MBB

Annual Report 2024

MBB SE, Berlin

MBB in figures

Financial year	2024	2023	Δ 2024 / 2023
Earnings figures (adjusted*)	**€k**	**€k**	**%**
Revenue	**1,068,377**	**954,620**	**11.9**
Operating performance	1,066,431	954,413	11.7
Total performance	1,096,678	994,074	10.3
Cost of materials	-584,128	-591,324	-1.2
Personnel expenses	-289,357	-252,726	14.5
EBITDA	**149,046**	**80,216**	**85.8**
EBITDA margin	*14.0%*	*8.4%*	
EBIT	103,043	38,208	169.7
EBIT margin	*9.7%*	*4.0%*	
EBT	103,695	39,778	160.7
EBT margin	*9.7%*	*4.2%*	
Consolidated net profit after non-controlling interests	**40,708**	**15,029**	**170.9**
eps in €	7.50	2.62	186.1
Average number of shares in circulation (in thousand)	5,431	5,735	-5.3
Earnings figures (IFRS)	**€k**	**€k**	**%**
EBITDA	145,682	78,190	86.3
Consolidated net profit after non-controlling interests	37,660	12,150	210.0
eps in €	6.93	2.12	227.3
Figures from the statement of financial position (IFRS)	**31.12 €k**	**31.12 €k**	**%**
Non-current assets	428,347	396,366	8.1
Current assets	786,324	752,655	4.5
thereof liquid funds**	616,168	529,635	16.3
Issued capital (share capital)	5,411	5,716	-5.3
Other equity	777,770	758,192	2.6
Total equity	**783,181**	**763,908**	**2.5**
Equity ratio	*64.5%*	*66.5%*	
Non-current liabilities	116,965	102,662	13.9
Current liabilities	314,525	282,450	11.4
Total assets	**1,214,671**	**1,149,020**	**5.7**
Net cash (+) or net debt (-)**	**553,857**	**475,293**	**16.5**
Employees (as of closing date)	**3,982**	**3,782**	**5.3**

* For details of the adjustments, please see the information on results of operations, financial position and net assets in the combined management and Group management report.

** This figure includes the value of physical gold stocks and securities.

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Welcome Note from the Executive Management

Dear fellow shareholders,

MBB achieved several records for the first time in the 2024 financial year: Revenue exceeded the symbolic one billion euro threshold at €1,068 million. EBITDA broke through the one hundred million euro mark and rose by 86% to €149 million. With an EBITDA margin of 14%, the company achieved an improvement of more than five percentage points compared to the previous year and 1.5 percentage points above its previous all-time high. Additionally, net liquidity grew substantially, surpassing €550 million.

MBB's performance has notably diverged from Germany's overall economic trajectory. This deviation can primarily be attributed to two factors: firstly, the company's strategic focus on growth trends, and secondly, the effective diversification of the Group. In particular, the focus on the energy transition and thus the high level of investment in Germany's energy infrastructure paid off noticeably for MBB in the past financial year.

The exceptionally full order books of energy infrastructure provider **Friedrich Vorwerk** led to sales growth of 33% to €498 million. At the same time, EBITDA rose by 152% to €80 million, which corresponds to a margin of 16%. The company's net liquidity reached €154 million and was thus €112 million higher than in the previous year. These figures reflect the business development that we have been anticipating since the IPO of Friedrich Vorwerk amid the energy transition. They also underscore our decision to acquire shares in Friedrich Vorwerk for around €37 million over the past two financial years, thereby increasing MBB's stake in the company by 14 percentage points.

The second-largest company in the MBB Group also broke records in 2024: Automation specialist **Aumann** generated the highest revenue in the company's history at €312 million. Adjusted EBITDA rose by 71% to a new high of €36 million. However, incoming orders declined noticeably due to the reluctance of the automotive industry to invest. Nevertheless, with net liquidity of €138 million, Aumann has sufficient scope for organic and inorganic growth investments, which are now being sought primarily outside the cyclical automotive industry. To this end, the company is focusing on automation solutions for application areas such as Defence, Aerospace and Life Sciences in the new "Next Automation" business segment.

After a strong first half of 2024, in which revenue and profitability grew by the double digits above the previous year, IT security provider **DTS** was surprised by order postponements in the public sector in the second half of the year. The company closed the financial year with revenue of €99 million and adjusted EBITDA of €13 million, slightly below the previous year. However, in particular the DTS Cockpit, DTS Identity and DTS Monitoring software products developed by DTS recorded the highest growth in the company's history, both in relative and absolute terms, and their share of total revenue continued to increase significantly. Even though demand from the public sector was restrained at the end of the last financial year against the backdrop of the change of government, DTS expects catch-up effects in the new financial year.

Growth trends in Germany

Friedrich Vorwerk, Aumann and DTS are undoubtedly the driving forces behind MBB and together contributed €910 million in revenue and €130 million in EBITDA to the Group in 2024. They address three major growth trends, perhaps even the three biggest growth trends in Germany: the energy transition, automation and security.

After years of delayed investment, the **energy transition** in Germany is noticeably picking up speed. The construction of high-performance electricity grids is progressing and Friedrich Vorwerk's 300 kilometre-long A-Nord electricity highway shows the speed at which the expansion can succeed if everyone involved pulls (the cable) in the same direction. The construction of a hydrogen core network is also gaining traction. The network, which was approved in October 2024, is set to go into operation in several stages from 2025 onwards and will entail investments of €19 billion by 2032. The gas infrastructure must also be significantly expanded to ensure affordable electricity during the so-called dark doldrums. The CDU's plan to build 50 new gas-fired power plants within a few years seems ambitious. However, investing billions in the German gas grid is practically unavoidable in order to ensure grid stability. The special funds for infrastructure adopted in March 2025 provide the financial leeway required for this expansion.

The trend towards **automation** is becoming increasingly important, particularly due to demographic change, and is being significantly accelerated by the latest developments in the field of artificial intelligence. According to estimates by the IW Cologne, the German economy already has a shortage of more than 530,000 skilled workers. According to estimates by the Bertelsmann Foundation, the number of domestic workers will fall by a further 4.5 million by 2040. High levels of investment in automation are needed to prevent prosperity from declining at the same rate. The targeted use of artificial intelligence in manufacturing processes and services opens up new fields of application for automation solutions and enables companies to maintain their competitiveness even with a shrinking labour force. As a pioneer in this field, Aumann will benefit from the growing need for investment and can transfer its experience from the automotive industry to other sectors for which automation was either not possible or not necessary in the past. Last but not least, the planned restoration of Germany's defence capability, in which hundreds of billions of euros will be invested over the next few years, cannot succeed without automation.

In light of rising geopolitical tensions, the topic of **security** is also becoming increasingly important in the IT sector. Europe is facing increasingly complex cyber threats that jeopardise governmental, industrial and infrastructural objectives in equal measure. Against this backdrop, securing digital infrastructures is becoming increasingly important, not only strategically but also economically. Companies such as DTS are at the core of Germany's technological response to these challenges. The sharp increase in cyber attacks and Europe's responsibility to develop its own IT security expertise are creating enormous market potential. With its innovative software products and services, DTS is ideally positioned to benefit sustainably from the upcoming investments by the private and public sectors.

After all they still exist, the growth trends in Germany. Even if we do not want to play down the challenges - Germany urgently needs far-reaching structural reforms - it would be too short-sighted to write off the country as a whole. An entire series of medium-sized companies have enormous growth potential in the coming years and no diversified group combines as many of these companies as MBB.

The smaller MBB companies also make a significant contribution to the successful diversification strategy. Both Hanke's tissue products and CT Formpolster's mattresses are not only recession-proof, but also largely protected from global competitive pressure due to high transport costs for their products. This was especially reflected in Hanke’s revenue growth of 10% to €70 million and a double-digit EBITDA margin in 2024, while CT Formpolster recorded a decline in revenue to €24 million. Delignit not only equips commercial vehicles and motorhomes with its system solutions based on renewable raw materials, but also supplies well-known manufacturers of rail vehicles. Even though the company's revenue fell to €65 million in 2024, the technical and ecological properties of wood as a raw material will open up numerous new fields of application in the coming years, including in the defence sector, which Delignit is already developing.

A more than solid basis

In its 30th anniversary year, the MBB Group is ideally placed to continue its growth trajectory of the past three decades. The company's balance sheet strength also contributes to this. At the end of 2024, the Group's net liquidity totalled €554 million, an increase of €87 million on the previous year. The holding company MBB SE accounted for €281 million of this figure. Dividends of €9 million were paid to the shareholders of MBB and the free float shareholders of the subsidiaries during the financial year. The MBB Group invested a further €58 million in the purchase of shares in its own companies. The level of buybacks and dividends on the one hand and the liquidity build-up that took place regardless of this on the other are evidence of the Group's cash flow strength.

Over the last two financial years, purchases of shares in Group companies totalled €105 million. The market value of these repurchased shares had more than doubled by the end of March 2025. It would probably not have been possible to achieve a similar return within the time frame of two years by acquiring a new company. Of the numerous acquisition targets that we have analysed intensively over the last two years, none had a similarly attractive potential for value appreciation as the companies in our own group. In our view, successful capital allocation is not measured by how many new companies are acquired, but by how the value of the capital employed develops in relation to the risk.

While MBB's balance sheet structure will remain an unchanging constant, the company's management structure will change in 2025. Founding shareholder Dr Christof Nesemeier and Torben Teichler will jointly manage the company from July 2025. As Executive Chairman, Dr Nesemeier will be responsible for Strategy, M&A and Operations. As CFO, Mr Teichler will be responsible for the areas of capital investment, finance and IR. Dr Constantin Mang and Dr Jakob Ammer have decided not to extend their contracts, which expire on 30 June 2025. Constantin Mang has been an integral part of the MBB team for more than 10 years and has played a decisive role in shaping MBB's development in his almost seven years as part of the Executive Management and especially in the past four years as CEO. Jakob Ammer has been instrumental in shaping the operational development of MBB's subsidiaries, above all Friedrich Vorwerk, since joining the company in 2020, particularly in the past four years as COO. Thanks to their commitment, MBB can look to the new financial year 2025 with great confidence.

Looking ahead to 2025

For the financial year 2025, we once again expect Friedrich Vorwerk to provide the greatest impetus for growth within the MBB Group. With order books full to bursting, Friedrich Vorwerk is anticipating a further increase in revenue. All signs are also pointing to growth at DTS. Aumann, on the other hand, expects a significant decline in sales due to the reluctance of the automotive industry to invest. Delignit, Hanke and CT Formpolster anticipate moderate growth overall.

As a Group, we expect consolidated sales of €1.0 to 1.1 billion in 2025 with an adjusted EBITDA margin between 11% and 14%. Our focus on growth trends and a more than solid balance sheet will remain the cornerstones of the Group. We believe that this gives us the best possible basis for further growth.

To mark MBB's 30th anniversary in 2025, we will propose a basic dividend of €1.11 and an anniversary dividend of €2.22 to the Annual General Meeting - totalling €3.33 per share. We would like to thank our shareholders for their loyalty and look forward to many more years of value growth.

Berlin, 27 March 2025

The Executive Management of MBB

Dr Constantin Mang
Chief Executive Officer

Dr Jakob Ammer
Chief Operating Officer

Torben Teichler
Chief Investment Officer

Dr Christof Nesemeier
Executive Chairman

Report of the Board

In accordance with the duties and responsibilities imposed on it by law, the Articles of Association and the provisions of the German Corporate Governance Code, the Board continuously informed itself about the business and strategic development of the company, advised the Executive Management and monitored the management of the company during the financial year. As a result, the Board was always aware of the strategy, business policy, planning, risk situation and net assets, financial position and results of operations of the MBB Group. This took place both in personal discussions between the members of the Board and with the Executive Management, through regular information from the Executive Management on the course of business, and in the course of the ordinary Board meetings held on 22 March, 26 June, 9 September and 19 December 2024, which were attended by all members of the Board in person or by video conference.

Focus of the discussions and resolutions

At the individual meetings, the Board of Directors analysed the current business development together with the Executive Management and discussed the strategic direction. The discussions covered both the economic situation of the company and that of the individual subsidiaries. In addition to the Group's operational development, investment and M&A issues were also discussed at the Board meetings. Where individual transactions required the approval of the Board of Directors in accordance with the Articles of Association or statutory provisions, the Board of Directors examined these and decided on its approval.

In addition to strategically weighing up the numerous market opportunities in the wake of the energy transition at Friedrich Vorwerk, a key focus of the discussions on business development in the financial year 2024 was on the decline in market demand at Delignit and CT Formpolster and the decline in order intake at Aumann. At an extraordinary meeting on 30 October 2024, the Board also discussed the cancellation of treasury shares and the buyback of treasury shares and resolved to implement both. In the area of investments, the volatile capital market environment and the investment of cash and cash equivalents were discussed in particular. In the area of M&A, several investment opportunities and due diligence results were discussed.

Committees and composition

The members of the Board were:

- Dr Christof Nesemeier (Chairman and Executive Management)
- Gert-Maria Freimuth (Deputy Chairman)
- Anton Breitkopf
- Dr Peter Niggemann (until 26 June 2024)

Dr Peter Niggemann stepped down at his own request at the 2024 Annual General Meeting, and the remaining members of the Board of Directors would like to thank him most sincerely for the many years of close cooperation. The Board now consists of three members. There is a separate Audit Committee, to which all members of the Board of Directors belong. The Chairman of the Audit Committee is Anton Breitkopf. The Chairman of the Audit Committee was closely involved in the audit of MBB's consolidated financial statements for the 2024 financial year. There is also a Nomination Committee, which is also made up of all members of the Board and is chaired by Gert-Maria Freimuth. Due to its size and composition, the Board does not currently see any need to form further committees.

Executive Management with contracts running until 30 June 2025 are:

- Dr Constantin Mang (CEO)
- Dr Jakob Ammer (COO)
- Torben Teichler (CIO)
- Dr Christof Nesemeier (Executive Chairman)

In December 2024, the Nomination Committee agreed that the Chairman of the Nomination Committee would enter into discussions with the Executive Management to extend their contracts from 1 July 2025 and offer a revised remuneration concept. Executive Management Dr Christof Nesemeier as Executive Chairman and Torben Teichler as Chief Financial Officer extended their contracts on 16 January 2025 for a term from 1 July 2025 to 31 December 2029. Dr Constantin Mang and Dr Jakob Ammer declared to the Board of Directors on the same day that they would not be seeking a further term of office. The Board of Directors would like to express its sincere thanks to both of them for their successful cooperation.

The Board of Directors continues to strive for greater representation of women in management positions.

Corporate Governance

In the knowledge that corporate governance makes a significant contribution to the responsible management and control of the company's management with a focus on value creation, the Board of Directors continued to deal with topics and issues relating to corporate governance in 2024. Together with the Executive Management, the Board issued the annual declaration in accordance with Section 161 of the German Stock Corporation Act (AktG) on the recommendations of the German Corporate Governance Code. Further information on corporate governance can be found in the summarised corporate governance declaration in accordance with Section 315d HGB in conjunction with Section 289f HGB. The summarised corporate governance statement also contains the corporate governance report prepared by the Executive Management and the Board of Directors as well as the statement on the recommendations of the German Corporate Governance Code. The summarised corporate governance statement is permanently available on the MBB SE website at www.mbb.com. The Executive Management and the members of the Board disclose any conflicts of interest to the Board without delay. The Board did not receive any reports or indications of conflicts of interest on the part of Executive Management or members of the Board in the year under review.

Audit of annual and consolidated financial statements

The Board of Directors duly commissioned Nexia GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Düsseldorf, which was elected as auditor by the Annual General Meeting on 26 June 2024, to audit the annual and consolidated financial statements as well as the combined management and Group management report for the 2024 financial year.

The auditor has complied with the annual confirmation of independence to the Board of Directors and the auditor's case-related reporting obligation to the Board of Directors in accordance with the German Stock Corporation Act. The declaration confirms that there are no professional, financial or other relationships between the auditor, its executive bodies and audit managers on the one hand and the company and its executive bodies on the other that could give rise to doubts about its independence.

The annual financial statements of MBB SE as at 31 December 2024 and the combined management report for MBB SE and the MBB Group were prepared in accordance with German commercial law, while the consolidated financial statements as at 31 December 2024 were prepared in accordance with International Financial Reporting Standards (IFRS) and audited by Nexia GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Düsseldorf, which was elected by the Annual General Meeting and commissioned by the Chairman of the Board, and issued with an unqualified audit opinion dated 27 March 2025.

The Board examined the annual financial statements prepared by the Executive Management, the combined management report for MBB SE and the MBB Group, the proposal for the appropriation of profits and the consolidated financial statements and discussed them with the auditor at the meeting on 27 March 2025. Prior to the meeting, the Chairman of the Audit Committee discussed the results of the audit with the auditor. All of the Board's questions were answered in detail by the auditor. The Board of Directors received the auditor's report prior to the balance sheet meeting. Based on the final results of the audit conducted by the Board of Directors, there were no objections to the annual financial statements, the management report or the consolidated financial statements. The consolidated financial statements were approved by the Board on 27 March 2025. The annual financial statements of MBB SE have been adopted.

The Board of Directors shares the Executive Management's assessment of the situation in the joint management report and Group management report and agrees with the Executive Management's proposal on the appropriation of net retained profits.

The Board would like to thank the Executive Management, the management of the subsidiaries and all employees of the MBB Group for their commitment and the very good results achieved in the past financial year.

Berlin, 27 March 2025

The Board

Dr Christof Nesemeier
Chairman

Combined Management Report and Group Management Report

MBB SE is a medium-sized, family-owned company that forms the MBB Group together with its subsidiaries.

The separate financial statements of MBB SE were prepared in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG), while the consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), including the interpretations of the IFRS Interpretations Committee (IFRS IC) on IFRS as adopted by the European Union, and the additional requirements of German commercial law pursuant to section 315e (1) HGB.

The combined management report comprises the MBB Group (hereinafter also referred to as the "Group" or "MBB") and the parent company, MBB SE, which is domiciled in Berlin, Germany. It was prepared in accordance with the provisions of the HGB and German Accounting Standard (GAS) No. 20. The reporting on the position of the Group corresponds in principle to the reporting of MBB SE. Supplementary disclosures on the annual financial statements of MBB SE can be found in the statement of financial position and financial performance.

In a challenging economic environment for Germany as a business location, MBB generated record revenue in 2024 and recorded a significant increase in the EBITDA margin. The Group's net liquidity was increased to a new record level despite significant share increases at Friedrich Vorwerk and the share buyback programmes at MBB and Aumann. The main drivers of this positive development were once again Friedrich Vorwerk, whose revenue of more than €498 million with an EBITDA margin of around 16% was well above original expectations, and Aumann, whose revenue rose by 7.9% and adjusted EBITDA by 71.0% to €312.3 million and €36.4 million respectively.

MBB's consolidated revenue amounted to €1,068.4 million in 2024, compared with €954.6 million in the previous year. Adjusted EBITDA amounted to €149.0 million (before adjustments: €145.7 million), while consolidated earnings after non-controlling interests totalled €40.7 million or €7.50 per share (before adjustments: €37.7 million or €6.93 per share).

In the financial year, EBITDA was adjusted for business transactions in the amount of €3.4 million, which relate entirely to the adjustment of personnel expenses from the share option programmes of MBB SE and Aumann AG.

In addition, write-downs on assets in the amount of €0.6 million that were capitalised as part of purchase price allocations were adjusted. Adjustments below EBIT relate to € -0.2 million in effects from the valuation of contingent considerations from put options and € -0.7 million in adjustments to non-controlling interests and deferred taxes.

As at 31 December 2024, net cash and cash equivalents (bank balances and cash in hand, current and non-current securities and physical gold holdings less bank, lease and other loan liabilities) amounted to €553.9 million (31 December 2023: €475.3 million). In the 2024 financial year, a further increase in the basic dividend of €1.01 per share or €5.4 million was paid. As in previous years, investments in the growth of all subsidiaries continued unabated.

The MBB Group's equity increased from €763.9 million as at 31 December 2023 to €783.2 million, while total assets increased by 5.7% to €1,214.7 million. The equity ratio fell from 66.5% to 64.5%. The increase in equity is mainly due to the increase in total comprehensive income, whereby the effects of the acquisition of shares in Friedrich Vorwerk, the acquisition of treasury shares and the profit distributions had an offsetting effect.

To mark MBB's 30th anniversary, the Board and the Executive Management will propose to the Annual General Meeting an ordinary dividend of €1.11 per share and a special dividend of €2.22 per share, totalling €3.33 per share. This corresponds to a further increase in the basic dividend, which has never fallen since MBB's IPO and has risen every year since 2010. In addition, a total of €40.4 million was returned to shareholders in 2024 through share buybacks.

Unless otherwise stated, all figures in this report refer to 31 December 2024 or the financial year from 1 January to 31 December 2024. Rounding differences may occur in percentages and figures in this report.

For reasons of better readability alone, the simultaneous use of masculine, feminine or linguistic forms of other genders is dispensed with. All references to persons apply to all genders, unless otherwise stated.

Business and economic conditions

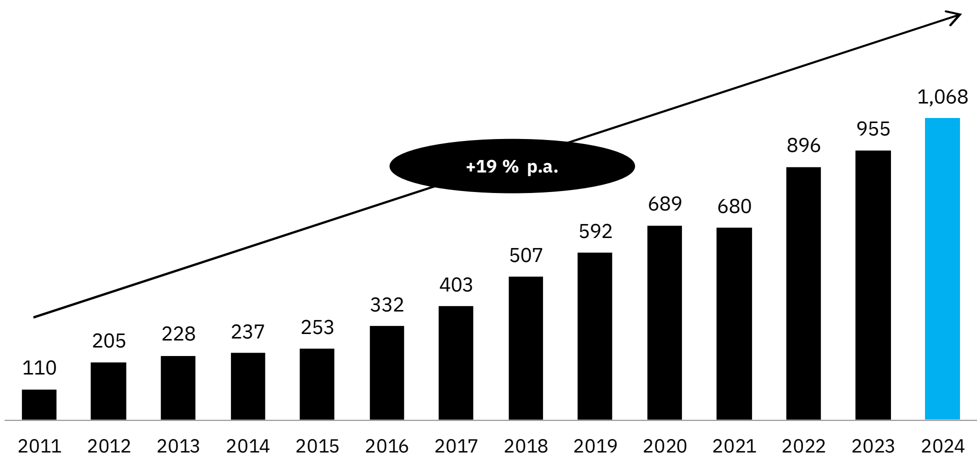
Strategic orientation

MBB SE is a medium-sized, family-owned company that focuses on the acquisition and development of medium-sized companies with a high level of technological and engineering expertise. MBB's extraordinary revenue and value development is based on six success factors:

Growth

Since its foundation, MBB has achieved above-average revenue and profit growth. Calculated from the IPO in 2006, revenue has grown by an average of 19% per year. MBB intends to continue this growth course organically and through the acquisition of companies.

