group has the following segments for which reporting requirements apply:

- Germany
- Rest of Europe
- USA/Rest of the World

The Holding segment covers the Group's administrative activities and, in addition to Group management functions, includes support functions such as key account management and corporate communications.

The operating result (EBIT) for the business units is separately monitored by the management in order to make decisions on the allocation of resources and to determine the units' performance. The segments' development is mainly measured with reference to the operating result. As the Deufol Group has a decentralized organizational structure, financial expenses and income and income taxes can be allocated to the individual business segments.

The prices charged between the business segments are determined on the basis of the arm's length principle.

41 Segment Information by Region

Figures in € k	Germany	Rest of Europe	USA/Rest of the World	Holding	Elimina-tion	Group
2024						
External sales	206,212	79,680	23,149	102	0	309,142
Internal sales	23,259	37,417	314	13,646	−74,636	0
Total sales	**229,470**	**117,097**	**23,463**	**13,748**	**−74,636**	**309,142**
EBIT	8,038	10,478	−1,612	−4,013	141	13,032
Financial income	497	1,293	139	2,244	−3,773	400
Finance costs	−5,436	−1,932	−604	−2,427	3,773	−6,626
Income (loss) from associates and other equity investments	338	0	0	234	0	572
Other financial result	0	0	0	0	0	0
EBT	3,437	9,839	−2,077	−3,962	141	7,379
Taxes	−225	−2,490	319	−568	0	−2,964
Result for the period	**3,206**	**7,349**	**−1,758**	**−4,530**	**141**	**4,408**
Assets	157,543	143,685	58,001	252,257	−334,780	276,707
thereof investments accounted for using the equity method	2,311	0	0	486	0	2,797
Non-allocated assets	0	0	0	0	0	0
Total assets	**157,543**	**143,685**	**58,001**	**252,257**	**−334,780**	**276,707**
Financial liabilities	65,619	43,226	11,414	54,791	−79,748	95,302
Other debt	50,090	26,727	22,749	1,974	−49,138	52,402
Non-allocated debt	0	0	0	0	0	0
Total liabilities	**115,709**	**69,953**	**34,163**	**56,765**	**−128,887**	**147,704**
Depreciation, amortization and impairment	12,854	5,360	2,825	906	−149	21,797
Investments	16,867	5,253	3,563	749	0	26,432
Noncurrent assets [1]	101,571	75,357	9,936	8,677	−1,338	194,203

1) This includes: property, plant and equipment, goodwill, other intangible assets and investment property

Figures in € k	Germany	Rest of Europe	USA/Rest of the World	Holding	Elimination	Group
2023						
External sales	196,149	76,341	21,266	248	0	294,004
Internal sales	33,350	37,700	914	11,095	−83,059	0
Total sales	**229,499**	**114,041**	**22,180**	**11,342**	**−83,059**	**294,004**
EBIT	3,950	9,260	1,797	1,522	113	16,642
Financial income	350	1,074	35	1,806	−2,886	379
Finance costs	−4,661	−1,833	−528	−2,042	2,886	−6,178
Income (loss) from associates and other equity investments	483	0	0	1	0	484
Other financial result	14	0	0	0	0	14
EBT	136	8,501	1,305	1,286	113	11,341
Taxes	−258	−1,731	−375	−1,785	5	−4,145
Result for the period	**−122**	**6,771**	**930**	**−499**	**118**	**7,196**
Assets	151,844	140,907	56,448	248,188	−325,803	271,584
thereof investments accounted for using the equity method	2,236	0	0	251	0	2,487
Non-allocated assets	0	0	0	0	0	0
Total assets	**151,844**	**140,907**	**56,448**	**248,188**	**−325,803**	**271,584**
Financial liabilities	60,691	46,695	9,930	47,363	−77,409	87,271
Other debt	50,678	26,777	21,463	−2,746	−40,497	55,675
Non-allocated debt	0	0	0	0	0	0
Total liabilities	**111,369**	**73,473**	**31,393**	**44,617**	**−117,907**	**142,945**
Depreciation, amortization and impairment	20,934	4,723	2,882	1,084	−149	29,474
Investments	17,639	7,675	3,554	1,672	0	30,540
Noncurrent assets [1]	98,393	74,871	8,928	8,300	−1,486	189,006

1) This includes: property, plant and equipment, goodwill, other intangible assets and investment property

Information on Key Customers

The Deufol Group has two major customers in the Packaging and Logistics service area. In the past fiscal year, the Deufol Group realized € 89.2 million (previous year: € 78.6 million) and € 38.3 million (previous year: € 33.7 million) – or approx. 28.9 % and 12.4 %, respectively (previous year: 26.7 % and 11.5 %) – of its total sales with these customers. These customers relate mainly to the Germany segment but are also included in the Rest of Europe and USA/Rest of the World segments.

Further Information on the Segment Reporting

The Group measures an investment property at fair value. This resulted in a revaluation gain in the amount of € 708 thousand (previous year: impairment loss –€ 218 thousand), which is included in the EBIT figure for the Rest of Europe segment.

In the previous year, Deufol realized income of € 11.7 million due to the conclusion of a settlement agreement. Of this amount, € 10.0 million was allocated to the Germany segment and € 1.7 million to the Holding; please see Note (2) for further information.

Also in the previous year, a € 8,108 thousand impairment was recognized on goodwill (see Note (12)) which exclusively related to the Germany segment. In the reporting year, no impairments were recognized.

42 Information on Services

The following table shows the sales trend by service:

Figures in € k	Packaging and Logistics	Production	IT Services	Real Estate	Holding	Elimination	**Group**
2024							
External sales	288,166	18,460	35	2,379	102	0	309,142
Internal sales	18,291	30,019	6,588	6,092	13,646	–74,636	0
Internal billing	1,758	18,265	0	0	0	–20,023	0
Total sales	**308,215**	**66,745**	**6,622**	**8,471**	**13,748**	**–94,659**	**309,142**
2023							
External sales	275,791	15,303	349	2,313	248	0	294,004
Internal sales	18,721	40,099	6,205	5,893	12,141	–83,059	0
Internal billing	1,397	9,279	2	0	0	–10,678	0
Total sales	**295,908**	**64,681**	**6,556**	**8,206**	**12,389**	**–93,736**	**294,004**

43 Events after the Balance Sheet Date

No material events have occurred since the balance sheet date for which a reporting obligation is applicable pursuant to IAS 10.

Supplementary Disclosures

Disclosures Concerning the Executive Bodies

The Administrative Board – which comprised six non-executive directors and three managing directors as of the end of 2024 – had the following members in the reporting period:

Name and position	
Detlef W. Hübner (Chairman) Appointed until the 2025 AGM	■ Managing Director of Deufol SE
Helmut Olivier (Deputy Chairman) Appointed until the 2025 AGM	■ Partner, Companylinks GmbH, Hamburg
Dennis Hübner Appointed until the 2025 AGM	■ Managing Director of Deufol SE
Marc Hübner Appointed until the 2025 AGM	■ Managing Director of Deufol SE
Holger Bürskens Appointed until the 2025 AGM	■ Lawyer and Partner at ARNECKE SIBETH DABELSTEIN Rechtsanwälte Steuerberater Partnerschaftsgesellschaft mbB, Frankfurt am Main
Ewald Kaiser Appointed until the 2025 AGM	■ Managing Partner of Corporate Navigator GmbH & Co. KG and CNK Beteiligungsgesellschaft mbH, Hamburg
Axel Wöltjen Appointed until the 2025 AGM	■ Managing Partner of A. Wöltjen Consulting GmbH, Wendelstein
Prof. Dr. Rüdiger Grube Appointed until the 2025 AGM	■ Chairman Investment Banking Germany at Lazard Ltd. and Managing Partner of Rüdiger Grube International Business Leadership GmbH, Hamburg
Gerard van Kesteren Appointed until the 2025 AGM	■ Retired (previously Chief Financial Officer of Kühne + Nagel International AG), Willerzell / Switzerland

No loans or advances were granted to the members of the Administrative Board. Nor were any contingent liabilities assumed in favor of the members of the Administrative Board.

In 2024, Administrative Board compensation totaled € 285 thousand (previous year: € 207 thousand).

The Company had the following managing directors in the reporting period:

Name	Departments
Jürgen Hillen	■ Finance, Treasury, Legal, Property & Administration, Claims & Insurance, Procurement
Dennis Hübner (CEO)	■ Go-to-Market, Leadership, People & Culture, Strategic Transformation Management, IT
Detlef W. Hübner	■ Strategy, Capital Markets, Investor Relations, Audit
Jürgen Schmid	■ End-to-End Solutions
Marc Hübner	■ Customer Centricity
Ebrahem Al Kadari	■ Crate Production, Engineering, Direct Material & Logistics, KAIZEN Service, HR Services, Digital Solutions

The total remuneration of the managing directors can be broken down as follows:

Figures in € k	2024	2023
Fixed remuneration	2,543	2,427
Variable remuneration	1,369	1,839
Other remuneration	0	0
Total	**3,912**	**4,266**

The managing directors' total remuneration constitutes short-term benefits.

Information in Accordance with Section 264 (3) of the German Commercial Code

The consolidated financial statements of Deufol SE have a discharging effect for the preparation and disclosure of the annual financial statements of the consolidated corporations pursuant to section 264 (3) HGB once the preconditions laid down in these provisions have been fulfilled. The following consolidated companies make use of the exemption provisions:

- Deufol Nürnberg GmbH, Nuremberg
- Deufol West GmbH, Mülheim an der Ruhr
- Deufol Süd GmbH, Neutraubling
- Deufol Services & IT GmbH, Hofheim am Taunus

Relationships with Related Parties

As well as the companies included in the consolidated financial statements, Deufol SE also has direct or indirect relations with nonconsolidated subsidiaries, associates and joint ventures in the course of its normal business; these relations are indicated in the list of shareholdings. Business relationships with these companies are entered into on an arm's-length basis.

ARNECKE SIBETH DABELSTEIN Rechtsanwälte Steuerberater Partnerschaftsgesellschaft mbB, Frankfurt am Main, qualifies as a related party, since a partner has been a member of the Administrative Board of Deufol SE since June 30, 2016. In fiscal year 2024, other operating income amounted to € 0 thousand (previous year: € 0 thousand) and expenses to € 201 thousand (previous year: € 426 thousand). On December 31, 2024, Deufol did not have any receivables from ARNECKE SIBETH DABELSTEIN Rechtsanwälte Steuerberater Partnerschaftsgesellschaft mbB; liabilities amounted to € 80 thousand (previous year: € 69 thousand).

Hofgut Liederbach GmbH & Co. KG, Frankfurt am Main, qualifies as a related party, since its two shareholders are members of the Administrative Board of Deufol SE. As in the previous year, no income arose in fiscal year 2024. Expenses amounted to € 448 thousand (previous year: € 401 thousand). As of December 31, 2024, as in the previous year there were no receivables from or liabilities to Hofgut Liederbach GmbH & Co. KG.