Development of Group revenue
€ million



Technological expertise

MBB stands for Messerschmitt-Bölkow-Blohm and is today the only independent company to bear this name that emerged directly from the original MBB Group. In post-war Germany, MBB was synonymous with the art of engineering. Committed to this tradition, some of our companies have centuries of experience in their markets. Today, we continue to strive for superior technological expertise and are convinced that Germany as a business location offers unrivalled conditions to compete in global markets.

Mittelstand

Our companies are organised in independent units and belong to the German SME sector. Tradition, regional identity and a commitment to training, employees and the common good are essential cornerstones for us. 30 years of first-class SME references are our calling card in the search for new subsidiaries.

Capital markets

MBB SE is listed in the Prime Standard of Deutsche Börse and thus fulfils the highest transparency and compliance requirements. Almost two decades of extraordinary share price and dividend growth have not only opened up a large international shareholder base for MBB, they have also increased MBB's attractiveness as an employer and business partner. The stock market listing thus provides the ideal framework for our extraordinary growth plans. In addition to MBB SE, three other companies in the Group - Friedrich Vorwerk, Aumann and Delignit - are listed on the stock exchange. The breadth of this capital market expertise characterises MBB in the German SME sector.

Family-owned company

Gert-Maria Freimuth (Deputy Chairman of the Board) and Dr Christof Nesemeier (Executive Chairman) founded the company in 1995 and hold the majority of the share capital on a long-term basis. We are convinced that personal commitment and continuity in management are key cornerstones of MBB's success and provide the company with reliability and identity.

Sustainable and responsible behaviour plays a central role in MBB's corporate strategy. This is reflected not only in the long-term holding periods of our invested capital, but also in our ongoing endeavours to ensure compliance with ecological and social standards and values in all corporate decision-making and investment processes.

Market development

In principle, MBB's regional focus is on German-speaking countries. Nevertheless, MBB has an international presence thanks to its global markets and customers as well as foreign subsidiaries.

Macroeconomic environment

The global economy was robust in 2024, albeit with significant regional differences and increased political uncertainty. Global growth was roughly on a par with the previous year, but below the long-term average of 3.7 %. While growth momentum in the United States remained positive due to strong consumption and corporate investment, growth slowed in China, Japan and India. Geopolitical tensions, including those in the Middle East, and intensifying global trade conflicts weighed on the global economy in 2024.

The global decline in inflation was also observed in 2024. The interest rate cuts initiated in the major advanced economies in summer 2024 continued in the second half of the year.

The International Monetary Fund (IMF) expects global gross domestic product (GDP) to grow by 3.2% in 2024 as a whole, with economic development varying greatly from region to region and over the course of the year. Compared to the previous year, in which global GDP grew by 3.3%, the growth rate has therefore fallen slightly. The average annual global inflation rate for 2024 is estimated at 5.7%, which is significantly lower than the previous year's high figure of 6.7%.

Growth in the eurozone remained subdued, with GDP estimated to have increased by 0.9% compared to the previous year, mainly due to the continued weakness in manufacturing and goods exports. Nevertheless, the European labour market remained strong and the unemployment rate was at a historic low of 5.9% at the end of the year. The year-on-year inflation rate fell until September 2024 and then rose again slightly to 2.7% in the EU (previous year: 3.4%) and 2.4% in the eurozone (previous year: 2.9%). Falling energy prices in particular contributed to the reduction in the inflation rate.

In Germany, price-adjusted gross domestic product fell by 0.2% in 2024, following a decline of 0.3% in the previous year. Economic output essentially moved sideways over the course of 2024. The economic weakness is primarily due to the weak demand for goods, also caused by the loss of purchasing power due to inflation and a noticeable loss of competitiveness in the manufacturing sector, particularly in non-European markets. Consumer prices in Germany increased by 2.2% on average in 2024 compared to 2023. According to the Federal Statistical Office (Destatis), the inflation rate for 2024 was therefore lower than in the previous year, when it was 5.9%. Here too, the decline is due in particular to lower prices for energy products. Since September 2024, however, there has been a continuous rise in inflation to 2.6% compared to the same month of the previous year, which is due in particular to significantly higher prices for services. The IMF forecasts manageable economic growth of 0.3% for Germany in 2025.

Industry-related environment

The submarkets relevant to MBB developed differently in the year under review.

Energy infrastructure

In 2024, the market for products and services in the field of energy infrastructure continued to be characterised by the ongoing energy transition. According to the German government's plans, at least 80% of Germany's gross electricity consumption is to be covered by renewable energies by 2030 in order to achieve climate protection targets and become independent of fossil fuel imports.

The expansion of renewable energies in Germany continued in 2024, with the share of renewable energies in gross electricity consumption rising to 55%. This corresponds to an increase of 2 percentage points compared to the previous year and is mainly due to the record expansion of photovoltaics and the expansion and reduced curtailment of offshore wind power.

Due to the ambitious climate targets and the changed geopolitical security situation as a result of the Russia-Ukraine war, demand for energy infrastructure services is expected to continue to grow strongly.

This particularly affects the electricity grid, which needs to be significantly expanded due to the changing energy mix. However, substantial investments must also be made in the infrastructure for gas in order to be able to fall back on substitutes in times of low electricity production from renewable energies

On 1 March 2024, the Federal Network Agency confirmed the 2023-2037/2045 grid development plan, which includes a good 4,800 additional kilometres of power lines compared to the current Federal Requirements Plan. Of the approximately 9,600 kilometres of power lines for which the Federal Network Agency is responsible, a further 1,400 kilometres were approved in 2024, meaning that construction can begin. The Federal Network Agency plans to approve a further 1,700 kilometres of power lines by the end of 2025.

The development of a hydrogen economy is a central building block for the success of the energy transition. However, according to the annual report on energy supply 2024 published by the German Association of Energy and Water Industries (BDEW), the development of a climate-neutral and decarbonised hydrogen economy in Germany is still at an early stage. At 93.7%, the majority of the hydrogen produced comes from fossil sources, while climate-neutral hydrogen produced from water electrolysis accounted for just 0.4%.

As part of the development of a national hydrogen infrastructure, the 3rd amendment to the Energy Industry Act (EnWG) was approved by the Bundestag on 12 April 2024. Among other things, the law provides for regular network development planning for hydrogen together with network development planning for natural gas as well as regulations on financing, which is generally carried out privately via network charges, and an extension of the commissioning schedule until 2037.

On 22 October 2024, the Federal Network Agency approved the construction of the 9,040-kilometre hydrogen core network, meaning that its implementation can now begin. The core network will initially be used for the supra-regional transport of hydrogen and, as the first network expansion phase, will form a Germany-wide basic framework. Between 2025 and 2032, the hydrogen pipelines will gradually go into operation. Existing natural gas pipelines can be converted for approx. 60% of the network, while the remaining approx. 40% will be newly built. The transmission system operators are planning to invest a total of 18.9 billion€ by the target year of 2032

With the investment packages adopted by the Bundestag on 18 March 2025, demand for infrastructure construction measures and energy services in Germany is likely to continue to grow at a high level for many years to come.

Automotive industry

The sales achieved on the international automotive markets in 2024 must be viewed in a regionally differentiated manner. In Europe, new registrations developed only slightly positively in a difficult macroeconomic environment. The number of registrations rose by 0.8% compared to the previous year to 10.6 million vehicles. In the USA, the number of vehicles sold rose by 2.2% to 15.9 million due to purchase incentives from car manufacturers and higher vehicle availability. The market share of electric and plug-in hybrid vehicles (PHEV) was 9.8% (previous year: 9.4%). China's sales figures were above both the previous year and the pre-crisis level of 2019. According to the China Association of Automobile Manufacturers (CAAM), 31.4 million passenger cars were sold in 2024, around 4.5% more than in the previous year. The number of electric vehicles sold increased by almost 36%.

The German automotive market was tense in 2024. Demand on the German passenger car market remains weak, which is also due to the general economic situation, which is holding back many consumers from making major investments. Deliveries and new registrations stabilised at the previous year's level, but were both below the pre-crisis year 2019. 4.1 million passenger cars were delivered in 2024, which corresponds to the previous year's figure. Deliveries from German plants to customers worldwide rose by 2% to 3.2 million passenger cars. The domestic market recorded a 12% increase in incoming orders over the course of the year, while foreign orders reached the previous year's level. A total of 2.8 million new vehicles were registered on the German passenger car market, which corresponds to a slight decline of 1% compared to the previous year and is 22% below the 2019 level. The production of electric passenger cars increased by 7% to a record 1.35 million units, whereas new registrations of electric passenger cars fell by 18% to 572,700 vehicles. New registrations of purely battery-electric vehicles fell by 27% to 380,600 new registrations in 2024, while the market for PHEVs grew by 9% to 191,900 units. Over the year as a whole, around one in three cars produced and one in five newly registered cars in Germany was either a purely electric vehicle or a PHEV.

The market for light commercial vehicles recorded solid growth in 2024. In the European Union, the number of newly registered vehicles rose to around 1.6 million units. However, the increase of 8.3% was lower than in the previous year (previous year: increase of 14.6%). The main drivers of growth were the markets in Spain with an increase of 13.7% and in Germany with 8.4%.

The German Association of the Automotive Industry (VDA) expects a slight increase in sales of 1% for the German passenger car market in 2025. In light of the EU fleet regulation's interim CO_2 target, electric car production is expected to grow by a further 24% to 1.67 million units and new registrations are expected to increase by 53% in 2025. On the main international markets, however, sales growth is expected to be moderate. Market observer Dataforce is forecasting growth of 4.1% in the European automotive market in 2025. The share of electric cars in new registrations is forecast to be between 22% (Schmidt Automotive Research) and 28% (International Council on Clean Transportation). The main drivers of this development are the stricter CO_2 fleet limits, sharply falling battery prices and a large number of attractive premieres. According to the Chinese Association of Automobile Manufacturers (CAAM), the Chinese car market is expected to grow by almost 5% in 2025 compared to the previous year, with sales of electric vehicles increasing by over 24%. The US market joins the positive expectations for 2025. The National Automobile Dealers Association (NADA) expects new US registrations to increase by around 2% to around 16.2 million vehicles in 2025.

Mechanical engineering

Following a decline in production volume in 2024, for which a drop in production of 8% is expected, the German Engineering Federation (VDMA) is forecasting a further decline of 2% for 2025. This is due to the global economic situation, which is currently characterised by uncertainty, and a German location affected by overregulation and high costs. More than half of the companies in the sector are expecting to cut jobs as a result of these developments.

IT security

According to the German Association for Information Technology, Telecommunications and New Media (bitkom), the German market for IT security solutions has experienced another year of growth. According to a survey by Check Point Research (CPR), there was an 11% increase in published ransomware attacks worldwide in 2024, with Germany being the fourth most frequently attacked country in the fourth quarter. Bitkom estimates that the German economy suffered losses of around €267 billion in 2024 as a result of IT data theft, espionage and sabotage, an increase on the previous year's figure of €206 billion. Against the backdrop of the tense geopolitical security situation and the rapid rise in cyberattacks, spending by German companies on hardware, software and services for IT security rose by 13.8% to an estimated €11.2 billion in 2024. At around €5.8 billion, expenditure on security software will account for the largest share of expenditure in 2024 (+17%), followed by expenditure on IT security services (€4.4 billion, +11%). IT security hardware accounted for a further €1.0 billion, an increase of 5%. The market for IT security will continue to grow in 2025. For example, bitkom currently assumes that the German market for security software will grow by 11% in 2025.

Paper industry

According to the European umbrella organisation of the paper industry Cepi, the production and total consumption of paper and cardboard increased by 5.2% and 7.5% respectively in 2024 compared to 2023. The production of tissue paper manufacturers increased by around 3.5% compared to 2023 and accounted for 10.2% of the total paper and cardboard production of 77.8 million tonnes in the European Cepi member countries. Demand for tissue paper increased by 5.8% in 2024.

Market position

The position of the MBB companies in their respective markets improved overall in 2024. Friedrich Vorwerk benefited from the energy transition and was able to significantly improve its profitability and capitalisation as well as win numerous pioneering major projects. These led to an increase in the order backlog of around 19%. Aumann also recorded significant growth in revenue and profitability in the past financial year. In addition to the growth prospects in the area of e-mobility, Aumann intends to benefit in future from the growth opportunities in the market for automation solutions in application areas such as clean tech, aerospace and life sciences, while demand for services in the core Automotive segment has fallen sharply in 2024. DTS was unable to increase the very high revenue level of the previous year again in 2024, but believes it is very well positioned for further sustainable growth in the years to come.

MBB's positioning in the market for succession solutions is also outstanding. Thanks to three decades of company history, MBB can provide references for a wide range of scenarios in the acquisition of medium-sized companies. These references include family entrepreneurs and former shareholders, managers, employee representatives and trade unions, credit institutions as well as core customers and suppliers. MBB SE is a leading industrial holding company in the German SME sector thanks to this background of experience, its existing network, its portfolio of profitably growing companies and its capital market listing. In the current interest rate environment, MBB's equity strength has led to a further improvement in its market position for succession solutions.

The MBB Group's net liquidity increased by 16.5% in the past financial year and totalled €553.9 million as at the end of the reporting period, of which €280.8 million was attributable to the holding company MBB SE alone. With this liquidity position, MBB has a solid basis for leading the Group companies into the future. Together with the above-mentioned references, the liquidity position also offers good conditions for inorganic growth. The number of succession opportunities in Germany will continue to increase as a result of demographic change, opening up additional growth potential for MBB.

Stock exchange listing

MBB SE has been listed on the stock exchange since 2006 and in the Prime Standard since 2008. As at 31 December 2024, the founders of MBB SE still hold the majority of the share capital (more than 70%), thereby ensuring the sustainable, entrepreneurial development of MBB in line with the needs of SMEs.

MBB SE's share price rose in the first half of the year, but then fell slightly due to the weak economy in Germany in particular. However, the share price recovered again towards the end of the year. The XETRA closing price as at 31 December 2024 was €99.90, around 6% higher than the previous year's closing price of €94.30.

Research and development

Innovation and the continuous development of our products, production technologies and solutions are central to the corporate philosophy of all our subsidiaries.

Friedrich Vorwerk's research and development activities are project-oriented and in most cases are carried out together with a customer in order to optimise existing solutions or develop new products and solutions for customer-specific needs. Friedrich Vorwerk's research and development efforts are aimed at delivering innovations with high market acceptance, rapid adoption potential and far-reaching upgrade potential for existing infrastructures. In order to consolidate its position as a leading provider of energy infrastructure, Friedrich Vorwerk is working on a range of new technologies such as hydrogen-compatible flow measurement and control systems, special near-surface HDD drilling processes and hydrogen-compatible safety and control valves. Friedrich Vorwerk bundles development in the field of automated welding technology in the new company 5C-Tech GmbH, which was founded in 2023. The current project involves the design and development of an innovative welding robot for the so-called stem. With the help of the new technology, welding work in pipeline construction can be carried out faster and with a lower error rate, resulting in a lower overall use of resources and greater environmental compatibility. The newly developed welding system was qualified for use on an external customer project for the first time at the end of 2024 and will therefore be used from 2025. In 2022, the Wiesmoor site also invested in the construction of an innovative electrolysis system for research and development purposes. The technological experience gained in this process recently resulted in a customer project for the Norwegian energy company Statkraft for the turnkey realisation of a 10-megawatt electrolyser. Friedrich Vorwerk is thus one of the technological leaders in the development of a secure and future-orientated energy infrastructure.

Aumann works both on research, technology and system developments that are independent of ongoing customer orders and very closely with customers in order to further develop and improve production systems and ultimately the products manufactured with them. Great importance is attached to the development of innovative production solutions, digitalisation and automation. The new and further development of technologies in the E-mobility segment is an important strategic focus here. In recent years, new automation solutions have been developed here, particularly in the area of battery production. Now that Aumann has consistently tapped into the key technologies of the electric powertrain in recent years and now offers automation for the production of complex electric motors, battery systems and inverters, the focus will increasingly shift to applications outside the automotive industry in the coming years. The former Classic segment was therefore renamed "Next Automation" in November 2024 and will focus on automation solutions for application areas such as clean tech, aerospace and life sciences in future. With the acquisition of LACOM, which operates under the name Aumann Lauchheim, in 2023, Aumann has gained a new development focus that will enable it to enter battery cell production.

DTS's research and development activities focus on the development of its own IT software products in the field of IT security. This has enabled DTS to develop leading IT security solutions to market maturity with its own software products DTS Cockpit, DTS Identity, DTS Monitoring and Arp-Guard. In addition, there are innovative services in the area of the Security Operations Centre (SOC), which guarantees maximum IT security in conjunction with the company's own software products.

As part of its development activities, Delignit intends to further develop the ecological Delignit materials and qualify them for special applications and customer requirements. In the strategic partnership with Amorim Cork Composites announced in June 2024, an innovative product portfolio of sustainable solutions for electric vehicle batteries was developed with FiberCork. Its unique product characteristics stand out thanks to the use of new materials in the form of cork and the resistant hardwood-based Delignit materials, while at the same time meeting the strict requirements of the industry.

In our other subsidiaries, we also pursue the continuous further development of products and production technologies with the aim of maximising customer benefits.

If the requirements of IAS 38 are met, development costs are capitalised and amortised over the expected useful life. Development costs of €3.5 million were capitalised in the MBB Group in the financial year, of which €2.5 million was attributable to Aumann and €1.0 million to Friedrich Vorwerk. At Aumann, there is a clear focus on the new and further development of technologies in the E-mobility and Next Automation segments.

Subsidiaries

MBB SE had six direct subsidiaries as at the end of the 2024 financial year. As the direct subsidiaries of MBB SE each have subsidiaries and second-tier subsidiaries, the basis of consolidation consisted of MBB SE and a total of 43 companies as at 31 December 2024. The companies are listed below with an allocation to the respective equity line and the multiplicatively linked equity interest:

Companies included in the consolidated financial statements Name and registered office of the company	Ownership interest in %
Subsidiaries (fully consolidated)	
Aumann AG, Beelen, Germany	**48.53**
Aumann Beelen GmbH, Beelen, Germany	48.53
Aumann Berlin GmbH, Beelen, Germany	48.53
Aumann Winding and Automation Inc., Clayton, USA	48.53
Aumann Lauchheim GmbH, Lauchheim, Germany	48.53
Aumann Espelkamp GmbH, Espelkamp, Germany	48.53
Aumann Immobilien GmbH, Espelkamp, Germany	48.53
Aumann Limbach-Oberfrohna GmbH, Limbach-Oberfrohna, Germany	48.53
Aumann Technologies (China) Ltd. Changzhou, China	48.53
CT Formpolster GmbH, Löhne, Germany	**100.00**

Companies included in the consolidated financial statements Name and registered office of the company	Ownership interest in %
Delignit AG, Blomberg, Germany	**60.37**
Blomberger Holzindustrie GmbH, Blomberg, Germany	60.37
Hausmann Verwaltungsgesellschaft mbH, Blomberg, Germany	60.37
Delignit Immobiliengesellschaft mbH, Blomberg, Germany	60.37
Delignit North America Inc., Atlanta, USA	60.37
DHK automotive GmbH, Oberlungwitz, Germany	60.37
Delignit Technology (Beijing) Co., Ltd., China[1]	0.00
DTS IT AG, Herford, Germany	**80.00**
DTS CLOUD SECURITY MonEPE, Athens, Greece	80.00
DTS Systeme GmbH, Herford, Germany	80.00
DTS Systeme Münster GmbH, Münster, Germany	80.00
ISL Internet Sicherheitslösungen GmbH, Bochum, Germany	64.27
Friedrich Vorwerk Group SE, Tostedt, Germany	**50.49**
Friedrich Vorwerk Management SE, Tostedt, Germany	50.49
Friedrich Vorwerk SE & Co. KG, Tostedt, Germany	45.45
Bohlen & Doyen Anlagenbau Holding GmbH, Tostedt, Germany	45.45
Bohlen & Doyen Service und Anlagentechnik GmbH, Wiesmoor, Germany	45.45
Bohlen & Doyen Bau Holding GmbH, Tostedt, Germany	45.45
Bohlen & Doyen Bau GmbH, Wiesmoor, Germany	45.45
EAS Einhaus Anlagenservice GmbH, Geeste, Germany	45.45
European Pipeline Services GmbH, Tostedt, Germany	45.45
Gottfried Puhlmann GmbH, Marne, Germany	45.45
Gottfried Puhlmann GmbH Havelländische Bauunternehmung, Ludwigsfelde, Germany	45.45
Gottfried Puhlmann Hamburg GmbH, Tostedt, Germany	45.45
Hempel Aluminiumbau GmbH, Storkow (Mark), Germany	45.45
KORUPP GmbH, Twist, Germany	45.45
Seyde und Coburg Kathodischer Korrosionsschutz GmbH, Tostedt, Germany	45.45
Vorwerk - ASA GmbH, Herne, Germany	45.45
Vorwerk-EEE GmbH, Tostedt, Germany	45.45
Vorwerk Pipeline- und Anlagenservice GmbH, Petersberg, Germany	45.45
Vorwerk Verwaltungs GmbH, Tostedt, Germany	45.45
5C-Tech GmbH, Tostedt, Germany	31.82
Hanke Tissue Sp. z o.o., Kostrzyn, Poland	**94.08**

[1] For the company founded in the reporting period, the capital contribution will be made and business will commence in 2025.

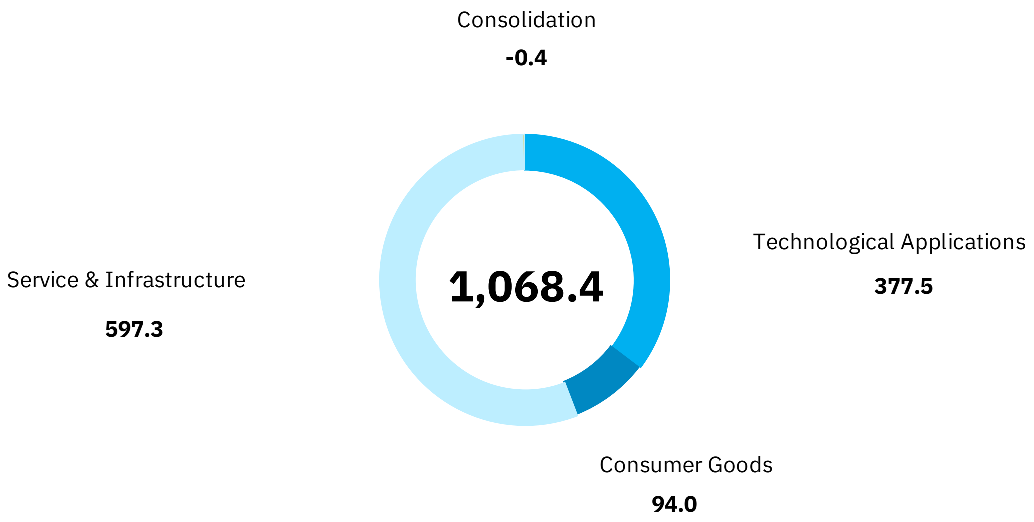
Segments

The individual segments in which MBB companies operate focus on different business activities, which are described briefly below. In order to avoid any negative effects on the business activities of the individual companies, detailed information on individual subsidiaries may not be published, although our listed subsidiaries fulfil their own disclosure obligations in full.

The composition of the operating segments as at the balance sheet date is as follows:

- Service & Infrastructure: DTS IT AG and Friedrich Vorwerk Group SE
- Technological Applications: Aumann AG and Delignit AG
- Consumer Goods: CT Formpolster GmbH and Hanke Tissue Sp. z o.o.

Consolidated revenue by segment
in € million



Service & Infrastructure

The Service & Infrastructure segment comprises Friedrich Vorwerk, which operates in the field of energy infrastructure, and DTS, which specialises in IT security.

With around 2,000 employees, **Friedrich Vorwerk** is a leading provider in the field of complex energy infrastructure solutions and thus a key beneficiary of the European energy transition. For 60 years now, the name Friedrich Vorwerk has stood for a high level of technical expertise, industry-leading innovative strength and disciplined project implementation in the design, realisation and operational management of energy infrastructure in its three core markets of natural gas, electricity and hydrogen. Thanks to a holistic turnkey approach and a large number of proprietary components and systems, Friedrich Vorwerk is able to offer its customers sustainable and customised solutions from a single source. For this reason, numerous network operators, energy suppliers, industrial companies and local authorities have been relying on Friedrich Vorwerk's expertise for decades.

Being one of the most efficient German companies in the fields of Planning & Design (planning & process engineering design), Energy Grids (pipeline and underground power cable construction), Energy Transformation (complex plant construction) and Service & Operations (service & operation), Friedrich Vorwerk covers all key stages of the value chain. In this way, Friedrich Vorwerk not only supports its customers in constructing and operating reliable and secure energy infrastructure, but also makes a significant contribution to the security of energy supply in Europe.

Friedrich Vorwerk continued to benefit from its excellent positioning in the rapidly growing market for energy infrastructure in the financial year 2024 and acquired numerous new projects. In the Electricity segment, this includes the contract won to realise the onshore underground cable connections for the BalWin3 and LanWin4 offshore connection projects, whose total volume for Friedrich Vorwerk is well into the three-digit million range. In the Natural Gas segment, Friedrich Vorwerk was awarded major contracts for the realisation of three construction lots of the Süddeutsche Erdgasleitung (SEL), as well as one lot each of the Etzel-Wardenburg natural gas pipeline (EWA) and the Wardenburg-Drohne natural gas transport pipeline (WAD). All of the aforementioned pipelines are already designed for the transport of hydrogen, with the SEL pipeline being the first in Germany to transport hydrogen with a connection to the European transport routes from 2030, thus creating important prerequisites for a CO_2-neutral energy supply for the Rhine-Neckar region and the greater Stuttgart area. Other orders include numerous plant construction projects in the Electricity (substations) and Adjacent Opportunities (biogas feed-in and biogas upgrading plants) segments.

In total, Friedrich Vorwerk generated revenues of €498.4 million, which corresponds to 46.6% of Group revenues (previous year: 39.1%) and an increase of 33.5% compared to the same period in the previous year (previous year: €373.4 million). The strong driver of sales growth is the major A-Nord project, on which construction output was significantly ramped up over the course of the financial year. Adjusted EBITDA increased significantly to €80.5 million (previous year: €32.0 million) and the EBITDA margin almost doubled to 16.2% (previous year: 8.6%). This excellent performance was driven by the high-quality order backlog, which is expected to grow further as the energy transition accelerates. Incoming orders amounted to €685.2 million in the reporting period, meaning that the order backlog as at 31 December 2024 reached a new record of €1,187.7 million (previous year: €1,000.8 million).

In the area of IT security, **DTS** customers benefit from specialised products and services that increase the security of company networks. This includes the development of proprietary software products and the provision of the Security Operations Centre (SOC), in which DTS security specialists monitor customers' systems for anomalies and attacks around the clock. This is particularly important as many network attacks occur at night, but most companies cannot guarantee their own 24/7 monitoring.

The DTS headquarters in Herford was founded in 1983 and is home to the company's largest data centre. With sales and service offices in numerous major German cities, the sales network has been expanded nationwide since the majority takeover by MBB in 2008. In August 2010, DTS Systeme Münster GmbH (formerly: ICSmedia GmbH) based in Münster was acquired, which also operates a data centre there and offers modern cloud computing solutions at the highest quality level and high-quality consulting services in close cooperation with DTS Systeme GmbH. In 2018, the European commitment was expanded with the founding of DTS CLOUD SECURITY MonEPE in Athens. More than 33 highly specialised experts now work from Greece with their German colleagues in international and interdisciplinary teams to protect their customers' IT landscapes from attacks, analyse network activities and immediately initiate countermeasures if an attack is detected. Many of the Group's software developers are also based in Athens.

In February 2019, DTS IT AG acquired 66% of the shares in ISL Internet Sicherheitslösungen GmbH and increased this to 80.34% in the first quarter of 2021. ISL is a leading German software manufacturer in the field of IT security with a focus on network access control (NAC). Well-known companies from industry and commerce as well as banks, public authorities and research institutions rely on the ARP-GUARD software developed by ISL to protect their IT infrastructure against the undetected intrusion of unauthorised devices and internal attacks. The area of network access control is becoming increasingly important within the IT security market. A key growth driver here is the Internet of Things (IoT), which is significantly increasing the number of existing devices in company networks.

After a strong first half of 2024, the challenging economic situation and customers' reluctance to invest made themselves felt from the third quarter onwards, with the result that DTS's revenue fell by 8.5% to €99.1 million in 2024 (previous year: €108.4 million). The company thus contributed 9.3% (previous year: 11.4%) to the MBB Group's revenue. DTS's EBITDA margin remains at a high level of 13.4% (previous year: 13.8%).

Investments in the Service & Infrastructure segment totalled €45.7 million in the reporting year (previous year: €41.5 million), the vast majority of which was attributable to Friedrich Vorwerk.

Friedrich Vorwerk can therefore look back on an extraordinarily successful year, while DTS's growth trajectory was temporarily interrupted by the challenging economic situation. Both companies are benefiting from strong and sustainable growth drivers, be it the need for a decisive and rapid energy transition or the growing demand for IT security in a geopolitically uncertain environment. Against the backdrop of a sharp increase in the number of cyberattacks, there is still a great need for numerous companies and authorities to invest in strengthening their IT security in the DTS business area. By continuously expanding its product portfolio and developing its own security software, DTS is meeting market requirements in a targeted manner and will continue to increase its revenue potential in the coming financial year. Due to the solid order book and unbroken market demand, Friedrich Vorwerk is aiming for a slightly higher revenue and margin level in 2025. The Executive Board of Friedrich Vorwerk expects Group revenues of €540 to 570 million with an EBITDA margin of 16 to 17% for the financial year 2025. Overall, our growth prospects for the Service & Infrastructure Segment remain very good.

Technological Applications

This segment comprises subsidiaries with technical products and industrial customers. The segment consists of the companies of Aumann and Delignit

Aumann is a leading manufacturer of innovative specialised machinery and automated production lines with a focus on electromobility. Leading automotive manufacturers around the world rely on Aumann solutions for the series production of electric motors and battery systems for purely electric and hybrid vehicles, as well as solutions for production automation. In Germany, Aumann has sites in Beelen, Espelkamp, Limbach-Oberfrohna and Lauchheim. Since June 2013, there has also been a site in Changzhou (China). The aim of the Chinese location is to manufacture and maintain systems for Chinese production facilities locally for customers of the German Aumann companies. In addition, the local company serves Asian customers who are not customers of the German companies but who require technologically sophisticated system solutions for the manufacture of high-quality products.

In the E-mobility sector, Aumann is characterised by its ability to offer highly automated production lines for the complete assembly and manufacture of all essential components of the electric drivetrain from a single source: Battery module, battery pack, battery tray, fuel cell, rotor and stator. In addition, Aumann's Next Automation division offers automated production lines for the manufacture of components and assembly solutions for aerospace, consumer electronics, cleantech and specific solutions for other sectors. The acquisition of LACOM in 2023 also opened up upstream processes in the battery and fuel cell production value chain as future business areas.

In 2024, Aumann's revenues increased by 7.9% to €312.3 million (previous year: €289.6 million). This corresponds to a 29.2% share of MBB SE's consolidated revenues (previous year: 30.3%). Aumann achieved a significant increase in adjusted EBITDA to €36.4 million (previous year: €21.3 million) and the adjusted EBITDA margin to 11.7% (previous year: 7.3%). At €200.1 million and €184.0 million respectively, order intake and order backlog were well below the record levels of the previous year (previous year: €339.4 million and €303.2 million respectively). At €163.5 million, order intake in the E-mobility segment accounted for just under 82% of total incoming orders. Weaker end-customer demand and uncertain regulatory conditions led to a noticeable reluctance to invest on the part of car manufacturers.

In light of the weaker order situation, the Aumann Executive Board expects revenue to fall to between €210 million and €230 million in the 2025 financial year, with an EBITDA margin of 8% to 10%. This means that the company will remain clearly profitable despite the weaker revenue level. In addition, the liquidity position of €138.2 million and the equity ratio of 61% provide an extremely solid basis for the company's future development.

Delignit has been developing and manufacturing ecological, predominantly hardwood-based materials and system solutions since 1799. Delignit is a recognised development and project partner as well as a series supplier for technology sectors such as the automotive and rail transport industries. The products have special technical properties and are used, for example, as installation systems for commercial vehicles, fire-resistant building equipment or as innovations in conveyor technology. The Delignit material is generally based on beech wood, is CO_2-neutral in its life cycle and therefore ecologically superior to non-regenerative materials such as plastic and steel.

Delignit's revenue totaled €65.1 million in the year under review (previous year: €86.1 million), which corresponds to 6.1% (previous year: 9.0%) of MBB SE's consolidated revenue and a year-on-year decline of 24.3%. In an increasingly tense market environment, the company was confronted with significantly weaker demand in key OEM series supply contracts. The caravan business activities were hit particularly hard, recording a considerable drop in revenues due to the suspension of production at a major customer in the second half of the year, among other things. In the light commercial vehicles segment, the previous year's production volumes of OEM customers were also not achieved, which is due, among other things, to weak demand for electrified vehicle models and the delayed ramp-up of a new order acquired this year. Thanks to a comprehensive cost optimisation program initiated and continuously tightened at the beginning of the year, Delignit was able to achieve an EBITDA margin of 5.7% in the 2024 financial year (previous year: 8.2%) despite the economic headwind. After a challenging financial year 2024, there are signs of a gradual recovery in Delignit's end markets in 2025. Both in the core market for equipment for light commercial vehicles and in the market for caravans, call-offs from the main OEMs have picked up again and are becoming increasingly stable at this level. Management also expects additional growth impetus from the Technological Applications target market, which grew significantly last year. Nevertheless, the economic environment in the European automotive industry remains tense, meaning that car manufacturers' call-off behaviour may continue to change significantly in the short term.

Investments in the Technological Applications segment totaled €8.9 million in the reporting year (previous year: €7.0 million).

For the companies in the Technological Applications segment, we expect a significant net decline in sales and a slight reduction in profitability in the financial year 2025 compared to the previous year.

Consumer Goods

The Consumer Goods segment includes the subsidiaries whose products are primarily used by private consumers. Accordingly, we combine the subsidiaries Hanke and CT Formpolster in this segment.

Hanke produces raw tissue wadding as well as serviettes, handkerchiefs, toilet paper and household rolls. The company has its own consumer brand in the Eastern European consumer goods market under the name "aha". In addition, white and coloured tissue paper and end products are manufactured for numerous private label suppliers in Europe.

Since the takeover by MBB in 2006, Hanke has invested heavily in machinery and buildings. As a result, the company has been able to grow significantly and expand its market position. Continuous investment is expected to increase the proportion of converted end-products in particular over the next few years, which will have a positive effect on the company's margin in the medium term.

At €70.3 million (previous year: €64.0 million), Hanke contributed around 6.6% (previous year: 6.7%) to consolidated revenues in 2024. After Hanke's profitability was negatively impacted in the 2023 financial year due to disadvantageous energy hedging transactions, the EBITDA margin returned to a level well into the double-digit percentage range in the reporting year.

For the financial year 2025, Hanke is planning revenues at the previous year's level with a continued double-digit EBITDA margin.

CT Formpolster manufactures mattresses and other products made of polyurethane foam. Since its acquisition by MBB in 2010, CT Formpolster has gradually developed into a one-stop shop for online mattress retailers. In the wake of the digital revolution in the mattress industry, many suppliers are looking for innovative offerings to meet customers' changing expectations. CT Formpolster is characterised by its ability to develop complete customer products, manufacture them in series and deliver them in compact boxes to retailers or directly to consumers within a few hours or days.

CT Formpolster's revenues fell from €34.3 million in the previous year to €23.7 million in the year under review. CT Formpolster thus accounted for 2.2% of MBB's consolidated revenue (previous year: 3.6%). The 30.9% revenue decline is due in particular to weaker market demand in the mattress and furniture industry. While many consumers brought forward investments in furniture and mattresses during the Covid years, consumers appear to have recently postponed such investments due to inflation and increased uncertainty on the labour market. On the demand side, the mattress industry is therefore in a double dip: on the one hand, due to the investments brought forward during Covid and, on the other, due to the investments that have now been postponed in view of higher prices. This had a negative impact not only on revenues, but also on CT Formpolster's EBITDA margin in particular, which is below the previous year's level. A return to growth with an improved EBITDA margin is expected in the 2025 financial year.

Investments in the Consumer Goods segment totaled €5.2 million in the reporting year (previous year: €2.0 million).

Thanks to the significant improvement in Hanke Tissue's earnings situation, the Consumer Goods segment was able to significantly increase its profitability in the financial year 2024 compared to the previous year. The segment's sales level was slightly below that of previous years due to temporarily weaker demand in the furniture and mattress market. For the coming year, we expect a moderate increase in sales and a stable margin situation due to demand.

Employees

At the end of 2024, MBB SE had a total of eleven employees, including the four Executive Management members. In addition to the Executive Management, these employees were spread across the Finance, M&A, Operations, Financial Funds and Office Management departments in 2024.

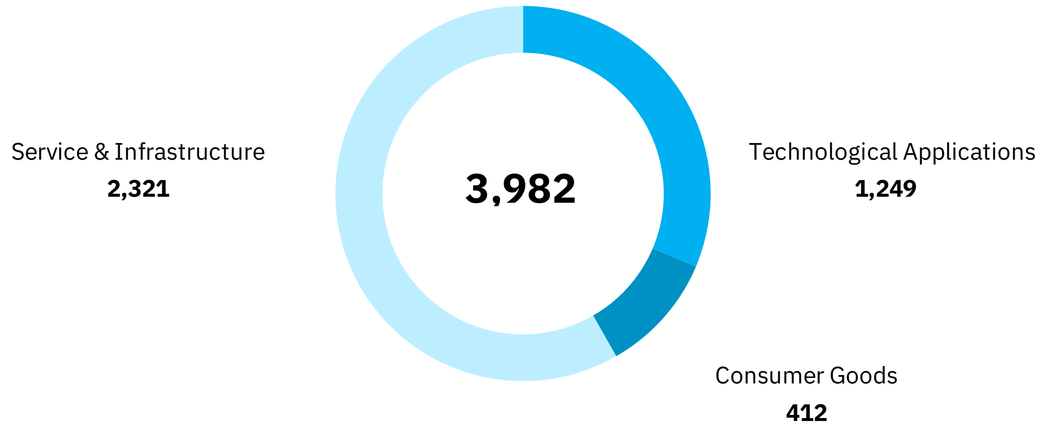
The aim of MBB SE's management is to achieve sustainable value growth for the MBB Group. The founders Dr Christof Nesemeier and Gert-Maria Freimuth held more than 70% of the outstanding share capital of MBB SE as at 31 December 2024. Appropriate fixed remuneration is supplemented by performance-related short and medium-term variable components and long-term incentive programmes, which may also be share-based. The 2020 share option programme was finally settled in the 2024 financial year. There are no severance or pension agreements.

The MBB Group had an average of 3,916 employees (excluding trainees) in the 2024 financial year, compared with an average of 3,645 employees in the previous year.

As at 31 December 2024, the MBB Group had 3,982 employees (previous year: 3,782) in the following segments:

- Service & Infrastructure: 2,321 employees (previous year: 2,038)
- Technological Applications: 1,249 employees (previous year: 1,339)
- Consumer Goods: 412 employees (previous year: 405)

Number of employees by segment



The increase in the number of employees is due to the expansion of business and new hires in the Service & Infrastructure segment, particularly at Friedrich Vorwerk.

The country analysis as at 31 December 2024 (or 31 December 2023) shows the following distribution:

- 3,547 employees in Germany (previous year: 3,344)
- 309 employees in Poland (previous year: 300)
- 54 employees in China (previous year: 84)
- 72 employees in Greece (previous year: 54)

MBB sees the promotion and development of its employees as a key success factor. The management and senior employees of subsidiaries that have a significant influence on the success of business activities receive variable salary components that are also dependent on the results achieved and the increase in value of the companies.

The number of employees in the Group is expected to be above the previous year's level in the financial year 2025 due to growth, although developments may vary in the individual subsidiaries due to capacity utilisation.

The subsidiaries of MBB SE traditionally see themselves as training companies. As at 31 December 2024, a total of 311 people were in training or on a dual study programme (previous year: 280). This secures the next generation of our workforce, even in times of increasingly scarce availability of qualified staff. The MBB Group is also constantly endeavouring to improve the quality of its existing staff through further training measures.

Diversity is taken into account in recruitment processes throughout the Group. We always consider applicants of all genders and prioritise the professional and personal qualifications of the person in question when making the final appointment. On 14 April 2021, the Board of MBB SE resolved to achieve a 20% share of women on the Board and the Executive Management in the medium term. We are pursuing similar targets for our subsidiaries, with the Supervisory Boards of Friedrich Vorwerk Group SE, Aumann AG and Delignit AG already having one female member each.

Overall, the development and recruitment of qualified personnel is an important focus area for the MBB Group's management. The MBB Group continues to prioritise investment in the expansion of superior human resources management as a key cornerstone for securing the future.

Results of operations, financial position and net assets

MBB SE and the MBB Group can look back on a very successful and profitable financial year 2024. The continuous growth in value over the past 30 years is evidence of the sustainable success of our business model and the high quality of our investments. For example, equity rose from €15.5 million in 2005 to €783.2 million in 2024, while net cash increased from €-13.8 million (net debt) in 2005 to €553.9 million (net cash) at the end of 2024. The MBB Group's high level of cash and cash equivalents supports its business model and will enable it to make future acquisitions independently and from its own funds. The MBB Group can therefore continue to expect value-enhancing new acquisitions.

MBB SE and then the MBB Group are discussed in more detail below.

Notes to the separate financial statements of MBB SE (HGB)

The annual financial statements of MBB SE for the 2024 financial year were prepared in accordance with the provisions of the German Commercial Code (HGB), taking into account the supplementary provisions of the German Stock Corporation Act (AktG).

Results of operations

MBB SE generated revenue of €1.8 million in the year under review (previous year: €2.0 million). The revenue results from the provision of management services to the subsidiaries. In the previous year, remuneration for consulting services in connection with M&A and capital transactions led to a slight increase in revenue.

MBB SE also generated income from equity investments in the amount of €3.2 million (previous year: €3.3 million).

Other operating income totalled €1.7 million (previous year: €0.4 million). This mainly includes income from currency translation totalling €1.4 million (previous year: €0.2 million).

This was offset by personnel expenses of €4.8 million (previous year: €3.3 million) relating to the remuneration of MBB SE's management and team. The increase in personnel expenses mainly relates to additional expenses of €1.7 million for the taxation of the non-cash benefit for share options exercised in the 2024 financial year.

Other operating expenses totalled €3.3 million (previous year: €4.9 million). They mainly comprise expenses from the disposal of securities totalling €1.5 million (previous year: €2.1 million), rental and leasing expenses of €0.4 million (previous year: €0.4 million), legal and consulting costs of €0.3 million (previous year: €0.5 million), insurance expenses of €0.2 million (previous year: €0.2 million) and expenses from currency translation of €0.0 million (previous year: €1.3 million).

Due to these effects and the income from securities (including interest on bonds), EBITDA fell from €13.1 million to €9.5 million.

Depreciation and amortisation amounted to €2.1 million in the reporting year (previous year: €8.4 million). Of this amount, €1.9 million (previous year: €7.4 million) relates to impairment losses on financial assets and €0.1 million (previous year: €1.0 million) to impairment losses on marketable securities. This is offset by €23.5 million (previous year: €15.7 million) in unrealised gains on shares and bonds, which are not recognised under HGB.

Income from securities in the amount of €9.0 million (previous year: €13.9 million) and interest and similar income in the amount of €5.8 million (previous year: €5.5 million) were realised in the 2024 financial year. After taking into account tax expenses of €1.2 million (previous year: €0.6 million), net income for the year totalled €10.2 million (previous year: €7.8 million).

Financial position

Equity decreased from €385.3 million in the previous year to €354.7 million as at 31 December 2024, mainly due to the payment of the dividend to MBB shareholders and the acquisition of treasury shares. This was offset the net profit for the current financial year and cash inflows from the exercise of share options by programme beneficiaries. The equity ratio as at the reporting date was 99.4% (previous year: 99.2%).

The balance sheet total decreased from €388.4 million to €356.8 million as at the balance sheet date. On the assets side, the decline is mainly due to the net change in cash and cash equivalents as well as financial assets and marketable securities. The development of securities is due in particular to investments in shares (€35.6 million) and bonds (€32.6 million), which were offset by proceeds from the sale of shares totalling €31.8 million and maturing bonds amounting to €37.9 million. On the liabilities side, the reduction in the balance sheet is primarily due to the decrease in equity.

Financing

Cash on hand and bank balances decreased from €108.6 million to €64.3 million as at 31 December 2024. The cash flow from operating activities of €7.9 million, which also includes interest received, is offset by cash outflows for investments of € -10.6 million and a cash flow from financing activities of € -41.6 million.