Rhein-Main-Classics GmbH, Frankfurt am Main, qualifies as a related party, since its shareholders are members of the Administrative Board of Deufol SE. In fiscal year 2024, other operating income amounted to € 287 thousand (previous year: € 0 thousand). As of December 31, 2024, as in the previous year Deufol did not have any related expenses, receivables or liabilities.

Timmerhell GmbH, Hofheim am Taunus, qualifies as a related party, since its two shareholders are members of the Administrative Board of Deufol SE. In fiscal year 2024, other operating income amounted to € 0 thousand (previous year: € 10 thousand) and expenses to € 299 thousand (previous year: € 3 thousand). As of December 31, 2024, as in the previous year there were no receivables from Timmerhell GmbH. Liabilities amounted to € 5 thousand (previous year: € 0 thousand).

Corporate Navigator GmbH & Co. KG, Hamburg, qualifies as a related party since its managing partner has been a member of the Administrative Board of Deufol SE since June 26, 2020. As in the previous year, no income arose in fiscal year 2024. Expenses amounted to € 0 thousand (previous year: € 15 thousand). As of December 31, 2024, as in the previous year Deufol did not have any receivables from or liabilities to Corporate Navigator GmbH & Co. KG.

Gerard van Kesteren, Willerzell / Switzerland, qualifies as a related party due to the fact that he is acting as a consultant for the Deufol Group and because he has been a member of the Administrative Board of Deufol SE since June 29, 2022. In fiscal year 2024 Deufol only incurred expenses, in the amount of € 133 thousand (previous year: € 118 thousand). On December 31, 2024, liabilities to Gerard van Kesteren amounted to € 35 thousand (previous year: € 17 thousand). As in the previous year, Deufol did not have any related receivables as of the balance sheet date.

The transactions with other related parties also include relationships with Mr. Detlef W. Hübner. In fiscal year 2024, these transactions resulted in income in the amount of € 24 thousand (previous year: € 22 thousand); as in the previous year, Deufol did not incur any related expenses. As of December 31, 2024, as in the previous year Deufol did not have any receivables from or liabilities to Mr. Detlef W. Hübner.

The following table shows the services performed by the Group for related parties and for the Group by related parties in the past fiscal year:

Figures in € k	Associates and other equity investments	Other related parties
2024		
Sales and other income	1,227	311
Expenses	27	1,081
Receivables	23	0
Liabilities	487	120
2023		
Sales and other income	972	32
Expenses	57	963
Receivables	44	0
Liabilities	308	86

Hofheim am Taunus, March 24, 2025

The Managing Directors

Dennis Hübner Ebrahem Al Kadari Jürgen Hillen

Detlef W. Hübner Marc Hübner Jürgen Schmid

Independent Auditor's Report

Audit Opinions

We have audited the consolidated financial statements of Deufol SE, Hofheim am Taunus, comprising the consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated cash flow statement, consolidated statement of changes in equity and notes to the consolidated financial statements, including the accounting and valuation methods for the fiscal year from January 1, 2024, to December 31, 2024. We have also audited the Group management report, which has been combined with the management report of Deufol SE, Hofheim am Taunus, for the fiscal year from January 1, 2024, to December 31, 2024.

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 as adopted by the EU, and the additional requirements of German commercial law pursuant to section 315e (3) HGB and, in accordance with these requirements, give a true and fair view of the assets and financial position of the Group as of December 31, 2024, as well as its results of operations for the fiscal year from January 1, 2024, to December 31, 2024,
- the accompanying combined management report and Group management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report and Group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to section 322 (3) clause 1 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 and Group management report.

Basis for the Audit Opinions

We have conducted our audit of the consolidated financial statements and the combined management report and Group management report in accordance with section 317 HGB, while complying with the International Standards on Auditing (ISA) issued by the IAASB. To comply with German accounting and reporting requirements, the ISA were supplemented by the wp.net expert report on ISA-based auditing of financial statements and by the wp.net audit guidance on the auditing of management reports. Our responsibility under those requirements and standards is further described in the "Auditor's Responsibility for the Audit of the Consolidated Financial Statements and of the Combined Management Report and Group 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. We believe that the 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 and Group management report.

Other Information

The parent company's management is responsible for the other information. The other information comprises:

- the remaining parts of the annual report, with the exception of the audited consolidated financial statements and the combined management report and Group management report and our auditor's report.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether this other information

- is materially inconsistent with the consolidated financial statements, with the combined management report and Group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibility of the Management and the Administrative Board for the Consolidated Financial Statements and the Combined Management Report and Group Management Report

Management is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e (3) HGB and for ensuring that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the net assets, financial position and results of operations of the Group. In addition, management is responsible for such internal controls as they have determined to be necessary to enable the preparation of consolidated financial statements that are free from material misstatement due to fraud (i.e., accounting manipulation and asset misappropriation) or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern. They are also responsible 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, provided no actual or legal circumstances conflict therewith.

Furthermore, management is responsible for the preparation of the combined management report and Group 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. On top of this, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report and Group 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 and Group management report.

The Administrative 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 and Group management report.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements and of the Combined Management Report and Group 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 and Group 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 and Group 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 while complying with the International Standards on Auditing (ISA) 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 and Group management report.

Within the scope of our audit, we exercise professional judgment and maintain professional skepticism.

We also

- identify and assess the risks of material misstatement in the consolidated financial statements and in the combined management report and Group 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 controls.
- obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report and Group 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 controls of the Company or on these arrangements and measures.
- evaluate the appropriateness of accounting policies used by management and the reasonableness of

estimates made by management and related disclosures.

- draw conclusions regarding the appropriateness of management's use of the going-concern basis of accounting and, based on the audit evidence obtained, as to 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 any material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the combined management report and Group management report or, if such disclosures are inadequate, to modify our respective audit opinion. 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 presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events such that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in compliance with IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e (3) HGB.
- evaluate the consistency of the combined management report and Group 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 management in the combined management report and Group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management 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 opinion on the prospective information or on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We discuss with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

Hofheim am Taunus, March 28, 2025

VOTUM AG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Leoff	Lehnert
Certified auditor	Certified auditor

STABILITY IN CHALLENGING TIMES

DEUFOL IS A RELIABLE PARTNER

Deufol is not an ordinary service provider – we act as a central partner along the entire supply chain. Our customers have access to an integrated portfolio of services that covers each step along the value chain, from packaging and logistics to digital management tools and tailor-made supply chain solutions. A single partner for every requirement means maximum efficiency, transparency and security. Thanks to our global network and scalable growth platform, we deliver stable, flexible and future-proof solutions that hold up in a dynamic market environment – now and in the future.

Information on Deufol SE

Income Statement of Deufol SE

Figures in € k	2024	2023
1. Sales	**13,748**	**11,342**
2. Other operating income thereof income from currency translation: € 155 k (previous year: € 72 k)	4,975	11,827
3. Cost of materials Expenses for raw materials, consumables and supplies and for purchased merchandise	–23	–132
4. Personnel costs		
a) Wages and salaries	–9,614	–10,272
b) Social security contributions thereof for old-age provision: € 19 k (previous year: € 20 k)	–1,134	–997
5. Amortization of intangible assets and depreciation of property, plant and equipment	–686	–944
6. Other operating expenses thereof expenses for currency translation: € 4 k (previous year: € 228 k)	–10,883	–11,272
7. Income from investments thereof from affiliated companies: € 1,770 k (previous year: € 1,000 k)	1,770	1,000
8. Income due to profit transfer agreements thereof from affiliated companies: € 3,667 k (previous year: € 4,574 k)	3,667	4,574
9. Other interest and similar income thereof from affiliated companies: € 2,120 k (previous year: € 1,724 k)	2,244	1,806
10. Interest and similar expenses thereof for affiliated companies: € 1.128 k (previous year: € 829 k)	–2,405	–2,030
11. Income taxes	–9	–438
12. Earnings after taxes	**1,650**	**4,464**
13. Other taxes	–6	–16
14. Net profit for the year	**1,644**	**4,448**
15. Retained profits brought forward	**12,116**	**11,916**
16. Income from the capital decrease	**35,145**	**0**
17. Allocation to the capital reserves as per the requirements govering ordinary capital decreases	**–35,145**	0
18. Net income for the year	**13,760**	**16,364**

Balance Sheet of Deufol SE

Assets Figures in € k	Dec. 31, 2024	Dec. 31, 2023
A. Fixed assets	**119,696**	**112,897**
I. Intangible assets	3,500	2,876
1. Purchased patents, licenses, trademarks and similar rights and assets	2,397	966
2. Advance payments made	1,102	1,910
II. Property, plant and equipment	4,752	4,980
1. Land, land rights and buildings incl. buildings on third-party land	4,158	4,287
2. Technical equipment and machinery	23	25
3. Other equipment, operating and office equipment	571	661
4. Advance payments made and assets under construction	0	7
III. Financial assets	111,445	105,041
1. Shares in affiliated companies	92,652	92,652
2. Loans to affiliated companies	18,536	12,096
3. Investments	250	250
4. Other loans	8	43
B. Current assets	**35,830**	**44,038**
I. Receivables and other assets	35,664	43,657
1. Trade receivables	62	41
2. Receivables from affiliated companies	30,511	36,650
3. Receivables from companies in which a participating interest is held	35	29
4. Other assets	5,056	6,937
II. Cash in hand, bank balances	166	381
C. Deferred expenses and accrued income	**425**	**423**
Total assets	**155,952**	**157,358**

Equity and liabilities Figures in € k		Dec. 31, 2024		Dec. 31, 2023
A. Equity		**96,987**		**99,591**
I. Subscribed capital less nominal amount of treasury stock	8,629 –134	8,495	43,773 –669	43,104
II. Capital reserves		62,807		28,198
III. Retained earnings		11,925		11,925
1. Legal reserves		46		46
2. Other revenue reserves		11,879		11,879
IV. Net income for the year thereof retained profits brought forward: € 12,116 k (previous year: € 11,916 k)		13,760		16,364
B. Provisions		**1,815**		**3,018**
1. Tax provisions		163		155
2. Other provisions		1,652		2,863
C. Liabilities		**57,149**		**54,749**
1. Liabilities to banks		26,516		17,418
2. Trade payables		636		743
3. Liabilities to affiliated companies		28,619		34,500
4. Liabilities to companies in which a participating interest is held		0		0
5. Other liabilities thereof taxes: € 1,163 k (previous year: € 1,689 k) thereof relating to social security: € 0 k (previous year: € 0 k)		1,378		2,088
Total equity and liabilities		**155,952**		**157,358**