Cash flow from investing activities mainly includes payments for the acquisition of an additional 3.63% stake in Friedrich Vorwerk totalling € -11.9 million as well as investments in bonds and shares of € -68.2 million, which are offset by proceeds from shares and maturing bonds of €69.6 million.

Cash flow from financing activities is made up in particular of payments for the acquisition of treasury shares of € -40.4 million and dividends paid of € -5.4 million as well as cash inflows from the exercise of share options by programme beneficiaries of €4.5 million.

MBB SE's cash and cash equivalents, including non-current and current securities and physical gold holdings, totalled €252.5 million at the end of the financial year (previous year: €293.5 million). Net cash and cash equivalents also decreased to €252.5 million (previous year: €293.5 million). The decrease is mainly due to the payment of the dividend to MBB shareholders, the acquisition of an additional 3.63% of the shares in Friedrich Vorwerk and the purchase of treasury shares. The cumulative unrealised price gains on physical gold holdings and securities up to the balance sheet date are not included in this presentation of earnings and cash and cash equivalents, which is why the amount differs from the net cash and cash equivalents of the holding company MBB SE of €280.8 million reported in accordance with IFRS.

A dividend of €1.01 per share or €5.4 million was distributed in the financial year (previous year: €1.00 per share or €5.7 million).

Overall, the Executive Management assesses the development of MBB SE's net assets, financial position and results of operations in the financial year as positive.

MBB Group

Results of operations

The MBB Group generated revenue of €1,068.4 million in the 2024 financial year (previous year: €954.6 million). The growth of 11.9% is due in particular to the sharp increase in demand in the energy infrastructure sector at Friedrich Vorwerk.

Development of consolidated revenue
€ million

The Group's total operating performance also increased from €994.1 million in the previous year to €1,096.7 million in the current financial year. Other operating income of €24.2 million (previous year: €24.9 million) includes income from securities (€6.6 million), income from reimbursements and government grants (€3.8 million), income from own work capitalised (€3.5 million), income from the offsetting of non-cash benefits (€3.3 million), exchange rate gains (€1.6 million), income from the offsetting of €3.3 million), exchange rate gains (€1.6 million), income from renting and leasing (€1.4 million), income from the reversal of provisions (€1.1 million), insurance and other compensation (€0.7 million) and miscellaneous other income (€2.2 million).

Income from investments accounted for using the equity method, which includes the pro rata results from joint ventures, totalled €6.0 million in the financial year (previous year: €14.7 million). The varying profitability of the individual projects contributed to this.

The cost of materials totalled €584.1 million in the reporting year (previous year: €591.3 million). The ratio of cost of materials to operating performance fell from 62.0% in the previous year to 54.8%.

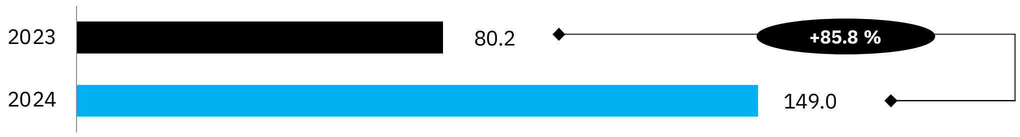
Adjusted personnel expenses rose from €252.7 million to €289.4 million in 2024. The increase is due in particular to the higher number of employees and increased wage costs.

Other operating expenses totalled €74.1 million (previous year: €69.8 million). This primarily includes maintenance expenses, travel expenses, legal and consulting costs, rent and leases, advertising costs, insurance premiums and telecommunications expenses.

The MBB Group thus generated adjusted earnings before interest, taxes, depreciation and amortisation (EBITDA) of €149.0 million in the 2024 financial year (previous year: €80.2 million). The adjusted EBITDA margin was 14.0% (previous year: 8.4%). EBITDA before adjustments totalled €145.7 million (previous year: €78.2 million).

In the financial year, personnel expenses of €3.4 million (previous year: €2.0 million) from share option programmes of MBB SE and Aumann AG were adjusted.

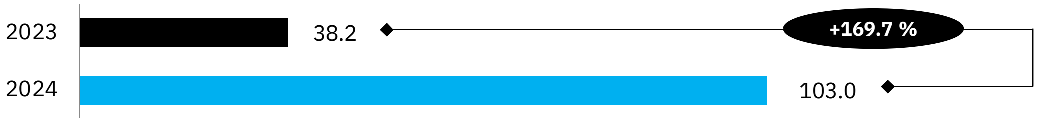
Development of adjusted Group EBITDA
€ million



The adjusted depreciation and amortisation of €46.0 million (previous year: €42.0 million) mainly relates to scheduled depreciation of property, plant and equipment and amortisation of intangible assets. Depreciation of assets in the amount of €0.6 million (previous year: €2.3 million) that were capitalised as part of purchase price allocations were adjusted.

This resulted in adjusted EBIT (earnings before interest and taxes) of €103.0 million (previous year: €38.2 million). This corresponds to an adjusted EBIT margin of 9.7% (previous year: 4.0%). EBIT before adjustments totalled €99.0 million (previous year: €33.9 million).

Development of adjusted Group EBIT
€ million



The adjusted financial result totalled €0.7 million compared to €1.6 million in the previous year. In addition to interest income and interest expenses, the financial result includes the adjusted earnings attributable to non-controlling shareholders of Friedrich Vorwerk SE & Co. KG of € -3.8 million (previous year: € -0.4 million). The adjustments of € -0.2 million relate to the financial result from the revaluation of contingent considerations from put options (previous year: €0.7 million).

The resulting adjusted earnings before taxes (EBT) totalled €103.7 million (previous year: €39.8 million).

The reported adjusted tax expense totalled €33.5 million in the financial year (previous year: €11.7 million) and is mainly attributable to current income taxes and deferred taxes. The adjustment of the tax expense corresponds to the adjustments explained above.

Overall, the adjusted consolidated net income totalled €70.2 million (previous year: €28.1 million).

The adjusted consolidated net income is made up of earnings attributable to shareholders of the parent company totalling €40.7 million (previous year: €15.0 million) and earnings attributable to non-controlling interests of €29.5 million (previous year: €13.1 million). The average number of shares issued in the reporting period totalled 5,430,934 (previous year: 5,735,490). Adjusted earnings per share totalled 7.50 € (previous year: 2.62 €) or 6.93 € (previous year: 2.12 €) before adjustments.

The MBB Group's IFRS comprehensive income of €80.7 million (previous year: €45.7 million) comprises unadjusted earnings after taxes of €66.7 million (previous year: €24.3 million) and other comprehensive income of €14.0 million (previous year: €21.5 million). Other comprehensive income includes gains of €12.2 million (previous year: €15.9 million) from the fair value measurement of shares and €1.7 million (previous year: €2.8 million) from the measurement of bonds and gold. Of this amount, MBB SE recognised gains of €12.0 million from the measurement of shares (previous year: €15.4 million) and gains of €1.8 million (previous year: €2.6 million) from the measurement of bonds and gold.

Calculation of adjusted earnings figures

As described in the section on the controlling system, the adjusted earnings figures offer greater transparency of the company's actual performance. The following table shows the reconciliation of the IFRS earnings figures to the adjusted earnings figures.

	Notes	1 Jan - 31 Dec 2024 €k	1 Jan - 31 Dec 2023 €k
Revenue	III.1.	**1,068,377**	**954,620**
Increase (+)/decrease (-) in finished goods and work in progress		-1,946	-207
Operating performance		**1,066,431**	**954,413**
Income from joint ventures and associates	III.2.	6,029	14,740
Other operating income and Badwill	III.3.	24,218	24,922
Total performance		**1,096,678**	**994,074**
Cost of raw materials and supplies		-339,542	-360,239
Cost of purchased services		-244,586	-231,086
Cost of materials	III.4.	**-584,128**	**-591,324**
Wages and salaries		-234,858	-203,588
Social security and pension costs		-57,864	-51,163
Personnel expenses	III.5.	**-292,722**	**-254,751**
Other operating expenses	III.6.	**-74,147**	**-69,808**
Adjustments:			
Non-operating expenses for share options		3,364	2,025
Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA)		**149,046**	**80,216**
Depreciation and amortization expense	III.7.	-46,645	-44,272
Adjustments:			
Depreciation and amortization of assets acquired in a business combination		641	2,264
Adjusted earnings before interest and taxes (EBIT)		**103,043**	**38,208**
Finance income	III.8.	9,425	6,095
Finance costs	III.9.	-4,721	-4,836
Earnings attributable to non-controlling interests		-3,764	-350
Net finance costs		**939**	**908**
Adjustments:			
Interest on non-operating items		-247	704
Non-controlling interests on adjustments		-40	-42
Adjusted earnings before taxes (EBT)		**103,695**	**39,778**
Income tax expense	III.10.	-31,843	-9,687
Other taxes	III.10.	-1,403	-887
Adjustments:			
Deferred taxes on adjustments		-288	-1,081
Adjusted earnings after taxes		**70,161**	**28,124**
Non-controlling interests		29,071	12,104
Adjustments:			
Non-controlling interests on adjustments		-382	-991
Adjusted consolidated net profit after non-controlling interests		**40,708**	**15,029**
Adjusted earnings per share (in €)	III.11.	7.50	2.62

Achievement of targets by the Group

Key figures	Forecast 2024 published 03/2024	Forecast 2024 updated 08/2024	Forecast 2024 updated 11/2024	Ad-hoc published 16 Jan 2025	Attained 2024
Revenue (€ million)	1,000	1,000	1,000	approx. 1,060	1,068.4
Adjusted EBITDA margin (%)	10	> 10	12	> 13	14.0

Compared to the original forecast, the financial year 2024 developed better than expected in terms of the adjusted EBITDA margin. Friedrich Vorwerk and Aumann in particular contributed to this.

Net assets

Equity amounted to €783.2 million as at 31 December 2024 (31 December 2023: €763.9 million). The increase of 2.5% is mainly due to the MBB Group's IFRS comprehensive income, which was partially offset by the acquisition of an additional 3.63% interest in Friedrich Vorwerk, the acquisition of treasury shares and profit distributions. In relation to the consolidated total assets of €1,214.7 million, the equity ratio as at the balance sheet date was 64.5% (previous year: 66.5%). In the opinion of the Executive Management, the MBB Group has a very good equity base.

Intangible assets totalled €70.0 million as at the balance sheet date (previous year: €69.8 million). Additions of €9.4 million were offset by amortisation (€9.4 million). MBB subjected goodwill to an annual impairment test. The impairment test confirmed the recoverability of all capitalised goodwill.

Property, plant and equipment increased from €207.9 million as at 31 December 2023 to €228.3 million as at 31 December 2024. Additions from investments and right-of-use assets of €60.8 million were partially offset by scheduled depreciation (€37.2 million).

Financial assets increased from €100.0 million in the previous year to €114.4 million as at 31 December 2024. This mainly includes shares (€104.7 million) and shares in joint ventures accounted for using the equity method (€9.3 million). The increase in the carrying amount of financial assets is mainly due to net payments of €3.5 million into the share portfolio, the valuation of shares (€12.2 million) and the decrease in the carrying amount of shares in joint ventures accounted for using the equity method (€ -1.3 million).

Inventories amounted to €44.4 million as at the reporting date (31 December 2023: €54.4 million). The change in inventories is mainly due to the decrease in advance payments made at Aumann and the decrease in material inventories at Delignit and Hanke.

The decrease in trade receivables, contract assets and other current assets from €257.5 million to €230.5 million as at 31 December 2024 is mainly due to higher advance payments received for customer projects from Aumann and Friedrich Vorwerk, which were deducted from contract assets.

The financial assets reported under current assets had a carrying amount of €121.4 million as at the reporting date (31 December 2023: €126.9 million). The decline is mainly due to net reinvestments in the bond portfolio of €10.2 million and the offsetting effects from the valuation of bonds and gold holdings in earnings before taxes (€3.1 million) and in other comprehensive income (€1.7 million)

Bank balances and cash and cash equivalents increased to €390.1 million as at the reporting date (31 December 2023: €313.9 million). Information on the increase in cash and cash equivalents is presented below in the financial position.

The Group's main liabilities are non-current and current liabilities to banks, liabilities from profit participation rights, lease liabilities and contract liabilities as well as current trade payables and VAT liabilities. The liabilities to banks relating to investment and working capital loans bear interest at both fixed and variable rates of between 0.65% and 4.26% (previous year: 0.65% and 8.05%). The weighted average interest rate for 2024 is 2.26% (previous year: 1.79%). The Group's bank and lease liabilities amounted to €62.3 million as at 31 December 2024 (31 December 2023: €54.1 million), of which €28.1 million had a maturity of up to one year. Borrowings from banks (€20.6 million) and the conclusion of new leases (€9.4 million) were offset by repayments of €21.7 million. The companies of the MBB Group have access to guarantee credit lines in the form of advance payment, contract fulfilment and warranty guarantees totalling €668.8 million, of which €301.3 million was unused as at the balance sheet date. Unutilised cash credit lines amounting to €76.0 million are also available.

Liabilities to non-controlling interests increased from €3.8 million in the previous year to €7.0 million as at the balance sheet date. This is due to the increased profit shares of the limited partners of Friedrich Vorwerk SE & Co.

Contract liabilities from advance payments received increased from €97.9 million as at 31 December 2023 to €105.0 million as at the reporting date. The increase is primarily due to the increase in incoming orders at Friedrich Vorwerk and the associated advance payments received. In contrast, the prepayments received recognised under contract liabilities at Aumann decreased.

Provisions with the nature of a liability increased from €37.3 million to €45.1 million and primarily relate to outstanding invoices totalling €28.4 million, mainly for construction services at Friedrich Vorwerk, as well as personnel-related accruals for holidays and for flexitime and remuneration components amounting to €16.6 million.

Pension provisions increased to €20.1 million (previous year: €18.9 million), in particular due to changes in valuation assumptions.

Other provisions increased from €22.4 million to €28.4 million. This is primarily due to the increase in warranty provisions from €4.1 million to €11.0 million, which are mainly attributable to Aumann.

At €97.2 million, trade payables and other liabilities together were below the previous year's level as at the balance sheet date (previous year: €102.1 million). The decline in trade payables was partially offset by an increase in VAT liabilities.

Net cash and cash equivalents (bank balances and cash, current and non-current securities and physical gold holdings less bank, lease and other loan liabilities) thus totalled €553.9 million as at the balance sheet date (previous year: €475.3 million). The increase in net cash and cash equivalents is primarily due to a positive cash flow from operating activities totalling €194.2 million. This was offset primarily by net investments in property, plant and equipment (-€47.9 million) and intangible assets (-€8.5 million), payments to increase the shares in Friedrich Vorwerk (-€11.9 million), the acquisition of treasury shares by MBB SE (-€40.4 million) and by Aumann AG (€-6.0 million) and profit distributions to the shareholders of MBB SE (€-5.4 million) as well as to non-controlling interests from equity (€-3.1 million) and from borrowings from partnerships (€-0.6 million). Non-cash effects also had an impact on net cash, with the conclusion of new leases and the associated increase in lease liabilities (€-9.4 million) and the measurement of securities and gold at fair value (€13.9 million) having the opposite effect. In the opinion of the Executive Management, the MBB Group therefore continues to have very good financial resources.

Financial position

The cash-effective change in cash and cash equivalents totalled €76.2 million in the reporting year (previous year: € -48.7 million) and is broken down as follows:

The net cash inflow from operating activities increased from €126.4 million in the previous year to €194.2 million in the reporting year. The net cash inflow is primarily made up of the operating business of the subsidiaries and the resulting cash inflows. It also includes changes in assets and liabilities that are not attributable to investing or financing activities. The increase is primarily due to an increase in EBITDA of €67.5 million and is mainly attributable to Friedrich Vorwerk and Aumann.

Cash flow from investing activities totalled € -49.8 million (previous year: € -95.0 million). On the one hand, it results from net investments in intangible assets (€ -8.5 million) and property, plant and equipment (€ -47.9 million). On the other hand, there were investments in shares and bonds totalling € -68.2 million and proceeds from the sale of shares and maturing bonds amounting to €75.0 million.

Cash flow from financing activities totalled €-68.2 million (previous year: €-80.1 million). The main effects comprise the payment of dividends to shareholders of MBB SE and non-controlling interests in the amount of €-5.4 million and €-3.6 million respectively, the acquisition of an additional 3.63% of shares in Friedrich Vorwerk Group SE (€-11.9 million), the acquisition of treasury shares by MBB SE (€-40.4 million) and Aumann AG (€-6.0 million), as well as repayments and interest payments on loan and lease obligations totalling €-26.0 million. This was offset by the raising of loan liabilities (€20.6 million) and payments received in connection with share-based payments totalling €4.5 million.

All Group companies were able to fulfil their payment obligations in full at all times during the reporting year.

Summary assessment

The Executive Management assesses the MBB Group's performance in the 2024 financial year as very positive overall. The Group has grown strongly in terms of revenue and earnings. In addition, important future investments were made in the subsidiaries.

Principles and objectives of financial management

The basic principles of the Group's financial policy are determined by the Executive Management. The primary objectives of our financial management are to secure liquidity and limit financial risks. In addition, our aim is to realise a return on the Group's free liquidity. To this extent, some of these funds are invested in securities until they are needed to finance new acquisitions.

Within certain subgroups, cash and cash equivalents are managed via cash pools.

Transactions within the Group are usually carried out in euros. As the subsidiaries hedge extraordinary foreign currency items independently, there have been no significant unhedged items in the operating business at Group level to date. As a result, the MBB Group does not engage in any significant active exchange rate hedging against other currencies at Group level. Forward exchange transactions may be utilised in special circumstances. The individual subsidiaries are also responsible for managing the credit risks of our contractual partners. However, monitoring at Group level ensures timely intervention if necessary.

The main source of corporate financing is our business activities and the cash inflows they generate. However, long-term investments are financed with long-term loans.

Controlling system

The MBB Group's consistent focus on increasing enterprise value is also reflected in our internal management system. To this end, MBB has implemented a mentoring concept in which an employee or Executive Management member of MBB SE acts as a mentor for one or more subsidiaries. In this role, the sponsor is the first point of contact for the respective local management and is closely involved in the strategic, operational and financial orientation of the subsidiary. In addition, all relevant developments at the subsidiaries and at MBB SE are discussed at meetings of the Executive Management that take place at least once a month. Potential investment opportunities and the investment of free cash available for investment purposes are also discussed in this group. The development of the Group's most important performance indicators, revenue and adjusted EBITDA (earnings before interest, taxes, depreciation and amortisation), is analysed. MBB SE defines consolidated revenue and adjusted consolidated EBITDA as the most significant, forecast-relevant financial performance indicators. Other less significant financial performance indicators that are not relevant to management incoming orders and sustainability information for the individual Group companies, which are analysed on an ad hoc basis.

As a rule, the forecast for the following financial year is published at the latest when the annual report is published. This is based on detailed bottom-up planning by the individual Group companies. The published forecast is regularly reviewed and adjusted by the Executive Management if necessary. The earnings figures include IFRS-related measurement effects. These include, for example, negative goodwill from business combinations and disposals as well as amortisation of hidden reserves that are uncovered as part of business combinations. These effects are triggered by unforeseeable (dis)investments and therefore cannot be forecast. MBB is therefore forecasting earnings adjusted for these and other non-operating income and expenses, which reflect the company's operating earnings power and development in a much more transparent and sustainable manner. The earnings forecast for the financial year 2025 contained in the report on expected developments is also based on the adjusted earnings figures.

The balance of cash and cash equivalents (including all cash equivalents) and financial liabilities (net cash or net debt) as well as cash flow are also used as less significant key figures to monitor the financial position and net assets. Cash flow from operating activities is calculated using the indirect method in accordance with IAS 7. Interest expenses are allocated to cash flow from financing activities, while interest and dividend income are included in cash flow from operating activities.

In addition to the aforementioned key financial figures from day-to-day operations, less significant non-financial indicators such as employee, environmental and social issues are also focussed on as required. There were no relevant events in the 2024 financial year.

Report on risks and opportunities

MBB SE's business development is generally subject to the same opportunities and risks as the Group.

Risks

MBB SE continuously identifies and monitors relevant risk categories and factors. The risks identified are presented and assessed below.

In order to determine the significance of the risk factors in the MBB Group, they are categorised as "high", "medium" or "low" according to their estimated probability of occurrence and their potential impact in relation to the business objectives.

The risk factors are assessed according to the following criteria:

Probability of occurence	description	Degree of effect	description
below 20%	low probability	insignificant	Minor negative impact on business activities, financial position, results of operations and / or cash flow
20% to 80%	medium probability	moderate	Noticeable negative impact on business activities, financial position, results of operation and / or cash flow
above 80%	high probability	significant	significant negative impact on business activities, financial position, results of operation and / or cash flow

The following risk classification is based on these criteria:

Probability of occurence	Insignificant	Moderate	Significant
above 80% (high probability)	low	high	high
20% to 80% (medium probability)	low	medium	high
below 20% (low probability)	low	medium	medium
below 20% (low probability)	low	medium	medium

The following table provides an overview of risk factors and the risk levels of the individual risks. The assessment was carried out for the one-year forecast period and on the basis of the net value of the risks, i.e. after taking into account the implementation of risk-minimising measures. Unless otherwise stated, the risks generally affect all segments of the Group.

Overview of the risk factors	Probability of occurence	Effects	Risk level
Economic, political, social and regulatory risks			
Macroeconomic risks	medium	moderate	**medium**
Geopolitical risks	medium	moderate	**medium**
Risks from legal changes	low	moderate	**medium**
Strategic risks			
Market risks	medium	moderate	**medium**
M&A risks	low	moderate	**medium**
Operational business risks			
Customer and project risks	low	moderate	**medium**
Personnel risks	low	moderate	**medium**
IT risks	medium	moderate	**medium**
Investment and financing risks	low	significant	**medium**
Environmental and climate risks			
Elementary risks	low	insignificant	**low**
Pandemics	low	insignificant	**low**
Corporate governance and compliance risks			
Corporate governance and compliance risks	low	moderate	**medium**

The risks of the relevant risk categories are described below. For reasons of clarity, individual risks are only described alongside the respective risk categories if they are categorised as "medium" or "high" in accordance with their assessment. Risks that have an extremely low probability of occurrence for the MBB Group and MBB SE are not included in the report.

Economic, political, social and regulatory risks

Macroeconomic risks

As an international group of companies, MBB is exposed to various macroeconomic risks. Both global and local economic or financial crises could have an impact on the business activities and financial stability of MBB SE and its individual subsidiaries. In particular, economic crises that affect the credit and liquidity markets or economic downturns in key sales markets pose challenges. A sustained high or renewed rise in inflation and, in particular, an entrenched wage/price spiral could lead to a delay in passing on price increases and have a negative impact on profitability.

In order to counter these risks, MBB continuously monitors the economic environment and adapts flexibly. The probability of occurrence is categorised as medium and the potential impact as moderate. Overall, the risk is categorised as medium.

Geopolitical risks

Like most internationally operating companies, MBB is faced with geopolitical challenges arising from international conflicts, political tensions and military disputes. In particular, the ongoing war in Ukraine has far-reaching economic consequences that can have a direct impact on business activities. The political and economic sanctions against Russia as well as counter-sanctions have changed trade flows, disrupted supply chains and led to a shortage of raw materials and energy sources.

In addition, geopolitical uncertainties can lead to a reduced willingness to invest in important industrial sectors and have the potential to slow down growth in strategic markets. Furthermore, ongoing or escalating conflicts - be it in Eastern Europe, the Middle East or tensions between China and Taiwan - harbour additional risks for the global economic order and trade relations.

In view of the ongoing uncertainties and their economic consequences, the probability of occurrence is categorised as medium and the potential impact as moderate. This results in a medium risk level.

Strategic risks

Market risks

Market risks include industry-related changes in demand, the competitive situation and price trends. Fluctuations in market conditions can affect the Group's revenue and profit margins. MBB and its subsidiaries operate in various sectors. Information on sector-specific conditions can be found in the Segments section.

MBB pursues a diversified market strategy in order to counteract market risks. The company is expanding its technology portfolio through acquisitions and via its subsidiaries in order to adapt to changing market conditions and drive innovation. At the same time, targeted investments are also being made in new growth areas outside the traditional markets in order to reduce dependence on individual sectors and ensure long-term earnings security. These strategic measures strengthen MBB's competitiveness and create a broader basis for sustainable growth. The probability of occurrence of market risks is assessed as medium and the potential impact as moderate overall. This results in a medium risk level.

M&A risks

MBB continuously examines the possibility of acquiring companies, whether as independent entities or as additions to one of its subsidiaries. Such transactions can offer strategic advantages, but also harbour risks that can affect the operational and financial stability of the company.

Possible risks include, in particular, incorrect assumptions or incomplete information during the due diligence process, which can lead to misjudgements regarding financial, legal or operational challenges, as well as risks from company purchase agreements. Difficulties in integrating acquired companies, products or technologies, including adapting them to existing business processes, can lead to unexpected costs, delays or limited profitability. There is also a risk that acquired companies may not realise the expected synergies or market opportunities and that customers, partners or employees may be lost.

In order to minimise these risks, MBB carries out comprehensive technical, operational, financial and legal due diligence and defines measures to minimise risks. The integration process is also monitored and additional countermeasures are taken if necessary. Despite these precautions, individual risks cannot be completely ruled out. The probability of occurrence is categorised as low and the potential impact as moderate. This results in a medium risk level.

Operational business risks

Customer and project risks

Customer risks relate to potential negative effects that may arise from changes in customer behaviour or the customer base. Project risks arise during the typical course of a project, from quotation calculation to project implementation and acceptance.

To counter these risks, the Group relies on a comprehensive contract review and active contract management throughout the entire project term. In addition, the financial stability of customers is carefully analysed in order to identify default risks at an early stage. Dependence on individual customers is to be reduced through a diversified customer structure and the development of new markets.

Project-related advance payments and milestone payments are used specifically to hedge against economic risks in order to avoid pre-financing as far as possible. The probability of occurrence is assessed as low and the potential impact as moderate. This results in a medium risk level.

Personnel risks

The successful management of personnel risks is essential for the MBB Group's long-term competitiveness. Risks arise in particular from employee turnover, the associated loss of expertise and a shortage of young talent in key specialist areas. The increasing competition for highly qualified specialists and managers further intensifies these challenges.

To counteract the risk of staff turnover, the Group focuses on performance-related remuneration, attractive working conditions and a wide range of development opportunities within the Group. Targeted training programmes and internal qualification measures ensure that specialists and managers are continuously promoted and retained by the company in the long term. The probability of occurrence is assessed as low and the potential impact as moderate. This results in a medium risk level.

IT risks

The MBB Group is increasingly confronted with IT risks arising from advancing digitalisation and the growing threat of cybercrime. Cyberattacks are becoming more sophisticated and can lead to business interruptions, unauthorised access to confidential data, the misappropriation of sensitive information and reputational damage. The failure of critical IT systems due to technical faults or external attacks can also have a significant impact on business processes.

To counter these risks, the Group relies on a comprehensive IT security concept that is continuously developed and adapted to current threat scenarios. This includes the use of modern encryption and access control systems, regular security updates as well as sensitisation and training measures for employees. In addition, emergency and recovery plans ensure that business processes can continue as smoothly as possible even in the event of IT disruptions. The probability of occurrence is rated as medium and the potential impact as moderate. This results in a medium risk level.

Investment and financing risks

The MBB Group and MBB SE in particular have a significant amount of cash and cash equivalents that are used for capital investments. Negative developments on the global capital and equity markets and the associated economic fears therefore harbour risks for the cash and cash equivalents invested. Exchange rate fluctuations, monetary policy measures and any derivative transactions can also lead to risks. Changes in interest rates can also affect the value of fixed-interest securities.

To counter these risks, MBB actively manages its securities portfolio with a focus on solid securities and structural growth. In addition, bond investments are primarily made in short- to medium-term bonds and fixed-term deposits. The probability of occurrence of these risks is assessed as low and the potential impact is categorised as moderate. This results in a medium risk level.

Environmental and climate risks

Climate risks comprise the long-term effects of climate change on MBB's business activities. This also includes physical risks such as rising temperatures. Environmental risks relate to the potential negative effects of environmental changes and pollution on the Group's business activities. This category also includes risks from extreme weather events such as droughts, floods and storms that could disrupt operations and lead to property damage. Transition risks arise from the shift to a lower-carbon economy, including the pricing of CO2 emissions and changes in energy legislation. Environmental and climate risks also include the risk of pandemics. The global spread of the COVID-19 pandemic has made it clear that pandemics can have a noticeable economic impact. The spread of a pandemic can also lead to a reduction in economic activities in the future, which entails macroeconomic risks.

MBB relies on comprehensive risk mitigation measures, including regular environmental, occupational health and safety training, to minimise the impact on people and the environment. Overall, the risks allocated to environmental and climate risks are categorised as low.

Corporate governance and compliance risks

As a listed company, MBB SE is subject to extensive requirements under company law, particularly in the areas of compliance and corporate governance. Violations of statutory provisions or regulatory requirements can lead to legal consequences, financial sanctions and reputational damage. The Group is also subject to constantly increasing requirements in terms of transparency, reporting and internal control systems, particularly with regard to governance structures and sustainable corporate management.

In the area of compliance, there are risks due to non-compliance with capital market, antitrust, competition and anti-corruption regulations as well as breaches of reporting obligations and regulatory requirements. Changes in corporate governance, such as new legal regulations or stricter requirements for supervisory bodies, may also require adjustments to internal structures and entail additional administrative work.

To minimise risk, the Group relies on comprehensive compliance management, regular employee training and transparent corporate management in accordance with recognised governance standards. The probability of occurrence of the risk is assessed as low and the potential impact is categorised as moderate. This results in a medium risk level.

Opportunities

Unless otherwise stated, the opportunities generally relate to all segments of the Group. In the opinion of the Executive Management, the MBB Group will be presented with opportunities in the following areas, categorised according to their significance:

Opportunities from mergers & acquisitions

MBB has an extremely solid financial base with a high level of cash and cash equivalents. These funds are also to be invested in further growth through acquisitions. There is currently a favourable market environment for such acquisitions, as a large number of medium-sized companies are still up for sale. This gives MBB the opportunity to realise above-average returns through value-enhancing acquisitions by participating in the increase in value of these companies.

In addition, MBB's relative market position for company acquisitions could improve in a more restrictive interest rate environment. A smaller number of potential buyers, a lack of debt financing and liquidity bottlenecks at potential target companies could put MBB in a stronger negotiating position.

MBB's profitable development over many years strengthens its attractiveness in various roles - be it as a shareholder, borrower or business partner. This will further consolidate MBB SE's importance as a holding company for SMEs in Germany. In addition, the experience and established network of the current management provide an excellent starting point for the future growth of the MBB Group.

Opportunities from investments

The pronounced investment activity of the Group companies creates the basis for sustained profitable growth. Investments are consistently focussed on sustainable and structural growth areas and markets, which promises opportunities for above-average growth. The increasing substance and growth of the Group companies also increases the attractiveness of their shares for large, global investment companies. This in turn increases the chances of more attractive share valuations.

Opportunities from diversification in structural growth markets

The diversification of the MBB Group has been significantly expanded in recent years, significantly reducing the potential impact of abrupt changes in demand in individual markets on the Group as a whole and offering equally significant opportunities.

Friedrich Vorwerk is a key beneficiary of the energy transition and, thanks to its outstanding technological expertise, excellent reputation and customer relationships as well as its fully integrated business model, is ideally positioned to benefit sustainably from the significant investments in its core markets of underground natural gas, hydrogen and electricity pipeline construction as well as the associated plant construction projects (e.g. GDRM plants, compressor stations, cavern storage facilities and substations). A key component of the energy transition is the large-scale expansion of electricity generation capacities in the field of renewable energies, primarily wind and solar energy. A significant expansion of the transmission grids is essential for the distribution of renewable energies, particularly from the windy north to the consumer regions in the south of Germany.

Aumann is benefiting from the mobility transition, particularly in the strategically important E-mobility segment, and therefore has good opportunities to grow again in the medium term. In addition, the switch to electric drives, which is also being forced by law, will result in significant investment requirements on the part of OEMs, which Aumann is supporting in this transformation with its high-tech solutions.

As a specialist for IT security solutions, DTS benefits from significant demand for specialised products and services that increase security in corporate networks. This also includes the Security Operations Centre (SOC), in which DTS security specialists monitor customers' systems for anomalies and attacks around the clock. The relevance of and demand for IT security solutions has increased once again since the start of the war in Ukraine.

Overall assessment of opportunities and risks

The overall assessment of the current opportunity and risk situation as at the balance sheet date shows that MBB has significant opportunities from the operating activities of the individual subsidiaries and from possible expansions of the corporate portfolio, and that there are no risks that could jeopardise the continued existence of the Group or MBB SE.

Principles of the risk management and the accounting-related internal control system

The MBB Group takes account of the aforementioned risks by means of a risk management system. Measures are taken at an early stage to avert disadvantages for the Group companies. These include, among other things

- An integrated investment controlling system that uses monthly business controlling to continuously compare target, actual and forecast data at subsidiary and MBB SE level,
- Project controlling that defines, develops and monitors the implementation of optimisation measures in the Group and in each individual company,
- Regular management meetings within MBB SE and with the respective management of the subsidiaries,
- Structured merger & acquisition tools, which are used to organise the initiation and acquisition process and check it for success, as well as the maintenance and continuous expansion of the MBB network of M&A intermediaries and potential sellers,
- Monitoring of significant contractual risks or legal disputes by the management of the subgroups and, if necessary, the appointment of qualified law firms.

The accounting-related internal control system is an integral component of MBB's risk management. Its main objectives are to ensure that all business transactions are accurately reflected in reporting and to prevent deviations from internal or external regulations. In terms of external accounting, this means ensuring that the financial statements comply with the applicable regulations. To this end, the internal control system and risk management are organised according to the units that prepare the accounts. The MBB Group's subsidiaries have standardised accounting regulations, compliance with which is monitored on an ongoing basis. At Group level, the specific control activities to ensure the correctness and reliability of Group accounting include analysing and, if necessary, correcting the individual financial statements submitted by the Group companies. Automatic control mechanisms and plausibility checks are already integrated into the reporting tools and the consolidation system for this purpose. External specialists are called in on a case-by-case basis to manage individual accounting risks, such as actuarial valuations.

Declaration on corporate governance (unaudited)

The Board reports on corporate management and corporate governance in accordance with Principle 23 of the German Corporate Governance Code and Section 315d HGB in conjunction with Section 289f HGB. The disclosures made in the corporate governance declaration are not the subject of the audit.

Declaration in accordance with section 161 AktG

On 27 March 2025, the Board of Directors issued the most recent declaration of compliance in accordance with Section 161 AktG. It reads as follows:

The Executive Management and the Board of MBB SE issued the last declaration of conformity in accordance with section 161 AktG on 22 March 2024 and complied with it with the exceptions stated therein. The following declaration renews this declaration of conformity with the special features described below due to the monistic system of MBB SE. On 27 March 2025, the Board declares that the recommendations of the "Government Commission on the German Corporate Governance Code" (hereinafter "Code") in the version dated 28 April 2022 have been and will continue to be complied with, with the following exceptions:

As a European stock corporation (Societas Europaea - SE), the company has a monistic management and control structure. The Board of Directors manages the company, determines the basic principles of its activities, monitors their implementation and has the other duties and powers arising from Section 22 SEAG. The Executive Management manages the company's business by implementing the principles and guidelines set by the Board.

MBB SE generally applies the provisions of the Code that apply to the Board to the Board and those relating to the Executive Management to the Executive Management. The following exceptions apply in view of the statutory structure of the monistic system:

- *In accordance with Section 22 SEAG, the Board is responsible for developing the strategic direction of the company.*
- *In accordance with Section 40 SEAG, members of the Board of Directors can be appointed as Executive Management, provided that the majority of the Board of Directors continues to consist of non-executive members.*

The declarations of conformity are published on our website at http://www.mbb.com/ir/corporate-governance.html and are available for download.

Composition of the Board

The Board should represent the two founding and majority shareholder families with one seat each, permanently secure the expertise of very important management members after their departure, have at least one independent member with high qualifications for MBB's business activities and sufficiently represent the diversity of the company. The current composition of the Board fulfils these objectives. The length of service of each member of the Board is shown in section VIII.1 Corporate Bodies of the notes to the consolidated financial statements. When making new appointments, the target quota of 20% women and sustainability criteria should be taken into account.

The following skills matrix in table form provides an overview of the skills profile of the Board of Directors:

Professional competence	Dr Christof Nesemeier Executive Chairman	Gert-Maria Freimuth Deputy chairman	Anton Breitkopf Member
Corporate Management and Control	x	x	x
Mergers & Acquisitions / Corporate Finance	x	x	x
Accounting and auditing	x	x	x
Human Resources & Social Affairs	-	x	x
Digitalization and IT	x	-	x
Sustainability	x	x	-
Legal / Compliance / Corporate Governance	x	x	x

An Audit Committee was formed in the 2020 financial year and a Nomination Committee in the 2021 financial year. The Chairman of the Audit Committee is Anton Breitkopf. As the former CFO of MBB SE, Mr Breitkopf has extensive experience in all matters relating to accounting, auditing and internal control procedures. His focus on the Audit Committee is on the audit of the financial statements. Mr Breitkopf is responsible for the final approval of all payments made by MBB SE. Another member of the Audit Committee is Dr Christof Nesemeier, who focuses on auditing accounting, monitoring the accounting process, the effectiveness of the internal control system and the internal audit system. These implemented systems are considered appropriate and effective. As the founder and long-standing CEO of MBB SE, he also has extensive experience in auditing and financial statements. As the driving force behind the focus of MBB's portfolio on the sustainable growth areas of E-mobility, the energy transition and IT security, Dr Christof Nesemeier is also the designated sustainability expert on the Board. The audit of the financial statements, compliance-relevant topics and sustainability-related issues are discussed with all members of the Board of Directors. The Chairman of the Nomination Committee is Gert-Maria Freimuth. He is responsible for nominating suitable candidates to the Board of Directors for its proposals to the Annual General Meeting for the election of Board members and for realising the desired diversity targets on the Board.

Succession planning

The age limit for members of the Board of Directors and the Executive Management Board is 85. With an average age of 42, the Executive Management Board is comparatively young. MBB is also a highly attractive employer for qualified and highly motivated young talent. The Board believes that the Executive Management Board is qualified at all times.

Self-affirmation

The Board sees its work confirmed by the success of the company since it was founded 30 years ago.

Corporate governance report

Directors' shareholding

The shareholdings of the members of the executive bodies are shown in the notes to the annual financial statements and in the notes to the consolidated financial statements under II. notes to the consolidated balance sheet, item 12.1.

Avoiding conflicts of interest

No conflicts of interest arose for the Executive Management or the members of the Board of Directors in the reporting year. It should be noted that the Board of Directors has concluded a consultancy agreement with Gert-Maria Freimuth. The agreed activities go beyond the scope that is owed in any case due to the position on the Board of Directors. For further information, please refer to the remuneration report.

Share buyback programme

On 31 January 2024, MBB SE resolved to make use of the authorisation granted by the Annual General Meeting on 12 June 2023 to acquire treasury shares in accordance with Article 5 of the SE Regulation in conjunction with section 71 (1) no. 8 AktG. § Section 71 (1) no. 8 AktG to make use of this authorisation. On 15 March 2024, MBB repurchased 393,522 treasury shares at a price of €96.00 for a total value of €37,778,112.00. Of the treasury shares acquired, 113,299 were used to fulfil the 2020 share option programme. The remaining 280,223 treasury shares were cancelled for the purpose of the capital reduction.

On 30 October 2024, MBB SE resolved to make use of the authorisation granted by the Annual General Meeting on 26 June 2024 to acquire treasury shares in accordance with section 71(1) no. 8 AktG. In the period from 15 November 2024 to 30 December 2024, MBB bought back 25,555 treasury shares at an average price of €100.64 for a total value of €2,572,207.29 via the stock exchange. The share buy-back programme, which provides for the acquisition of treasury shares with a maximum volume of €15.0 million at a price of €120.00 per share, is scheduled to end on 30 April 2025 at the latest.

Accounting and auditing

MBB SE prepares its annual financial statements in accordance with the provisions of the Handelsgesetzbuch (HGB - German Commercial Code) and the Aktiengesetz (AktG - German Stock Corporation Act). The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the EU and the supplementary notes required by section 315e (1) HGB.

The management report of MBB SE and the Group management report have been combined in accordance with sections 315 (5) and 298 (2) HGB.

The Board of MBB SE duly commissioned Nexia GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Düsseldorf, which was elected as auditor by the Annual General Meeting, to audit the annual financial statements and consolidated financial statements as well as the combined management report and Group management report for the 2024 financial year

There were no business, financial, personal or other relationships between the audit firm and its executive bodies and audit managers on the one hand and MBB SE and the members of its executive bodies on the other that could cast doubt on the independence of the audit firm at any time. Based on the election of the auditor by the Annual General Meeting, the Board of MBB SE issues the audit engagement to the auditor and agrees the fee with it. As part of the audit engagement, the Board also agrees the reporting obligations with the auditor in accordance with the German Corporate Governance Code.

The auditor participates in the Board's deliberations on the annual and consolidated financial statements and reports on the main findings of its audit.

Long-term bonus programme/security-based incentive systems

For details of the current long-term bonus programme, please to section "VIII Other mandatory disclosures", chapter "3 Remuneration of the executive bodies" of the notes to the consolidated financial statements.

Remuneration report

The remuneration report was prepared separately this year in accordance with Section 162 AktG and will be available on our website at https://www.mbb.com/ir/hauptversammlung.html together with the invitation to the Annual General Meeting.

Information on corporate governance practices

The members of the Board and the Executive Management conduct the company's business with the dili-gence of a prudent and conscientious manager in accordance with the law, the Articles of Association of MBB SE, the relevant rules of procedure, the provisions of their employment contracts and the resolutions adopted. There are currently no publicly accessible codified corporate governance practices that go beyond this. The members of the Board and the Executive Management conduct the company's business with the diligence of a prudent and conscientious manager in accordance with the law, the Articles of Association of MBB SE, the relevant rules of procedure, the provisions of their employment contracts and the resolutions adopted. There are currently no publicly accessible codified corporate governance practices that go beyond this.

Procedures of Executive Management and the Board

The Board of Directors manages the company, determines the basic principles of its activities, monitors their implementation and has the other duties and powers arising from Section 22 SEAG. The Executive Management manages the company's business by implementing the principles and guidelines set by the Board. The contracts of the Executive Management were concluded by the Board with a term from 1 July 2021 to 30 June 2025. The MBB Group is not subject to co-determination; all members of the Board are therefore representatives of the shareholders.

The individual subsidiaries each have their own independent operational management, which in some cases also holds shares in the company. The management of MBB SE and that of the subsidiaries work closely together on the development of the respective company.

Diversity concept

Diversity is taken into account when filling positions in the management of MBB SE and in the two management levels below the Executive Management, and applicants of male, female and diverse genders are always considered. Due to the structure of MBB SE as a holding company with a flat hierarchy, no target figure is specified for the proportion of women at the two management levels below the Executive Management. In accordance with the requirements of German stock corporation law, the primary criterion for the Board is that the candidate has the skills, knowledge and experience required for the work of the Executive Management.

On 14 April 2021, the Board of MBB SE resolved to achieve a 20% share of women on the Board and the Executive Management in the medium term.

Disclosures in accordance with section 289a and section 315a HGB

In accordance with Sections 289a and 315a HGB, the management report must include the following points:

Composition of issued capital

The share capital of €5,436,169.00 consisting of 5,436,169 no-par value bearer shares in the balance sheet as at 31 December 2024 is fully paid up. Each share entitles the holder to one vote at the Annual General Meeting. As at the balance sheet date, the company held 25,555 non-voting, non-dividend-bearing treasury shares.

Restrictions on voting rights or the transfer of shares

There are no restrictions on voting rights or the transfer of shares.

Direct or indirect equity interests exceeding 10% of the voting rights

Direct or indirect shareholdings in the capital that exceed 10 per cent of the voting rights are shown in the notes to the annual financial statements and in the notes to the consolidated financial statements under II. notes to the consolidated balance sheet, item 12.1.

Bearers of shares conferring special rights

No shares conferring special rights have been issued.

Nature of control of voting rights in the event of employee participation

There are no corresponding employee participation schemes.

Statutory provisions and Articles of Association on the appointment and dismissal of members of the Executive Management and on amendments to the Articles of Association

Executive Management is appointed and dismissed in accordance with Sections 84 et seq. AktG are appointed and dismissed. § Section 6 of the Articles of Association regulates the appointment and dismissal of Executive Management as follows:

"The company has one or more Executive Managements. Individual members of the Board of Directors may be appointed as Executive Management, provided that the majority of the members of the Board of Directors continue to be non-executive members.

The Board of Directors is responsible for determining the number and appointment of Executive Management, concluding employment contracts and revoking appointments. Executive Management may be appointed for a maximum term of office of six years and may be dismissed by the Board of Directors at any time before the end of this term of office.

If several Executive Management members are appointed, the Board of Directors may appoint one Executive Management member as Spokesperson or Chief Executive Officer (CEO). The Board of Directors may also appoint deputy Executive Managements.