Significant Equity Investments of Deufol SE

	Equity interest (%)[1]	Shareholders' equity (€ k)	Sales (€ k)	Employees
Germany				
Deufol Nürnberg GmbH, Nuremberg	100.00	19,048	521	0
Deufol Real Estate GmbH, Hofheim am Taunus	100.00	5,537	365	0
Deufol West GmbH, Mülheim an der Ruhr	100.00	2,696	45,909	287
Deufol Hamburg GmbH, Hamburg	100.00	2,504	29,872	119
Deufol Industrieverpackungsmittel GmbH, Hofheim am Taunus	100.00	1,601	0	0
Wallmann & Co. (GmbH & Co. KG), Hamburg	100.00	1,434	10,580	60
Deufol Südwest GmbH, Frankenthal	100.00	297	23,809	140
DTG Verpackungslogistik GmbH, Fellbach	51.02	1,052	7,839	25
Deufol Supply Chain Solutions GmbH, Mülheim an der Ruhr	100.00	668	3,162	40
Deufol Berlin GmbH, Berlin	100.00	−59	13,211	82
Deufol Consulting & Project Solutions GmbH, Hofheim am Taunus	100.00	665	5,789	5
Deufol Süd GmbH, Neutraubling	100.00	138	69,147	439
Deufol Nord GmbH, Peine	100.00	2,530	10,660	69
Rest of Europe				
Deufol Austria Management GmbH, Ramsau nr. Hainfeld, Austria	70.00	4,578	2,138	16
Rieder Kistenproduktiongesellschaft m. b. H., Ramsau nr. Hainfeld, Austria	69.30	1,960	14,768	68
Deufol Austria Pack Center Solutions GmbH, St. Pölten, Austria	70.00	972	19,112	76
Deufol België NV, Lier, Belgium	100.00	12,634	1,267	9
Deufol Waremme S. A., Waremme, Belgium	100.00	8,242	2,331	0
Manamer NV, Lier, Belgium	100.00	8,858	1,264	0
Deufol Waremme Operations S. A., Waremme, Belgium	100.00	2,076	8,162	68
Deufol Lier NV, Lier, Belgium	100.00	810	10,207	49
Deufol Port of Antwerp NV, Antwerp, Belgium	100.00	749	6,223	16
Deufol Immobilien CZ s. r. o., Brno, Czech Republic	100.00	1,890	1,219	1
Deufol CZ Production s. r. o., Cheb, Czech Republic	100.00	2,315	14,607	91
Deufol Česká republika s. r. o., Brno, Czech Republic	100.00	772	9,698	108
Deufol Hungary Kft., Debrecen, Hungary	100.00	5,002	13,031	159
Deufol Hungary Real Estate Kft., Debrecen, Hungary	100.00	2,543	2,294	0
Deufol Polska Sp. z o. o., Chwaszczyno, Poland	100.00	−180	2,295	38
Deufol Slovensko s. r. o., Krušovce, Slovakia	100.00	1,888	1,880	33
USA/Rest of the World				
Deufol North America Inc., Richmond, Indiana (USA)	100.00	8,576	0	18
Deufol Sunman Inc., Richmond, Indiana (USA)	100.00	83	2,778	12
Deufol Charlotte LLC., Richmond, Indiana (USA)	100.00	1,184	4,982	22
Deufol Worldwide Packaging LLC., Richmond, Indiana (USA)	100.00	−217	15,393	47

1) Attributable to the relevant parent

Glossary

Acid test (%)
Ratio of cash and cash equivalents plus current receivables to current liabilities

Asset cover ratio I
Ratio of equity to noncurrent assets

Asset cover ratio II
Ratio of equity plus noncurrent liabilities to noncurrent assets

Asset depreciation ratio
Ratio of the accumulated depreciation of property, plant and equipment to the historical cost

Capital employed
Operating capital that is tied up in the operation of a company; the total of working capital, the net carrying amount of property, plant and equipment and other noncurrent assets (offset against other noncurrent, non-interest-bearing liabilities)

Cash ratio (%)
Ratio of cash and cash equivalents to current liabilities

Current ratio (%)
Ratio of cash and cash equivalents plus current receivables and inventories to current liabilities

Days payables outstanding
Ratio of trade payables to revenue

Days sales outstanding
Ratio of trade accounts receivable to revenue

Dividend yield (%)
Ratio of the dividend paid for the fiscal year to the year-end stock exchange price

EBIT
Earnings before interest and taxes

EBITA
Earnings before interest, taxes and amortization/impairment of goodwill

EBITDA
Earnings before interest, taxes, depreciation and amortization/impairment of goodwill

EBT
Earnings before taxes

EBTA
Earnings before taxes and amortization/impairment of goodwill

Enterprise value
The enterprise value is the value (price) of a company if it were to be purchased and subsequently freed of debt (incl. the sale of non-operating assets such as financial assets); calculated as the sum of the company's market capitalization and net liabilities

Free cash flow
The net amount of cash flow from ordinary operating activities and cash flow from investing activities

Interest cover
The total of EBITA and interest income divided by interest expense

Investment ratio
Ratio of capital expenditure to sales

Net carrying amount per share
Ratio of equity adjusted for deferred tax assets to the number of shares in circulation

Net financial liabilities
Financial liabilities less financial receivables and cash and cash equivalents

Operating cash flow
Cash flow from operating activities

Personnel cost ratio
Ratio of personnel costs to revenue

Price earnings ratio
Ratio of share price to earnings per share

Property, plant and equipment ratio
Ratio of property, plant and equipment to total assets

Receivables turnover
Ratio of revenue to trade accounts receivable

Working capital
Working capital is the difference between current assets and current non-interest-bearing liabilities.