The Executive Management manages the business jointly in accordance with the law, the Articles of Association, the rules of procedure and the instructions of the Board of Directors. They implement the principles and guidelines established by the Board of Directors. If only one Executive Management is appointed, it manages the business alone in accordance with these requirements.

Executive Management shall receive remuneration to be determined by the Board of Directors in accordance with Section 87 AktG."

Pursuant to Section 179 (1) AktG, any amendment to the Articles of Association requires a resolution by the Annual General Meeting. According to Section 24 of the Articles of Association, amendments to the Articles of Association require a simple majority of the votes cast at the Annual General Meeting, whereby abstentions do not count as votes cast.

Section 11 (2) of the Articles of Association also stipulates: "The Board of Directors is authorised to make amendments to the Articles of Association that only affect the wording. In particular, the Board of Directors is authorised to amend the wording of the Articles of Association following the full or partial implementation of the increase in share capital."

Power of the Board with particular reference to the ability to issue or buy back shares

Annual General Meeting on 12 June 2023 authorised the company to acquire treasury shares in the period up to 11 June 2028 in an amount of up to 10% of the company's share capital existing at the time of the resolution

The Annual General Meeting on 24 August 2020 authorised the company to issue share options (2020 share option programme) and to create new conditional capital 2020/I and resolved the necessary amendments to the Articles of Association. The share option programme authorises the Board of Directors to grant up to 240,000 subscription rights for up to 240,000 no-par value bearer shares in the company to beneficiaries within the meaning of Section 192 para. 2 no. 3 AktG until 30 June 2025 (for details, see the remuneration report prepared separately in accordance with Section 162 AktG). The company's share capital is conditionally increased by up to €240,000 through the issue of up to 240,000 new no-par value bearer shares (Conditional Capital 2020/I). The conditional capital increase serves exclusively to fulfil entitlements from the 2020 equity-based share option programme.

On 31 January 2024, MBB resolved to make use of the authorisation granted by the Annual General Meeting on 12 June 2023 to acquire treasury shares in accordance with Art. 5 SE-VO in conjunction with Section 71 para. 1 no. 8 AktG. § Section 71 (1) no. 8 AktG to make use of this authorisation. On 15 March 2024, MBB repurchased 393,522 treasury shares at a price of €96.00 for a total value of €37,778,112.00.

Of the treasury shares acquired in March 2024 as part of the share buyback programme, 113,299 were used to fulfil the 2020 share option programme, thereby concluding this programme. On 30 October 2024, the Board of MBB resolved to retire the remaining 280,223 treasury shares for the purpose of a capital reduction. Following the cancellation of the treasury shares and the effectiveness of the capital reduction, the share capital of MBB SE amounts to €5,436,169.00 (previously: €5,716,392.00) and is divided into 5,436,169 bearer shares (previously 5,716,392 shares) with a notional interest in the share capital of €1.00 per share.

The Annual General Meeting on 26 June 2024 cancelled the Authorised Capital 2023 and created new Authorised Capital 2024. The Board of Directors is authorised to increase the company's share capital on one or more occasions until 25 June 2029 by up to a total of €2,500,000.00 in return for cash and/or non-cash contributions by issuing new no-par value bearer shares (Authorised Capital 2024).

Annual General Meeting on 26 June 2024 revoked the resolution of 12 June 2023 on the acquisition and use of treasury shares and authorised the company to acquire treasury shares in the period up to 25 June 2029 in compliance with the principle of equal treatment (Article 9 (1) (c) (ii) SE Regulation in conjunction with Section 53a AktG). § Section 53a AktG) to acquire treasury shares totalling up to 10% of the company's share capital existing at the time of the resolution. The acquired shares, together with other shares which the company has previously acquired and still holds or which are attributable to it in accordance with Art. 5 SE Regulation in conjunction with Sections 71a et seq. §§ Sections 71a et seq. of the German Stock Corporation Act (AktG), may not exceed 10% of the share capital at any time.

On 30 October 2024, MBB SE resolved to make use of the authorisation granted by the Annual General Meeting on 26 June 2024 to acquire treasury shares in accordance with section 71 (1) no. 8 AktG. In the period from 15 November 2024 to 30 December 2024, MBB repurchased 25,555 treasury shares at an average price of €100.64 for a total value of €2,572,207.29 via the stock exchange. The share buy-back programme, which provides for the acquisition of treasury shares with a maximum volume of €15.0 million at a price of €120.00 per share, is scheduled to end on 30 April 2025 at the latest.

Material agreements subject to the condition of a change of control as a result of a takeover bid

There are no such agreements.

Compensation agreements with members of the Managing Board or employees for the event of a takeover bid

No such compensation agreements exist.

Please refer to the notes to the annual financial statements and section II.12.1 Equity in the notes to the consolidated financial statements for the disclosures required under Section 160 (1) no. 2 AktG.

Non-financial statement in accordance with section 289b HGB and section 315b HGB (unaudited)

Sustainability is a central corporate task for MBB. Accordingly, various aspects of sustainability are integrated into the corporate strategy, Group-wide controlling and the regular meetings of the Executive Management. MBB's philosophy is characterised by commercially oriented action combined with responsibility for the environment, employees and society. In our daily endeavours to achieve top performance, we harmonise sustainability-related objectives with economic aspects.

In accordance with the German Act to Strengthen Non-Financial Reporting (CSR Directive Implementation Act) of 11 April 2017, MBB hereby publishes the non-financial statement for the company and the Group in accordance with section 289b HGB and section 315b HGB. The reporting period for the non-financial statement is the 2024 financial year. The disclosures include all fully consolidated subsidiaries of the MBB Group. The disclosures made in the non-financial statement are not the subject of the audit.

In accordance with section 289d HGB, we have examined which national, European or international frameworks could be used to prepare the non-financial statement. However, we currently refrain from the comprehensive application of a framework, as this would not represent a reasonable cost-benefit ratio for MBB's corporate structure and we do not consider the existing frameworks to be suitable for us.

In accordance with the EU Taxonomy Regulation, MBB is required to disclose information on revenue, capital expenditure (CapEx) and operating expenditure (OpEx) associated with environmentally sustainable economic activities. In accordance with Article 8 of the EU Taxonomy Regulation, the environmental objectives "climate change mitigation", "adaptation to climate change", "sustainable use and protection of water and marine resources", "transition to a circular economy", "pollution prevention and control" and "protection and restoration of biodiversity and ecosystems" are reported on. For a tabular overview, please refer to the end of this section.

Business model

MBB is a medium-sized, family-owned company that focuses on the acquisition and management of medium-sized companies with a high level of technological and engineering expertise. Further information on the business model and the individual segments and subsidiaries can be found in the "Segments" section of MBB's combined management and Group management report 2024.

Stakeholders

Family owners: The family shareholders Gert-Maria Freimuth and Dr Christof Nesemeier are the main equity providers of MBB SE. Their focus is on responsible behaviour and sustainable value creation.

Investors: The other shareholders also expect MBB to act in a sustainable and responsible manner, with a clear strategic focus and transparent reporting.

Customers of the subsidiaries: The customers of our subsidiaries are looking for reliable partners who can reliably support them with innovative solutions and fulfil their ecological and social responsibilities.

Employees: Our employees value an attractive and secure workplace where they can contribute their skills in line with their training. Further training and employee development are part of MBB's sustainable HR policy.

MBB is in regular dialogue with all stakeholder groups. While the family shareholders have a decisive influence on MBB's sustainability strategy through their roles as members of the Board and Executive Management, the other stakeholder groups are involved in various ways, for example through direct dialogue, regular financial reporting or conferences and roadshows.

Materiality analysis

As part of the materiality analysis conducted for the first time in 2017 and regularly updated, the areas of "employee matters" and "environmental matters" were identified as core topics of MBB's sustainability strategy. These aspects are discussed in more detail below. The topics of "social issues", "respect for human rights" and "combating corruption and bribery" will also be addressed. As these topics are important but, in our view, of secondary importance for MBB's sustainability strategy, they are only dealt with briefly. For an overview of key non-financial indicators, please refer to the table at the end of this section.

Environmental issues

The responsible use of natural resources is an important issue at all levels of the MBB Group, as operational decisions at our subsidiaries always have ecological consequences. This applies to the use of raw and other materials and the energy efficiency of the individual subsidiaries, but also in particular to the impact of our products and services on our customers' environmental protection goals. Many MBB companies make an important contribution to environmental protection through the responsible use of resources and high energy efficiency, and therefore have a keen interest in this topic for strategic reasons alone. We also expect environmentally conscious and responsible behaviour and the conservation of natural resources from our business partners and suppliers.

Friedrich Vorwerk pursues a holistic approach in its project business by handling all phases along the project cycle and also taking into account long-term utilisation beyond the scope of the project. As infrastructure projects by definition involve interventions in existing structures, our activities have a direct impact on people and the environment. In order to minimise the resulting impact, we attach particular importance to forward-looking and comprehensive planning. Environmental impacts include land consumption, soil excavation, interventions in the water balance, the consumption of energy, water and raw materials as well as the generation of noise, dust, vibrations, waste water and waste. These factors vary depending on the type and scope of a project, which is why the Group only has a limited influence on the aforementioned factors. Friedrich Vorwerk counters these potential environmental impacts with customised solutions as part of its environmental and energy management. First and foremost is the endeavour to use energy-efficient, low-emission and innovative technologies. As a specialist in the horizontal drilling process, Friedrich Vorwerk is able, for example, to lay power lines in a minimally invasive manner and thus minimise the impact on the existing ecosystem. The aim is to protect and preserve the natural environment in the best possible way by integrating the special features of each project into a customised project management system. A large number of fundamental environmental protection activities that are required for the major projects carried out by Friedrich Vorwerk are laid down in a legally binding landscape conservation plan. In Germany, this plan sets out the measures that are planned in the immediate area of the project or its immediate surroundings to compensate for or minimise the impact on nature and the landscape. These measures are part of the planning documents that are required for the approval of a project and become legally binding with the planning approval decision for the project. These include, among other things

- Route optimisation: Selection of the route taking into account ecological, social and economic aspects in order to avoid encroaching on protected areas.
- Erosion protection: Implementation of measures to prevent erosion during and after construction through greening.
- Soil and water protection: Ensure that no harmful substances enter the soil or groundwater, e.g. through close maintenance and the use of biodegradable lubricants.
- Fauna and flora protection: protective measures for endangered species and habitats, such as resettlement or temporary protection zones as well as closure periods during construction work.
- Monitoring: Regular monitoring of environmental conditions during and after construction in order to recognise and remedy possible negative effects at an early stage.
- Renaturalisation: Restoration of the original landscape forms and structures after completion of the construction work, including reforestation or recultivation.

In the integrated management system operated by Friedrich Vorwerk, the areas of quality in accordance with ISO 9001 and occupational health and safety in accordance with SCC regulations have also been certified in accordance with ISO 14001 for the environment and ISO 50001 for energy. This system forms the framework for endeavours towards continuous improvement.

One of Friedrich Vorwerk's main objectives is to pursue a strategy of continuously increasing the cost-effectiveness and efficiency of the vehicle fleet and technical systems. Fuel consumption and downtimes are constantly analysed and fleet management is adapted accordingly. Old vehicles, machines and equipment are constantly being replaced with new, more efficient and lower-emission ones, thereby reducing both pollutant and noise emissions. Furthermore, additional electric solutions are constantly being tested in continuous use with the aim of being able to completely avoid emissions in the future. In selected everyday situations, individual appliances can be replaced with electric versions. Another example of this is the internally developed and manufactured cable tube slide (KaRoSch). With the help of the KaRoSch, it is possible to achieve up to 25% higher laying speeds, increased work safety and a significant reduction in the use of resources in underground power cable construction. Following its completion, the innovative installation system was used on various underground cable construction sites in 2023. Project deployment demonstrated that the improvements designed can actually be achieved in practice.

Energy efficiency and sustainability are taken into account when procuring materials and our suppliers and service providers are expected to comply with the same environmental standards as we do. To this end, environmental certificates and indicators are requested from potential suppliers during the purchasing process and evaluated alongside quality, delivery time and price in the procurement process.

Friedrich Vorwerk provides regular training for employees in all areas of the company to ensure that they have a high level of sustainability awareness, identify potential for improvement, observe the established systems for waste separation and disposal or the management of hazardous substances, use all resources sparingly and comply with the applicable guidelines.

Friedrich Vorwerk began planning and developing a hydrogen electrolysis plant at the Wiesmoor site in the 2021 financial year. The renewable energy generated by a photovoltaic system is transformed into green hydrogen by means of electrolysis and stored. If required, the hydrogen is stored again and converted into heat via a combined heat and power plant. Construction of the plant was completed in 2024 and subsystems were put into operation. Once the remaining work has been completed in 2025, the plant will be fully operational. The administration building and production halls will be heated via the connected heating network. Surplus hydrogen can then be stored in the hydrogen tanks and fed into the grid in future if necessary.

Strategic environmental considerations also play a central role at **Delignit**: wood is ecologically unique as a material and energy resource and is the main source of raw materials for Delignit. Accordingly, Delignit supports the "Using wood responsibly" initiative of the Association of the German Wood-Based Panel Industry (Verband der Deutschen Holzwerkstoffindustrie e.V.). As a result, and in particular due to the renewable nature of this main raw material, Delignit fulfils the definition of ecological sustainability in an exemplary manner. In addition, the use of wood as a substitute for products made from non-renewable raw materials is active climate protection. For example, beech weighs only 1/10 of structural steel with the same dimensions, but has 1/3 of its strength. The use of Delignit beech wood in the automotive industry therefore reduces CO_2 emissions from fossil resources. For many of Delignit's customers, the environmental balance sheet plays an important role. If different application solutions based on different materials are available, the sustainability of the Delignit product can be the deciding factor. In November 2023, Delignit was also awarded an Environmental Product Declaration (EPD) in this context, which means that the environmental impact of Delignit products can now be calculated and reported in detail. The Institut Bauen und Umwelt e.V. (IBU) serves as the EPD programme holder. In the strategic partnership concluded with Amorim Cork Composites in the last financial year, an innovative product portfolio of sustainable solutions for electric vehicle batteries was developed with FiberCork. Its unique product properties are characterised by the use of new materials in the form of cork and the resistant Delignit materials and meet the strict requirements of the industry.

Aumann also makes a significant contribution to reducing emissions and protecting the environment. Aumann offers specialised machinery and highly automated production solutions that enable customers to mass produce a wide range of individual components and modules for the electrified powertrain in a highly efficient and technologically advanced manner, among other things. A particular focus is on production lines for the manufacture of energy storage and conversion systems such as batteries and fuel cells, where Aumann once again realised sophisticated production and assembly solutions with well-known customers in the past financial year. Thanks to the realisation of production lines for premium cars and fully electric commercial vehicles, Aumann is making a valuable contribution to the climate-neutral transport of goods and is continuing to drive the transition towards a sustainable future. In addition, Aumann has been successfully involved in fuel cell production in the automotive sector since 2007 and has also been able to apply this expertise in the field of electrolysers for hydrogen production. By acquiring the business operations of LACOM GmbH in the 2023 financial year, Aumann is expanding its portfolio in the area of battery systems to include coating systems for electrode production and is now in a position to offer innovative production solutions along the entire value chain in the area of fuel cells. Aumann is pursuing the goal of operating its German production facilities and office buildings in a CO_2-neutral manner by 2030. On the way there, the aim is to procure all electricity from renewable resources by the end of 2025. In the 2024 financial year, the share of electricity from renewable energy sources according to the German electricity mix was 62.7%.

Not least due to increasing customer demand, the other companies in our Group are doing their bit for our environment and are thus meeting the demand for responsible behaviour and sustainable products. For example, the foams from **CT Formpolster** are certified to OekoTex 100, Class 1 for babies. In addition, numerous foams have the "LGA tested" test mark. Our subsidiaries also set a good example when it comes to waste utilisation and disposal. The majority of waste from CT moulded upholstery is put to good use, for example as under-carpet material. **Hanke** continuously develops and implements measures to reduce energy and water consumption and to recycle waste material.

As an operator of its own ISO 27001-certified high-performance data centres, **DTS** pays particular attention to the efficient use of energy. In the past, for example, cooling systems have been replaced by modern, highly efficient turbo compressors, which have significantly reduced energy consumption. Whenever the company expands its own data centre capacity, the latest findings in air conditioning technology are taken into account with a view to maximum efficiency.

Significant environmental risks associated with the products and services of the subsidiaries result from accidents and incidents that are unlikely but cannot be completely ruled out. We counter the theoretical case of an accident with an impact on environmental aspects through established processes in the individual subsidiaries. We attach particular importance to high quality requirements for our suppliers and high quality standards.

In terms of revenue, 69.4% of MBB's subsidiaries are certified in accordance with ISO 50001 (energy management) and 88.4% in accordance with ISO 14001 (environmental management) and thus fulfil the internationally recognised basic principles of energy and environmental management systems.

Employee matters

The protection of and respect for every human being is a top priority at the MBB Group. Compliance with internationally applicable human rights and labour standards is a matter of course for us. We condemn any form of discrimination, for example on the grounds of ethnic origin, religion, political views, gender, physical constitution, appearance, age or sexual orientation.

Our employees are our Group's most important resource. Attracting new employees and ensuring a high level of satisfaction and motivation as well as low staff turnover among existing employees is therefore a central component of our sustainability strategy. We want to be an attractive employer for employees and junior staff.

From MBB's perspective, recruiting qualified employees is the greatest challenge that we actively face. In addition to traditional job advertisements and the use of recruitment consultants, we are increasingly achieving this through social media and the positioning of MBB and its individual subsidiaries as attractive employers. We intend to continue along this path in the future. As at 31 December 2024, our Group employed 3,982 people. In addition, we employed 32 temporary workers as at the reporting date, a large number of whom we have regularly taken on as full-time employees in the past, provided they are fundamentally suitable.

MBB sees the promotion and development of its employees as a key success factor. The qualification of our employees is achieved through training and further education in all areas of the Group, as well as through high occupational health and safety standards and the targeted promotion of future managers. MBB currently employs 311 apprentices or trainees on a dual study programme (previous year: 280). The distribution varies from subsidiary to subsidiary, with the ratio of trainees to permanent employees at DTS standing at a pleasing 18%. Our fundamental aim is to offer permanent employment to all trainees (including those on a dual study programme) who have completed their training with us. This is reflected in impressive results: for example, around a third of employees at DTS are recruited from former trainees and dual study programme students.

In order to remain an attractive employer, all of our subsidiaries invest in their employees, whether through direct support for employee training or through the modern training centre at Aumann. Furthermore, some subsidiaries provide their employees with free fruit and offer employees health-promoting workshops in cooperation with various health insurance companies. At the Friedrich Vorwerk site in Tostedt, a new canteen was opened at the beginning of 2024 in order to offer our employees healthy food at the workplace.

In Germany, every parent is legally entitled to up to three years of parental leave to care for and raise their child. During parental leave, the employment relationship is suspended and parents can work part-time if they wish. There is special protection against dismissal. Once the parental leave has expired, there is a right to return to the previous working hours and to the agreements made in the employment contract. MBB Group companies promote the compatibility of family and career by offering the option of mobile working, among other things.

Gender equality is a particular concern for us. Women, men and intersexuals have the same opportunities in our company. We strive for a balanced ratio between the genders at all hierarchical levels. Due to the business model's inherent focus on technical professions, women are still underrepresented both in studies and in the application process, which is why the latter presents a challenge when filling vacancies.

When selecting managers, the Executive Management always takes diversity into account and considers male and female applicants as well as applicants of different genders. The final appointment is always based on the professional and personal qualifications of the person in question.

The MBB Group had 16.8% female employees as at the balance sheet date. One person of the first management level is female, while 19 people of the second management level are female.

MBB attaches great importance to creating a safe working environment, given that the majority of its subsidiaries operate in the manufacturing industry. Employees in production are generally exposed to an increased health risk. We therefore set high standards for safety, particularly when dealing with hazardous substances and other sources of danger. We promote the skills and awareness of our employees for working safely by offering regular training and further education.

Reportable accidents at work are recorded and analysed at regular intervals. The number of reportable accidents at work fell from 73 in the previous year to 68 in the past financial year. As in the previous year, the number of fatal accidents at work was zero. Our aim is to reduce the number of accidents at work by introducing new and further developing existing safety concepts.

Friedrich Vorwerk already implemented a fundamental change in strategy in the area of HSEQ in the 2021 financial year with the pooling of resources in a Group-wide HSEQ department. The primary task of this department is to maintain and further develop the joint integrated management system and to create and implement uniform standards and methods in the areas of quality, occupational health and safety, environment and energy. Friedrich Vorwerk is also undergoing SCL certification to establish a stronger safety culture: The Safety Culture Ladder (SCL) is an assessment method for measuring the safety awareness and conscious safe behaviour of each individual employee in the company.

Social issues, respecting human rights and combating corruption and bribery

Social issues: Respectful and social interaction with our stakeholders on the customer and supplier side is a fundamental principle of our actions. We firmly believe that continuous product innovation, fair dealings with suppliers and constant dialogue with our customers are an important prerequisite for our business success. MBB companies are involved in voluntary social projects at a local level. In addition to their role as employers, they contribute to increasing the common good by cooperating with schools or sports clubs, for example. These social activities are not subject to a central management process, but are organised decentrally by the managers of the subsidiaries.

Respect for human rights: MBB's subsidiaries are deeply rooted in Germany and Europe and respect the human rights of employees, suppliers and business partners in their day-to-day business. We do not see any risks of remuneration that is not in line with the market, unreasonable working hours, restrictions on freedom of assembly or equal rights at our subsidiaries or their suppliers. MBB is committed to complying with internationally recognised human rights standards and does not tolerate any forms of slavery, forced labour, child labour, human trafficking or exploitation in its own business activities or supply chain.

Combating corruption and bribery: We have always regarded compliance with legal provisions and guidelines as well as correct behaviour in business transactions as a central component of sustainable corporate governance. In order to adhere to this maxim, which has always been practised, compliance management systems have been established in the Group companies and are continuously developed further. The existing codes of conduct and any applicable anti-corruption guidelines serve as a framework for regulating behaviour within the company and towards third parties. By means of cyclical reporting structures, the respective management of the various Group companies is obliged to report regularly to the respective Supervisory Boards or the Executive Management of MBB SE on the effectiveness of the respective compliance management system and any incidents that have occurred.

Negative consequences and risks in connection with business activities

In our opinion, there are no significant risks arising from our business activities, our products or our services that could have a serious negative impact on employees, environmental or social issues or lead to a violation of human rights or corruption.

Overview of key non-financial indicators in accordance with section 289 (3) HGB

	2024	2023
Employee matters		
Number of female executives (first and second level)	20	24
Share of female employees in relation to total employees	16.8%	16.4%
Share of temporary workers in relation to total employees	0.8%	3.6%
Number of apprentices	258	232
Number of employees in cooperative study programs	53	48
Reportable work accidents	68	73
Environmental issues		
Energy intensity in MWh / €m revenue	189	176
Water intensity in m^3 / €m revenue	309	320
Waste intensity in t / €m revenue	5.4	3.8
Social issues		
Charitable donations and sponsoring in €k (culture, education, sport, social affairs)	99	26

EU Taxonomy

In accordance with the EU Taxonomy Regulation and the supplementary delegated acts, MBB reports below the share of taxonomy-eligible and taxonomy-compliant Group-wide revenue, investments and operating expenses for the 2024 financial year in relation to the six EU environmental objectives set out in the EU Taxonomy: "climate change mitigation", "climate change adaptation", "sustainable use and protection of water and marine resource", "transition to a circular economy", "pollution prevention and control" and "protection and restoration of biodiversity and ecosystems".

The aim of the EU taxonomy is to promote investment flows from the financial sector to companies involved in environmentally sustainable activities. It is intended to help the EU implement the European Green Deal, which commits to climate neutrality by 2050. The EU taxonomy is intended to create a common understanding of the environmental sustainability of activities and investments. Furthermore, the EU Taxonomy provides guidance on whether companies are contributing to sustainable development with their economic activities. The regulation obliges companies to report on these economic activities.

The MBB report is based on the Taxonomy Regulation (EU) 2020/852, which has been in force since July 2020, and the Delegated Regulations EU 2021/2139 (Articles 10 and 11) and EU 2021/2178 (Article 8). Amendments made in 2023 (EU 2023/2485 and 2023/2486), including adjustments for the environmental targets (3) to (6) below and for the climate targets (1) and (2), have been taken into account.

Taxonomy-eligible and taxonomy-aligned economic activities

The EU taxonomy acts as a standardised classification system for environmentally sustainable economic activities. The regulation describes six central environmental objectives:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resource
- Transition to a circular economy
- Pollution prevention and control and
- Protection and restoration of biodiversity and ecosystems.

According to the EU taxonomy, economic activities are considered "environmentally sustainable" if they fulfil the following three main criteria:

1. They must make a substantial contribution to at least one of the six environmental objectives ("Substantial Contribution")
2. They must not significantly impair the achievement of the other environmental objectives ("Do No Significant Harm", DNSH).
3. Minimum social standards must be observed ("minimum safeguards").

The "Substantial Contribution" and "Do No Significant Harm" criteria are assessed on the basis of technical assessment criteria defined by the EU.

Economic activities are considered "taxonomy-eligible" if they are listed in the activity catalogue of the EU taxonomy and make significant contributions to at least one of the environmental objectives in accordance with Article 10 et seq. of the Taxonomy Regulation (EU) 2020/852.

To be categorised as "taxonomy-aligned", taxonomy-eligible economic activities must also comply with the specific technical criteria and minimum social standards.

Identification of taxonomy-eligible activities:

To determine taxonomy eligibility, the activities eligible for taxonomy in the MBB Group were determined in the first step with reference to the definitions in the NACE codes referenced in Annexes 1 and 2 of the legal act to Regulation (EU) 2020/852. MBB's segments were comprehensively analysed to determine whether they fall within the scope of the EU taxonomy. Regulation (EU) 2020/852 contains a detailed overview of technical assessment criteria that can be used to determine whether an economic activity makes a significant contribution to environmental protection and what significant adverse effects are possible. Based on these economic activities, activities can be identified as taxonomy-eligible. The regulation also describes how economic activities make a significant contribution to climate protection and what significant adverse effects there could be.

The following economic activities were assigned to the categories of economic activities identified as relevant for MBB in accordance with EU Regulation 2020 / 852:

Friedrich Vorwerk

3.1 Manufacture of renewable energy technologies
4.9 Transmission and distribution of electricity
4.14 Transmission and distribution networks for renewable and low-carbon gases
4.15 District heating / cooling distribution
5.1 Construction, extension and operation of water collection, treatment and supply systems

Aumann

3.1 Manufacture of renewable energy technologies
3.3 Manufacture of low carbon technologies for transport
3.6 Manufacture of other low carbon technologies

Delignit

3.3 Manufacture of low carbon technologies for transport

DTS

8.1 Data processing, hosting and related activities
8.2 Provision of information technology services

Analysis and calculation

In accordance with EU Regulation 2020 / 852, companies are obliged to publish the following quantitative information:

- Share of revenue generated from economic activities classified as ecologically sustainable
- Share of capital expenditure ("CapEx") associated with economic activities categorised as environmentally sustainable
- Share of operating expenditure ("OpEx") associated with economic activities classified as environmentally sustainable

The definition of revenue according to the EU taxonomy corresponds to the revenue recognised in the IFRS consolidated financial statements.

Capital expenditure ("CapEx") in accordance with the EU taxonomy relates to the following items in the IFRS consolidated financial statements. These include additions to intangible assets (IAS 38) and property, plant and equipment (IAS 16), including right-of-use assets (IFRS 16). It is important to note that additions must be considered before amortisation and revaluation. Leases that do not result in the recognition of a right-of-use asset are not recognised. Taxonomy-eligible capital expenditure relates to assets and projects that are associated with the taxonomy-eligible economic activities. In addition, individual capital expenditures from the acquisition of assets from taxonomy-eligible economic activities and the implementation of individual measures to achieve the climate targets were taken into account.

The EU taxonomy definition for determining the relevant operating expenses ("OpEx") includes expenses for research and development, building renovation measures, short-term leasing, maintenance and repair as well as other direct expenses in connection with the day-to-day maintenance of property, plant and equipment, which are recognised in the consolidated income statement under other operating expenses. At Friedrich Vorwerk, to determine the proportion of taxonomy-eligible operating expenses for a project that has taxonomy-eligible revenue, the associated operating expenses were recognised as taxonomy-eligible on a pro rata basis.

Materiality aspects were taken into account when determining the relevant activities.

Technical screening criteria determine the taxonomy conformity of the respective economic activities. With the exception of the Aumann Group, there is no information available on the review and assessment of these criteria, meaning that the taxonomy conformity of the economic activities concerned was stated as.

Results of the analysis

The following tables show the taxonomy key figures for the MBB Group

EU-Taxonomy				Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Proportion of turnover associated with Taxonomy-aligned economic activities	Codes	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Taxonomy-aligned proportion of turnover 2024	Taxonomy-aligned proportion of turnover 2023	Category (enabling activity)	Category (transitional activity)
Economic activities		€ million	in %	in %	in %	in %	in %	in %	in %	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	in %	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Manufacture of low carbon technologies for transport	3.3	223.0	20.9%	100%	0	0	0	0	0	N	N	N	N	N	N	0	0	223.0	-
Manufacture of renewable energy technologies	3.1	16.2	1.5%	100%	0	0	0	0	0	N	N	N	N	N	N	0	0	16.2	-
Manufacture of other low carbon technologies	3.6	10.7	1.0%	100%	0	0	0	0	0	N	N	N	N	N	N	0	0	10.7	-
Turnover (A.1)	**-**	**249.9**	**23.4%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
A.2. Taxonomy-eligible, but not taxonomy-aligned activities																			
Transmission and distribution of electricity	4.9	153.1	14.3%																
District heating/cooling distribution	4.15	32.7	3.1%																
Manufacture of renewable energy technologies	3.1	31.9	3.0%																
Transmission and distribution networks for renewable and low-carbon gases	4.14	31.1	2.9%																
Construction, extension and operation of water collection, treatment and supply systems	5.1	13.7	1.3%																
Turnover (A.2)		**262.4**	**24.6%**																
Total (A.1 + A.2)		**512.3**	**47.9%**																
B. Taxonomy-non-eligible activities																			
Turnover of taxonomy-non-eligible activities (B)		**556.1**	**52.1%**																
Total (A + B)		**1,068.4**	**100.0%**																

EU-Taxonomy				Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities	Codes	Absolute CapEx	Proportion of CapEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Taxonomy-aligned proportion of CapEx 2024	Taxonomy-aligned proportion of CapEx 2023	Category (enabling activity)	Category (transitional activity)
Economic activities		€ million	in %	in %	in %	in %	in %	in %	in %	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	in %	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Manufacture of other low carbon technologies	3.6	2.1	3.0%	100%	0	0	0	0	0	N	N	N	N	N	N	0	0	2.1	-
CapEx (A.1)	-	**2.1**	**3.0%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
A.2. Taxonomy-eligible, but not taxonomy-aligned activities																			
Transmission and distribution of electricity	4.9	13.0	18.5%																
Manufacture of renewable energy technologies	3.1	3.7	5.3%																
District heating/cooling distribution	4.15	2.6	3.7%																
Transmission and distribution networks for renewable and low-carbon gases	4.14	2.5	3.6%																
Construction, extension and operation of water collection, treatment and supply systems	5.1	1.1	1.6%																
Manufacture of other low carbon technologies	3.6	0.4	0.6%																
Manufacture of low carbon technologies for transport	3.3	0.2	0.2%																
Data processing, hosting and related activities	8.1	0.2	0.2%																
CapEx (A.2)		**23.7**	**33.7%**																
Total (A.1 + A.2)		**25.8**	**36.7%**																
B. Taxonomy-non-eligible activities																			
CapEx of taxonomy-non-eligible activities (B)		**44.4**	**63.3%**																
Total (A + B)		**70.2**	**100.0%**																

EU-Taxonomy				Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities	Codes	Absolute OpEx	Proportion of OpEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Taxonomy-aligned proportion of OpEx 2024	Taxonomy-aligned proportion of OpEx 2023	Category (enabling activity)	Category (transitional activity)
Economic activities		€ million	in %	in %	in %	in %	in %	in %	in %	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	in %	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OpEx (A.1)	**-**	**0.0**	**0.0%**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A.2. Taxonomy-eligible, but not taxonomy-aligned activities																			
Transmission and distribution of electricity	4.9	7.0	21.6%																
District heating/cooling distribution	4.15	1.5	4.6%																
Transmission and distribution networks for renewable and low-carbon gases	4.14	1.4	4.4%																
Manufacture of renewable energy technologies	3.1	1.4	4.2%																
Computer programming, consultancy and related activities	8.2	0.7	2.1%																
Construction, extension and operation of water collection, treatment and supply systems	5.1	0.6	1.9%																
OpEx (A.2)		**12.6**	**38.8%**																
Total (A.1 + A.2)		**12.6**	**38.8%**																
B. Taxonomy-non-eligible activities																			
OpEx of taxonomy-non-eligible activities (B)		**19.8**	**61.2%**																
Total (A + B)		**32.3**	**100.0%**																

Report on expected developments

In line with the forecasts for the individual sub-segments of the MBB Group described above in the Segments section, MBB SE expects consolidated revenue between €1.0 billion and €1.1 billion for the 2025 financial year (2024: €1.07 billion) with an adjusted EBITDA margin of between 11% and 14% (2024: 13.98%). MBB also sees good opportunities for further company acquisitions in 2025.

Berlin, 27 March 2025

signed Dr Constantin Mang
Chief Executive Officer

signed Dr Jakob Ammer
Chief Operating Officer

signed Torben Teichler
Chief Investment Officer

signed Dr Christof Nesemeier
Executive Chairman

MBB SE Condensed Annual Financial Statements for 2024

Income statement (HGB)	2024 audited €k	2023 audited €k
Revenue	1,820	2,046
Other operating income	1,671	429
Personnel expenses	4,788	3,289
Depreciation and amortization expenses of intangible assets and property, plant and equipment	46	51
Other operating expenses	3,254	4,949
Income from equity investments	3,174	3,318
Income from long-term securities and loans reported under financial assets	8,960	13,851
Other interest and similar income	5,806	5,495
Depreciation on securities	2,007	8,396
Interest payable and similar expenses	1	1
Tax expense	1,180	632
Net profit (+) / loss (-) for the year	**10,155**	**7,820**
Profit carried forward from the previous year	357,488	362,523
Dividends paid	-5,376	-5,716
Contributions to retained earnings	-26,901	-23,983
Withdrawals from retained earnings	26,901	23,983
Income from reduction of capital reserves	280	224
Additions to capital reserves	-280	-224
Expenses from the withdrawal of shares	-280	-224
Purchase of treasury shares	-39,931	-6,914
Addition from exercise of stock options	4,395	0
Stock options granted without payment	-31	0
Balance sheet profit	**326,420**	**357,488**

Statement of financial position (HGB) Assets	2024 audited €k	2023 audited €k
Intangible assets	12	25
Property, plant and equipment	202	122
Financial assets	178,165	158,288
Non-current assets	**178,379**	**158,435**
Receivables and other assets	9,193	11,877
Securities	104,835	109,423
Cash in hand and bank balances	64,340	108,626
Current assets	**178,369**	**229,926**
Prepaid expenses	**18**	**16**
Total assets	**356,765**	**388,377**
Equity and liabilities	€k	T€
Equity	**354,671**	**385,304**
Provisions and accruals	**1,636**	**2,831**
Liabilities	**459**	**242**
Total Equity and liabilities	**356,765**	**388,377**

Appropriation of earnings

The net profit for the year under commercial law of €10,155,229.19, together with the profit carried forward of €357,488,364.40 and less the outflows from the purchase of treasury shares totalling €39,931,242.29, the dividend distribution of €5,376,098.70, the expense from the cancellation of shares amounting to €280,223.00 and plus allocations from the exercise of share options amounting to €4,395,201.75 less shares granted without payment (€30,760.00) are reported as retained earnings. The Board and the Executive Management will propose a further increase in the basic dividend of €1.11 per share and a special dividend of €2.22 per share to mark MBB's 30th anniversary, i.e. a total of €3.33 per share, to the Annual General Meeting. The remaining balance sheet profit is to be carried forward to new accounts.

IFRS Consolidated Financial Statements for 2024

IFRS consolidated statement of profit or loss	Notes	1 Jan - 31 Dec 2024 €k	1 Jan - 31 Dec 2023 €k
Revenue	III.1.	**1,068,377**	**954,620**
Increase (+), decrease (-) in finished goods and work in progress		-1,946	-207
Operating performance		**1,066,431**	**954,413**
Income from joint ventures and associates	III.2.	6,029	14,740
Other operating income	III.3.	24,218	24,922
Total performance		**1,096,678**	**994,074**
Cost of raw materials and supplies		-339,542	-360,239
Cost of purchased services		-244,586	-231,086
Cost of materials	III.4.	**-584,128**	**-591,324**
Wages and salaries		-234,858	-203,588
Social security and pension costs		-57,864	-51,163
Personnel expenses	III.5.	**-292,722**	**-254,751**
Other operating expenses	III.6.	-74,147	-69,808
Earnings before interest, taxes, depreciation and amortization (EBITDA)		**145,682**	**78,190**
Depreciation and amortization expense	III.7.	-46,645	-44,272
Earnings before interest and taxes (EBIT)		**99,037**	**33,919**
Finance income	III.8.	9,425	6,095
Finance costs	III.9.	-4,721	-4,836
Earnings attributable to non-controlling interests		-3,764	-350
Net finance costs		**939**	**908**
Earnings before taxes (EBT)		**99,977**	**34,827**
Income tax expense	III.10.	-31,843	-9,687
Other taxes	III.10.	-1,403	-887
Earnings after taxes		**66,731**	**24,253**
of which attributable to:			
- Shareholders of MBB SE		**37,660**	**12,150**
- Non-controlling interests		**29,071**	**12,104**
Basic Earnings per share (in €)	III.11.	**6.93**	**2.12**
Diluted earnings per share (in €)	III.11.	**6.93**	**2.10**

IFRS consolidated statement of comprehensive income	Notes	1 Jan - 31 Dec 2024 €k	1 Jan - 31 Dec 2023 €k
Earnings after taxes		**66,731**	**24,253**
Items that may be subsequently reclassified to profit and loss			
Fair value changes bonds and gold	III.12	1,665	2,764
Currency translation differences	II.12.4	725	1,579
Reclassifications to profit or loss		378	1,573
Items that will not be subsequently reclassified to profit and loss			
Fair value changes shares	III.12	12,232	15,862
Reserve for pensions	II.12.4	-1,166	-286
thereof deferred taxes		134	-20
Other comprehensive income after taxes		**13,968**	**21,473**
Comprehensive income for the reporting period		**80,699**	**45,726**
thereof attributable to:			
- Shareholders of the parent company		51,751	33,443
- Non-controlling interests		28,948	12,283

Statement of financial position Assets (IFRS)	Notes	31 Dec 2024 audited €k	31 Dec 2023 audited €k
Non-current assets			
Concessions, industrial property and similar rights	II.3.	21,083	21,094
Goodwill	II.2.	48,899	48,726
Advance payments	II.3.	0	4
Intangible assets		**69,982**	**69,824**
Land and buildings including buildings on third-party land	II.4.	103,820	91,875
Technical equipment and machinery	II.4.	67,022	62,238
Other equipment, operating and office equipment	II.4.	45,545	37,130
Advance payments and assets under development	II.4.	11,926	16,647
Property, plant and equipment		**228,313**	**207,891**
Joint ventures and associates	II.5.	9,297	10,578
Other participations	II.5.	1	1
Long-term securities	II.5.	104,734	89,020
Other loans	II.5.	359	414
Financial assets		**114,391**	**100,012**
Deferred tax assets	II.10.1	**15,661**	**18,639**
		428,347	**396,366**
Current assets			
Raw materials and supplies	II.6.	21,586	24,570
Work in progress	II.6.	8,121	9,285
Finished goods and commodities	II.6.	11,016	9,775
Advance payments		3,638	10,747
Inventories		**44,361**	**54,377**
Trade receivables	II.7.	83,242	81,962
Contract assets	II.8.	118,721	149,563
Income tax receivables	II.10.2	14,663	14,424
Other current assets	II.9.	13,834	11,542
Trade receivables and other current assets		**230,460**	**257,491**
Gold	II.5.	6,492	4,808
Securities	II.5.	114,793	121,906
Derivative financial instruments	II.5.	69	172
Financial assets		**121,354**	**126,886**
Cash in hand	II.11.	27	51
Bank balances	II.11.	390,122	313,850
Cash in hand, bank balances		**390,149**	**313,901**
		786,324	**752,655**
Total assets		**1,214,671**	**1,149,020**

Statement of financial position Equity and liabilities (IFRS)	Notes	31 Dec 2024 audited €k	31 Dec 2023 audited €k
Equity			
Issued capital	II.12.1	5,411	5,716
Capital reserve	II.12.2	434,249	469,193
Legal reserve	II.12.3	61	61
Retained earnings and other comprehensive income	II.12.4	120,801	80,355
Non-controlling interests	II.12.5	222,659	208,582
		783,181	**763,908**
Non-current liabilities			
Liabilities to banks	II.14.	22,947	23,044
Lease liabilities	II.17.	11,289	10,759
Liabilities from participation rights	II.14.	10,213	10,213
Contract liabilities	II.14.	662	810
Liabilities to non-controlling interests	II.14.	3,857	1,967
Other liabilities	II.15.	797	2,769
Pension provisions	II.13.	20,122	18,928
Other provisions	II.16.	2,126	4,739
Deferred tax liabilities	II.10.1	44,951	29,433
		116,965	**102,662**
Current liabilities			
Liabilities to banks	II.14.	20,492	12,473
Lease liabilities	II.17.	7,583	7,865
Trade payables	II.14.	54,182	66,316
Contract liabilities	II.14.	104,373	97,086
Liabilities to non-controlling interests	II.14.	3,179	1,787
Other liabilities	II.15.	42,222	33,028
Accruals	II.16.	45,096	37,278
Income tax liabilities	II.10.2	11,105	8,997
Other provisions	II.16.	26,293	17,619
		314,525	**282,450**
Total equity and liabilities		**1,214,671**	**1,149,020**

Consolidated statement of cash flows	1 Jan - 31 Dec 2024 €k	1 Jan - 31 Dec 2023 €k
1. Cash flow from operating activities		
Earnings before interest and taxes (EBIT)	**99,037**	**33,919**
Depreciation and amortization expense	46,645	44,272
Increase (+), decrease (-) in provisions	5,392	4,157
Gains (-), Losses (+) from disposal of non-current assets	57	-79
Income from joint ventures and associates	-6,029	-14,740
Other non-cash expenses and income	-2,055	853
Adjustments for non-cash transactions	**44,009**	**34,463**
Increase (-), decrease (+) in inventories, trade receivables and other assets	37,533	10,403
Decrease (-), increase (+) in trade payables and other liabilities	9,535	43,455
Change in working capital	**47,067**	**53,858**
Income taxes paid	-11,357	-18,252
Other taxes paid	-1,403	-887
Interest received	11,385	7,450
Dividend proceeds from joint ventures and associates	7,183	15,834
Reclassification to interest received and to cash flow from investing activities	-1,730	-21
Cash flow from operating activities	**194,192**	**126,364**
2. Cash flow from investing activities		
Investments (-), divestments (+) intangible assets	-8,525	-8,554
Investments (-), divestments (+) property, plant and equipment	-47,937	-39,671
Investments in long-term financial assets and securities	-68,198	-152,663
Proceeds from long-term financial assets and securities	75,009	106,208
Business combinations (less cash received)	-126	-294
Cash flow from investing activities	**-49,778**	**-94,975**
3. Cash flow from financing activities		
Proceeds from equity contributions from other shareholders	0	7,989
Payments for transaction costs from the issue of equity instruments	0	-342
Profit distribution to shareholders	-5,376	-5,716
Payments to non-controlling interests	-3,628	-3,980
Purchase of treasury shares	-40,350	-7,002
Acquisition of treasury shares by subsidiaries	-5,972	-8,899
Proceeds from sale of treasury shares relating to share-based payments	4,478	0
Payments for (-), proceeds from disposal of (+) shares without change of control	-11,924	-35,674
Proceeds from borrowings	20,554	20,665
Repayments of loans	-12,893	-34,522
Payments for lease liabilities	-8,847	-9,196
Interest payments	-4,286	-3,419
Cash flow from financing activities	**-68,245**	**-80,097**
Cash and cash equivalents at end of period		
Change in cash and cash equivalents (Subtotal 1-3)	76,169	-48,707
Effects of changes in foreign exchange rates (non-cash)	78	-98
Cash and cash equivalents at start of reporting period	313,901	362,706
Cash and cash equivalents at end of period*	**390,149**	**313,901**

*Cash and cash equivalents totalled €616,168 thousand as at the reporting date (previous year: €529,635 thousand) and also include gold and securities holdings. A reconciliation of cash and cash equivalents to liquid funds can be found under II.11. 'Cash in hand, bank balances' in the Notes to the consolidated financial statements.