Consolidated Key Figures – Five-Year Overview

Results of operations	2024	2023	2022	2021	2020
Sales (€ k)	309,142	294,004	271,580	243,049	213,854
Change on previous year (%)	5.1	8.3	11.7	13.7	–13.4
EBITDA (€ k)	34,829	46,116	34,034	27,475	29,012
Margin (as % of sales)	11.3	15.7	12.5	11.3	13.6
EBIT (€ k)	13,032	16,642	13,223	6,378	6,339
Margin (as % of sales)	4.2	5.7	4.9	2.6	3.0
EBT (€ k)	7,379	11,341	10,414	2,906	3,301
Margin (as % of sales)	2.4	3.9	3.8	1.2	1.5
Income (loss) from continuing operations (€ k)	4,408	7,196	7,049	1,933	855
Margin (as % of sales)	1.4	2.4	2.6	0.8	0.4
Net income (€ k)	3,911	6,550	6,506	1,281	1,097
Margin (as % of sales)	1.3	2.2	2.4	0.5	0.5
Operating cash flow (€ k)	27,326	35,487	35,075	12,548	29,015
Margin (as % of sales)	8.8	12.1	12.9	5.2	13.6
Free cash flow (€ k)	19,162	30,605	29,470	5,178	19,728
Margin (as % of sales)	6.2	10.4	10.9	2.1	9.2

Assets position	2024	2023	2022	2021	2020
Current assets (€ k)	70,975	70,275	72,369	65,087	74,160
as % of total assets	25.7	25.9	26.8	25.0	27.8
Noncurrent assets (€ k)	205,732	201,309	197,431	195,314	192,747
as % of total assets	74.3	74.1	73.2	75.0	72.2
Balance sheet total (€ k)	276,707	271,584	269,800	260,401	266,907
change on previous year (%)	1.9	0.7	3.5	–2.4	–0.4
Liabilities (€ k)	147,704	142,945	145,699	144,558	153,645
as % of total assets	53.4	52.6	54.0	55.5	57.6
Shareholders' equity (€ k)	129,003	128,639	124,101	115,843	113,262
as % of total assets	46.6	47.4	46.0	44.5	42.4
Working capital (€ k)	34,480	31,390	32,088	31,979	34,600
as % of total assets	12.5	11.6	11.9	12.3	13.0
Capital employed (€ k)	209,145	201,942	199,435	198,498	203,515
as % of total assets	75.6	74.4	73.9	76.2	76.2
Noncurrent/current assets	2.90	2.86	2.73	3.00	2.60
Shareholders' equity/liabilities	0.87	0.90	0.85	0.80	0.74
Property, plant and equipment ratio	0.41	0.40	0.37	0.37	0.34
Asset depreciation ratio (%)	51.7	53.8	52.7	49.6	50.3
Inventories/sales (%)	5.0	5.0	6.1	6.7	4.3
Receivables turnover	8.6	8.6	8.1	8.5	8.3
Days sales outstanding	42.6	42.7	45.1	42.8	43.9
Days payables outstanding	25.6	28.6	31.2	26.6	41.3

Financial and liquidity ratios	2024	2023	2022	2021	2020
Capital employed/sales (%)	67.7	68.7	73.4	81.7	95.2
Investment ratio (%)	9.1	9.2	9.1	9.3	9.8
Operating cash flow/investments (%)	287.9	615.3	550.1	197.3	200.2
Asset cover ratio I (%)	70.8	72.5	70.4	66.9	67.1
Asset cover ratio II (%)	120.5	118.5	116.3	115.8	116.6
Interest cover	2.0	4.1	3.9	1.8	2.1
Cash ratio (%)	22.1	24.1	27.1	23.6	44.8
Acid test (%)	97.3	90.6	85.9	81.3	93.0
Current ratio (%)	124.3	114.6	111.6	108.4	106.1
Financial liabilities/equity (%)	73.0	66.2	70.6	81.8	91.1
Financial liabilities/capital employed (%)	45.6	43.2	44.5	47.9	50.6
Net financial liabilities/EBITDA	2.33	1.57	2.08	2.93	2.46
Net financial liabilities/market capitalization (%)	182.2	115.3	191.3	207.8	199.2

Productivity ratios	2024	2023	2022	2021	2020
Sales per employee (€)	132,402	133,080	130,608	120,247	105,405
EBITDA per employee (€)	14,917	20,874	16,367	13,593	14,299
EBIT per employee (€)	5,582	7,533	6,359	3,155	3,124
Operating cash flow per employee (€)	11,703	16,063	16,868	6,208	14,301
Personnel costs per employee (€)	49,416	48,226	44,143	42,278	39,490
Personnel cost ratio (%)	37.3	36.2	33.8	35.2	37.0

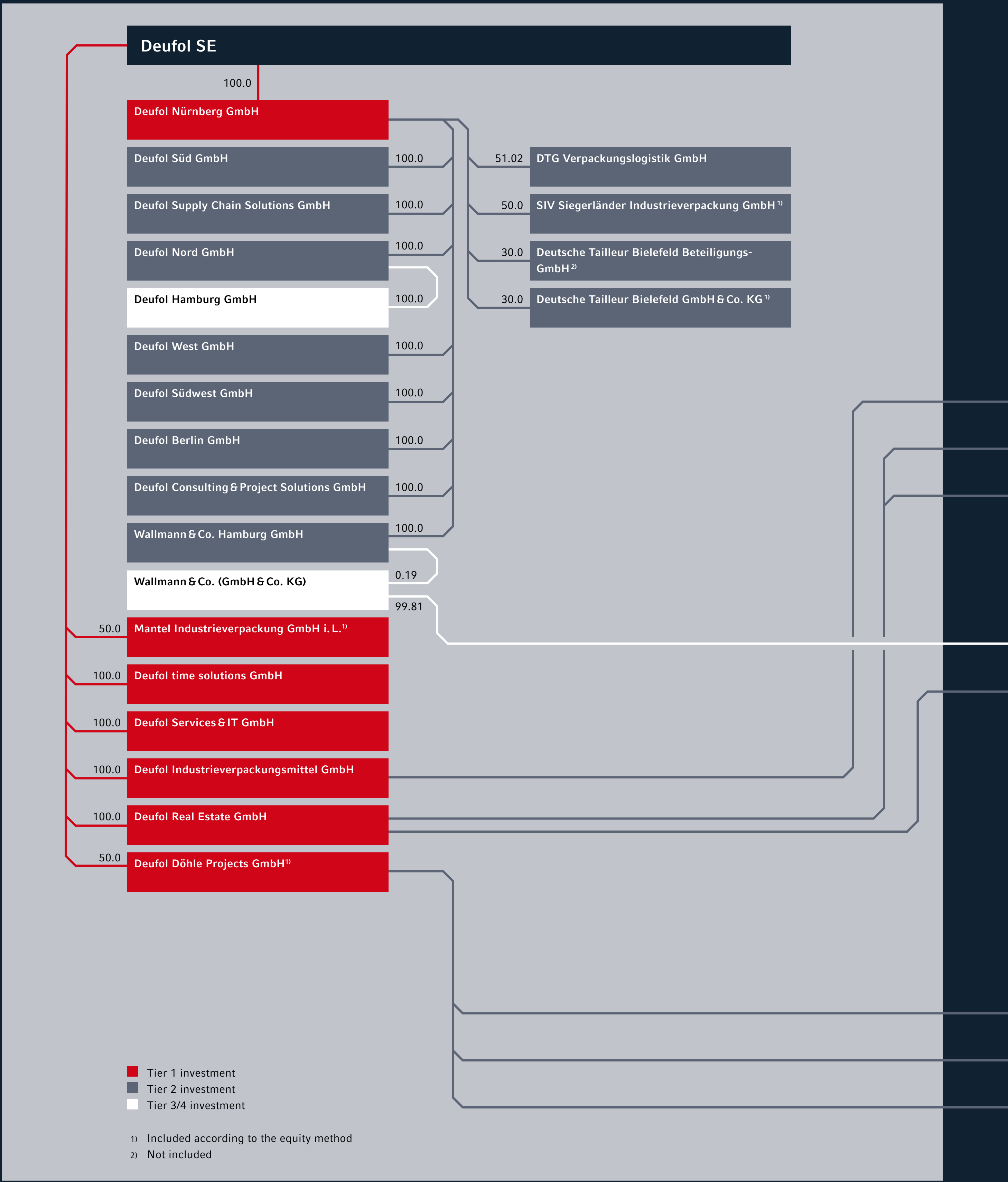
Per-share ratios	2024	2023	2022	2021	2020
Earnings per share from continuing operations (€)	0.460	0.763[1)]	0.151	0.030	0.026
Earnings per share – EPS (€)	0.460	0.763[1)]	0.151	0.030	0.026
Price earnings ratio (PER)	11.4	9.7	5.7	30.0	31.9
Dividend per share (€)	0.30	0.10	0.03	0.00	0.00
Book value per share (€)	15.36	3.10	2.92	2.70	2.62
Price/book value	0.34	0.48	0.29	0.33	0.32
Book value per share less goodwill (€)	8.21	1.67	1.32	1.10	0.98
Price/book value less goodwill	0.6	0.9	0.7	0.8	0.9

Investment ratios	2024	2023	2022	2021	2020
Market capitalization/sales	0.14	0.21	0.14	0.16	0.17
Enterprise value/sales	0.41	0.46	0.40	0.50	0.51
Enterprise value/EBITDA	3.7	2.9	3.2	4.4	3.8
Enterprise value/EBIT	9.8	8.2	8.3	19.2	17.3
Enterprise value/operating cash flow	4.7	3.8	3.1	9.7	3.8
Enterprise value/free cash flow	6.6	4.4	3.7	23.6	5.5

1) Restatement of the earnings per share as per IAS 33 item 64; see explanations in Notes (09) → page 076 and (20) → page 088

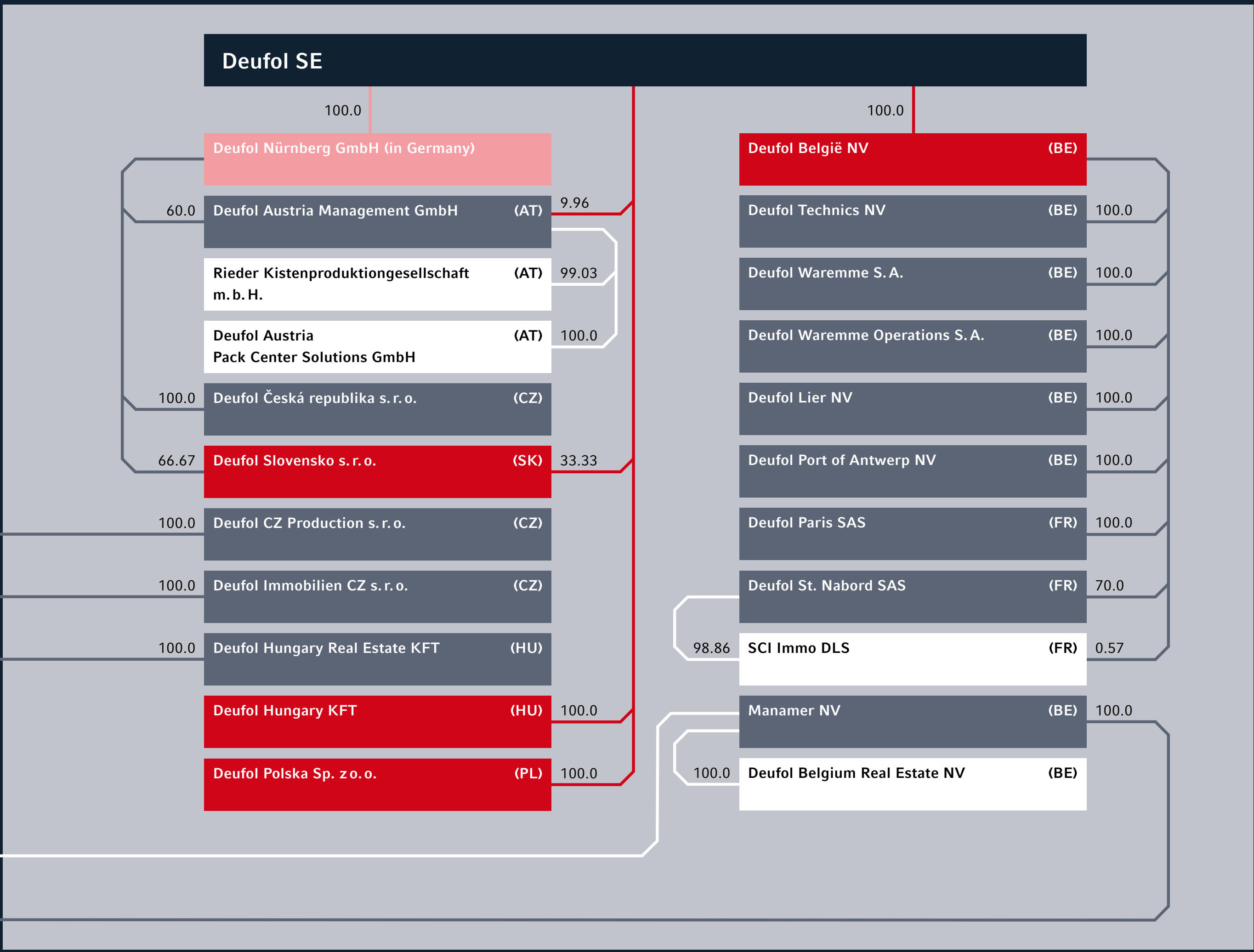
Operational Investments of Deufol SE*

Germany

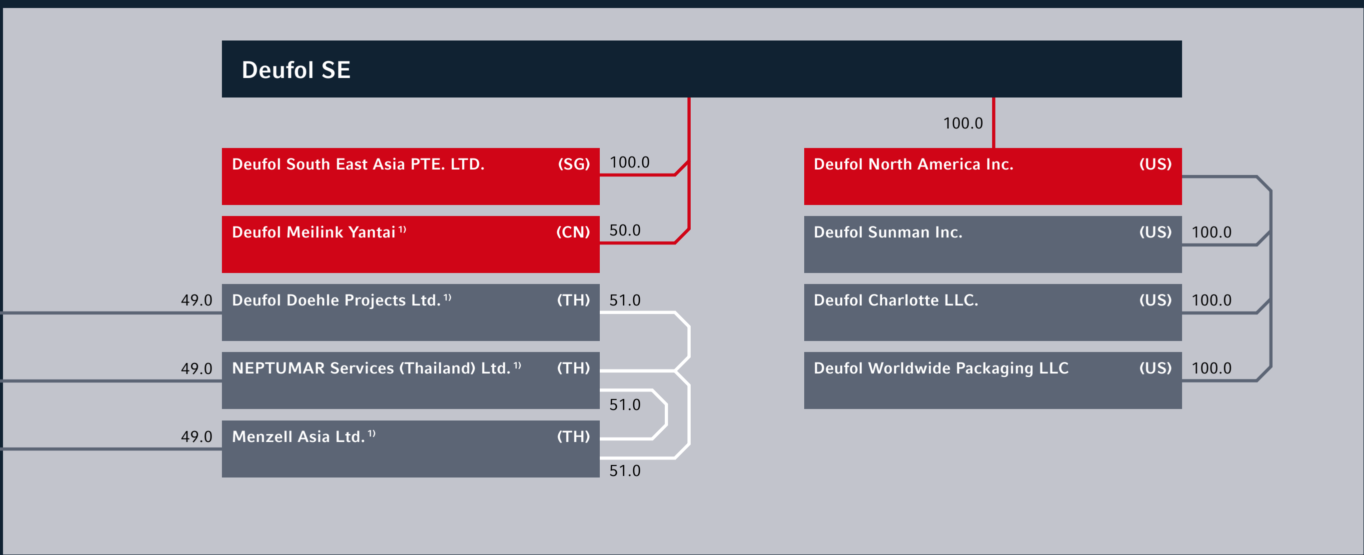


* As of December 31, 2024; figures in %

Europe



Rest of the World



Financial Calendar

April	30, 2025	Annual Financial Report 2024
June	26, 2025	Annual General Meeting 2025
August	29, 2025	Semi-Annual Financial Report 6M 2025

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