Statement of changes in consolidated equity											
				Retained earnings and other comprehensive income							
	Issued capital	Capital reserve	Legal reserve	Currency translation difference	Fair value reserve	Reserve for pensions	Other reserve	Retained earnings	Attributable to MBB SE shareholders	Non-controlling interests	Consolidated equity
	€k	€k	€k	€k	€k	€k	€k	€k	€k	€k	€k
1 Jan 2023	**5,804**	**475,240**	**61**	**-2,548**	**21,063**	**678**	**-1,672**	**43,913**	**542,541**	**226,987**	**769,527**
Dividends paid	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-5,716**	**-5,716**	**-2,745**	**-8,462**
Amounts recognised in other comprehensive income	0	0	0	0	19,734	-68	0	0	19,666	227	19,893
Currency translation difference	0	0	0	1,627	0	0	0	0	1,627	-48	1,579
Consolidated net profit	0	0	0	0	0	0	0	12,150	12,150	12,104	24,253
Total comprehensive income	**0**	**0**	**0**	**1,627**	**19,734**	**-68**	**0**	**12,150**	**33,443**	**12,283**	**45,726**
Purchase of treasury shares	-88	-6,914	0	0	0	0	0	0	-7,002	0	-7,002
Acquisition of treasury shares in subsidiaries	0	0	0	2	109	49	0	-1,055	-896	-8,003	-8,899
Capital increases in subsidiaries	0	0	0	-8	0	85	0	556	633	7,014	7,647
Capital transactions involving a change in ownership interest	0	0	0	10	171	186	0	-8,873	-8,505	-27,169	-35,674
Changes in the scope of consolidation	0	0	0	0	0	0	0	0	0	8	8
Other changes	0	867	0	0	0	0	0	-39	828	207	1,036
31 Dec 2023	**5,716**	**469,193**	**61**	**-917**	**41,077**	**930**	**-1,672**	**40,936**	**555,326**	**208,582**	**763,908**
Dividends paid	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-5,376**	**-5,376**	**-3,058**	**-8,434**
Amounts recognised in other comprehensive income	0	0	0	0	13,973	-453	0	0	13,520	-278	13,243
Currency translation difference	0	0	0	571	0	0	0	0	571	155	725
Consolidated net profit	0	0	0	0	0	0	0	37,660	37,660	29,071	66,731
Total comprehensive income	**0**	**0**	**0**	**571**	**13,973**	**-453**	**0**	**37,660**	**51,751**	**28,948**	**80,699**
Purchase of treasury shares	-419	-39,931	0	0	0	0	0	0	-40,350	0	-40,350
Acquisition of treasury shares in subsidiaries	0	0	0	0	74	30	0	-835	-731	-5,241	-5,972
Capital transactions involving a change in ownership interest	0	0	0	1	-10	16	0	-5,204	-5,198	-6,727	-11,924
Share-based remuneration	113	4,987	0	0	0	0	0	0	5,101	154	5,254
31 Dec 2024	**5,411**	**434,249**	**61**	**-345**	**55,114**	**523**	**-1,672**	**67,181**	**560,522**	**222,659**	**783,181**

Notes to the Consolidated Financial Statements for 2024

I. Methods and principles

1. Basic accounting information

1.1 Information on the company

MBB SE has its registered office at Joachimsthaler Straße 34, 10719 Berlin, Germany. It is entered in the commercial register of the Berlin-Charlottenburg Local Court under the number HRB 165458. MBB SE has been listed on the stock exchange since 9 May 2006 and has been listed in the Prime Standard of the Frankfurt Stock Exchange under the securities identification number A0ETBQ since 20 June 2008. It is the parent company of the MBB Group

MBB SE a family-run, medium-sized group that has been growing sustainably through organic growth and the acquisition of companies since it was founded. The core of the business model is to increase the long-term value of the individual companies and the Group as a whole.

The consolidated financial statements of MBB SE for the 2024 financial year were approved by the Board of MBB SE on 27 March 2025 and will be published on MBB's website and submitted to the company register on 31 March 2025.

1.2 Accounting policies

Due to its admission to the regulated market, MBB SE prepares its consolidated financial statements in accordance with IFRS. The consolidated financial statements as at 31 December 2024 have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) as adopted by the European Union (EU) and applicable at the reporting date. The term IFRS comprises the International Accounting Standards (IAS) still in force, the International Financial Reporting Standards (IFRS) and the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRS IC). The consolidated financial statements comply with the IFRS issued by the IASB. The consolidated financial statements have been supplemented by a summarised management report and Group management report in accordance with Section 315 HGB and additional notes in accordance with Section 315e HGB.

Unless otherwise stated, all figures in this report refer to 31 December 2024 or the financial year from 1 January to 31 December 2024. Rounding differences may occur in percentages and figures in this report.

Application of new and amended standards

There were no significant changes to the accounting standards in the 2024 financial year that have an impact on these consolidated financial statements.

The following new and amended standards were applicable for the first time in the 2024 financial year.

Regulation	Title	Effects
IAS 1	Amendment - Classification of liabilities as current or non-current and Non-current liabilities with covenants	none
IAS 7, IFRS 7	Amendment - Supplier finance arrangements	none
IFRS 16	Amendment - Lease liability in a sale and leaseback	none

Accounting standards to be applied after the financial year

The following newly issued standards or standards that have been endorsed, or amendments to standards or interpretations that were not mandatory, were not applied early in these consolidated financial statements. Where the amendments affect MBB, the future impact on the consolidated financial statements is still being assessed or is not material.

Regulation	Title	Application	Effect
IAS 21	Amendment - Lack of exchangeability	01/01/2025	no material effects
	Annual Improvements Volume 11	01/01/2026	no material effects
IFRS9, IFRS 7	Amendment - Classification and Measurement of Financial Instruments	01/01/2026	no material effects
IFRS9, IFRS 7	Amendment - Contracts Referencing Nature-dependent Electricity	01/01/2026	no material effects
IFRS 18	Presentation and Disclosure in Financial Statements	01/01/2027	is being reviewed
IFRS 19	Subsidiaries without Public Accountability: Disclosures	01/01/2027	no material effects

Any standards that are not listed in the overview above are of secondary importance to the financial statements of MBB.

Effects of IFRS 18

In April 2024, the IASB published IFRS 18 "Presentation and Disclosure in Financial Statements". IFRS 18 requires additional, defined subtotals in the income statement, disclosures on performance measures determined by management, adds new principles for summarising and disaggregating information and makes limited amendments to IAS 7 "Statement of Cash Flows". IFRS 18 replaces IAS 1 "Presentation of Financial Statements". The new standard must be applied for the first time for financial years beginning on or after 1 January 2027. Earlier application is permitted. First-time application must be retrospective. The effects of first-time application on the consolidated financial statements are currently being examined.

1.3 Business combinations

A business combination was carried out in the Service & Infrastructure segment in the financial year:

Seyde and Coburg Kathodischer Korrosionsschutz GmbH

A purchase agreement for the acquisition of 100% of the shares in Seyde und Coburg Kathodischer Korrosionsschutz GmbH, Ludwigsfelde, was signed on 29 February 2024. Seyde und Coburg generates profitable annual revenue in the low millions and expands the Group's increasingly important corrosion protection expertise. The company was consolidated for the first time on 29 February 2024 and this business combination resulted in a positive difference (goodwill) of €173 thousand.

The acquisition costs can be allocated to the assets acquired and liabilities assumed, measured at their fair values, as follows:

Seyde und Coburg Kathodischer Korrosionsschutz GmbH in € thousand	Carrying amount before PPA	Fair Value according to PPA
Assets and liabilities		
Intangible assets	0	0
Property, plant and equipment	69	69
Current assets	72	72
Cash and bank balances	74	74
Provisions and liabilities	186	186
Deferred tax liabilities	2	2
Identified acquired net assets	**27**	**27**
Calculation of difference		
Purchase price for acquired shares		200
Total acquisition costs		**200**
Identified acquired net assets (100%)		27
Goodwill (+)		**173**
Net cash payments from the acquisition		126

The business combination was recognised using the purchase method. The value of the revalued equity at the time of initial consolidation was €27 thousand. The current receivables acquired as part of the transaction, which mainly consist of trade receivables and tax receivables, have a fair value of

€17 thousand, which also corresponds to the gross value of the receivables. The best estimate of the contractual cash flows at the time of acquisition, which are not expected to be recoverable, amounts to €0 thousand. Furthermore, there were no contingent receivables or liabilities. The incidental transaction costs totalled €3 thousand. Since the date of initial consolidation, revenue of €529 thousand and a loss of €82 thousand have been recognised from the acquired company. If the company had been included in the Group at the beginning of 2024, projections indicate that revenue of €538 thousand and a loss of €166 thousand from this company would have been recognised in the consolidated financial statements. The purchase price for the acquired shares totalled €200 thousand and was paid in full in cash.

The goodwill arising is mainly the result of efficiency and synergy gains. No tax deductibility is expected for the goodwill resulting from the acquisition.

Overall effects of the business combination

The consolidated result includes losses of €82 thousand from the company included in the consolidated financial statements for the first time in the financial year. Revenue includes €529 thousand from the subsidiary consolidated for the first time in the financial year. If the business combination had taken place on 1 January 2024, projections show that consolidated revenue would have increased by €9 thousand and consolidated net income would have decreased by €84 thousand (before non-controlling interests).

Goodwill totalling €173 thousand was recognised from the business combination. Companies consolidated for the first time are recognised at the time of acquisition or at a more recent reporting date, provided that this does not result in any material changes compared to consolidation at the time of acquisition.

1.4 Legal and structural changes in 2024

On 31 January 2024, MBB resolved to make use of the authorisation granted by the Annual General Meeting on 12 June 2023 to acquire treasury shares in accordance with Art. 5 SE-VO in conjunction with Section 71 para. 1 no. 8 AktG. § Section 71 (1) no. 8 AktG to make use of this authorisation. On 15 March 2024, MBB repurchased 393,522 treasury shares at a price of €96.00 for a total value of €37,778,112.00.

On 30 October 2024, the Executive Management and the Board of MBB resolved to retire all 280,223 treasury shares remaining after allocation under the share option programme as at this date for the purpose of reducing the share capital. Following the cancellation of the treasury shares and the effectiveness of the capital reduction, the share capital of MBB SE amounts to €5,436 thousand (previously €5,716 thousand) and is divided into 5,436,169 no-par value bearer shares with a notional interest in the share capital of €1.00 per share.

On 30 October 2024, the Executive Management and the Board of MBB SE resolved to make use of the authorisation granted by the Annual General Meeting on 26 June 2024 to acquire treasury shares in accordance with section 71(1) no. 8 AktG. In the period from 15 November 2024 to 30 December 2024, MBB SE repurchased 25,555 treasury shares at an average price of €100.64 with a total value of €2,572 thousand. The nominal value of the treasury shares acquired of €26 thousand is deducted from subscribed capital. The difference between the acquisition cost of the treasury shares and the nominal value of the treasury shares acquired was offset against the capital reserves in the amount of €2,546 thousand.

In the past financial year, Aumann AG acquired 348,272 treasury shares as part of a share buy-back programme with a total value of €5,972 thousand and held treasury shares representing 5.9% of the share capital as at 31 December 2024.

On 13 August 2024, Aumann AG exercised its option to acquire the remaining 5.1% of the shares in Aumann Immobilien GmbH at a purchase price of €1.00 per share.

For Delignit Technology (Beijing) Co, Ltd, Beijing, which was founded in the reporting period, the capital contribution and commencement of business will take place in 2025.

MBB SE acquired a total of 725,247 shares in Friedrich Vorwerk Group SE at a cost of €11,924 thousand in the 2024 financial year. MBB's shareholding in Friedrich Vorwerk Group SE was 50.49% as at the end of the reporting period (31 December 2023: 46.86%).

2. Group of consolidated companies

In addition to the parent company MBB SE, the companies listed below are included in the consolidated financial statements. The ownership interests are calculated by multiplying the number of shares held in the respective company. The companies listed in bold hold direct or indirect interests in the companies below.

Companies included in the consolidated financial statements Name and registered office of the company	Ownership interest in %
Subsidiaries (fully consolidated)	
Aumann AG, Beelen, Germany	**48.53**
Aumann Beelen GmbH, Beelen, Germany	48.53
Aumann Berlin GmbH, Beelen, Germany	48.53
Aumann Winding and Automation Inc., Clayton, USA	48.53
Aumann Lauchheim GmbH, Lauchheim, Germany	48.53
Aumann Espelkamp GmbH, Espelkamp, Germany	48.53
Aumann Immobilien GmbH, Espelkamp, Germany	48.53
Aumann Limbach-Oberfrohna GmbH, Limbach-Oberfrohna, Germany	48.53
Aumann Technologies (China) Ltd. Changzhou, China	48.53
CT Formpolster GmbH, Löhne, Germany	**100.00**
Delignit AG, Blomberg, Germany	**60.37**
Blomberger Holzindustrie GmbH, Blomberg, Germany	60.37
Hausmann Verwaltungsgesellschaft mbH, Blomberg, Germany	60.37
Delignit Immobiliengesellschaft mbH, Blomberg, Germany	60.37
Delignit North America Inc., Atlanta, USA	60.37
DHK automotive GmbH, Oberlungwitz, Germany	60.37
Delignit Technology (Beijing) Co., Ltd., China[1]	0.00
DTS IT AG, Herford, Germany	**80.00**
DTS CLOUD SECURITY MonEPE, Athens, Greece	80.00
DTS Systeme GmbH, Herford, Germany	80.00
DTS Systeme Münster GmbH, Münster, Germany	80.00
ISL Internet Sicherheitslösungen GmbH, Bochum, Germany	64.27
Friedrich Vorwerk Group SE, Tostedt, Germany	**50.49**
Friedrich Vorwerk Management SE, Tostedt, Germany	50.49
Friedrich Vorwerk SE & Co. KG, Tostedt, Germany	45.45
Bohlen & Doyen Anlagenbau Holding GmbH, Tostedt, Germany	45.45
Bohlen & Doyen Service und Anlagentechnik GmbH, Wiesmoor, Germany	45.45
Bohlen & Doyen Bau Holding GmbH, Tostedt, Germany	45.45
Bohlen & Doyen Bau GmbH, Wiesmoor, Germany	45.45
EAS Einhaus Anlagenservice GmbH, Geeste, Germany	45.45
European Pipeline Services GmbH, Tostedt, Germany	45.45
Gottfried Puhlmann GmbH, Marne, Germany	45.45
Gottfried Puhlmann GmbH Havelländische Bauunternehmung, Ludwigsfelde, Germany	45.45
Gottfried Puhlmann Hamburg GmbH, Tostedt, Germany	45.45
Hempel Aluminiumbau GmbH, Storkow (Mark), Germany	45.45
KORUPP GmbH, Twist, Germany	45.45
Seyde und Coburg Kathodischer Korrosionsschutz GmbH, Tostedt, Germany	45.45
Vorwerk - ASA GmbH, Herne, Germany	45.45
Vorwerk-EEE GmbH, Tostedt, Germany	45.45
Vorwerk Pipeline- und Anlagenservice GmbH, Petersberg, Germany	45.45
Vorwerk Verwaltungs GmbH, Tostedt, Germany	45.45
5C-Tech GmbH, Tostedt, Germany	31.82

Companies included in the consolidated financial statements Name and registered office of the company	Ownership interest in %
Hanke Tissue Sp. z o.o., Kostrzyn, Poland	**94.08**

[1]For the company founded in the reporting period, the capital contribution will be made and business will commence in 2025.

The following table shows the associates and joint ventures included in the consolidated financial statements. The shareholdings are shown from the perspective of the respective subgroup parent company.

Name of the company	Ownership interest in %
Joint ventures (Consortiums)	
ARGE Bavaria Loop Süd	33.33%
ARGE DOW Ohrensen K28	50.00%
ARGE EGL 442	58.00%
ARGE EmCo KÜA	50.00%
ARGE EWA	50.00%
ARGE BVM BalWin4 + LanWin1	50.00%
ARGE BVM CHC Emden	33.33%
ARGE ETL 178 Walle - Wolfsburg	50.00%
ARGE EUGAL Los 7+8	37.50%
ARGE Flugplatz WTM IT-Ltg	50.00%
ARGE Get H2 Lingen	10.00%
ARGE Kabeltrasse A310	50.00%
ARGE Kabeltrasse GSH	40.00%
ARGE Kabeltrasse Mehringen	45.00%
ARGE Kabeltrasse WMC	40.00%
ARGE Konverter A-Nord	33.33%
ARGE KÜA A310	50.00%
ARGE KÜA Beverbruch	50.00%
ARGE LNG Brunsbüttel	50.00%
ARGE NWKG - 3. BA	50.00%
ARGE NWKG K301/K603	50.00%
ARGE NWKG K302/K308	50.00%
ARGE RamBO SuedLink	50.00%
ARGE SEL 01	50.00%
ARGE SEL 02	50.00%
ARGE STORAG ETZEL VT 8 / VT 16	50.00%
ARGE VS Rehden II	40.00%
ARGE VS Würselen - MCC-I	45.00%
ARGE VS Würselen - Vorabmaßnahmen	50.00%
ARGE Werne-Schlüchtern	50.00%
ARGE Zeelink 3+5 (Beistellung)	50.00%
Dach-ARGE A310 Tunnel Henstedt	33.73%
Dach-ARGE AL Nonnendorf	50.00%
Dach-ARGE Ausbau Mantelrohre 2023/2024	50.00%
Dach-ARGE B3 MLK Brücke Los 2	58.10%
Dach-ARGE Baltrum Büsum	33.33%
Dach-ARGE BORWIN 5	50.00%
Dach-ARGE Elbchaussee 1. BA	36.00%
Dach-ARGE Ersatzneubau Fernwärmetrasse 60 Passendorfer Wiesen Abschnitt A, Teil 2 Brückenneubau	45.00%
Dach-ARGE Fehlstellensanierung	50.00%
Dach-ARGE Fehlstellensanierung 2021 - Stationssanierung AS Asbeck	50.00%
Dach-ARGE Fehlstellensanierung 2021 - Stationssanierung AS Frömern, AS Bötersen	50.00%
Dach-ARGE Fehlstellensanierung 2021 - Stationssanierung Campus Rehden	50.00%
Dach-ARGE Fehlstellensanierung 2021 - Umbau K 460 BASF	50.00%
Dach-ARGE Fehlstellensanierung 2021 - Umhüllungen	50.00%
Dach-ARGE GDRM Anlagen Zeelink	50.00%
Dach-ARGE HD-Leitung Iserlohn	52.34%
Dach-ARGE HD-Leitung Kaisersesch	50.00%
Dach-ARGE Kabeltrasse A250 Mehringen	50.00%
Dach-ARGE Kabeltrasse A310	50.00%
Dach-ARGE Kabeltrasse Ganderkesee - St. Hülfe	50.00%

Dach-ARGE Kabeltrasse WMC	50.00%
Dach-ARGE L06035 HDD Querung A44 - Werl	90.00%
Dach-ARGE Mainka Puhlmann	50.00%
Dach-ARGE Ostwind 3 Los 1 Anlandung	33.33%
Dach-ARGE RamBo WMC Kabelzug	38.68%
Dach-ARGE RV Ruhrtalleitung BA 2+3	45.00%
Dach-ARGE Stadtbeleuchtung II	50.00%
Dach-ARGE TAV	50.00%
Dach-ARGE Technische Dienstleistung Gasunie Deutschland	33.30%
Dach-ARGE Thyssengas STEAG Leitung	63.70%
Dach-ARGE ZEELINK Los 3 - (bis) 5	25.00%
Dach-ARGE Zollvereinring	66.67%
JV Baltic Pipe	33.33%
Associates at amortized cost	
S.C. Cildro Plywood S.R.L., Drobeta Turnu Severin, Romania	24.00%
S.C. Cildro S.A., Drobeta Turnu Severin, Romania	17.90%
S.C. Cildro Service S.R.L., Drobeta Turnu Severin, Romania	17.90%

There are significant non-controlling interests in Aumann AG and Friedrich Vorwerk Group SE. As at the balance sheet date, the shareholding in Aumann AG was 48.53% (previous year: 48.53%) and 50.49% (previous year: 46.86%) in Friedrich Vorwerk Group SE.

The summarised financial information for the Aumann Group and the Friedrich Vorwerk Group is shown below and corresponds to the amounts before intra-Group eliminations

	Friedrich Vorwerk		Aumann	
	31 Dec 2024 €k	31 Dec 2023 €k	31 Dec 2024 €k	31 Dec 2023 €k
Non-current assets	152,677	137,697	82,128	82,161
Current assets	284,883	173,579	243,314	270,570
Non-current liabilities	60,541	46,004	37,276	30,807
Current liabilities	172,012	93,730	86,451	132,617
Net assets	205,006	171,542	201,715	189,308

	2024 €k	2023 €k	2024 €k	2023 €k
Revenue	498,353	373,355	312,346	289,606
Consolidated net profit	35,703	10,273	21,506	9,583
of which attributable to non-controlling interests	*17,622*	*6,256*	*10,445*	*4,877*
Dividend paid to non-controlling interests	1,771	2,757	1,389	758
Cash flow from operating activities	155,584	50,424	19,201	41,948
Cash flow from investing activities	-35,597	-29,473	-36	-15,084
Cash flow from financing activities	-1,872	-10,309	-13,014	-14,247

3. Principles of consolidation

The consolidated financial statements comprise the financial statements of MBB SE and its subsidiaries as of 31 December of each financial year. The financial statements of the subsidiaries are prepared using uniform accounting policies and for the same reporting period as the financial statements of the parent company.

The balance sheet date for all subsidiaries included in the consolidated financial statements is 31 December of the relevant financial year.

3.1 Subsidiaries

Subsidiaries are the companies over which MBB SE exercises control. Control exists when one entity has power over another entity. This is the case when rights exist that give the current ability to direct the relevant activities. Significant activities are those activities that have a material influence on a company's returns. Subsidiaries are fully consolidated from the date on which the possibility of control exists and cease to be consolidated when the possibility of control no longer exists.

Capital consolidation is carried out in accordance with IFRS 3 using the purchase method. Any excess of the acquisition costs over the fair value of the net assets attributable to the Group is capitalised as goodwill.

If the fair value of the net assets attributable to the Group is higher than the acquisition cost of the shares, this results in a negative difference that is recognised immediately in profit or loss after a further review of the purchase price allocation or fair values of the acquired assets, liabilities and contingent liabilities. If not all shares in a subsidiary have been acquired, non-controlling interests are initially recognised at the time of acquisition at their corresponding share of the identifiable net assets of the acquired company.

MBB SE consolidates Aumann AG even though its interest in the company is less than 50%. For the decision on full consolidation, IFRS 10 is based not only on the ownership interest but also on actual control.

In the case of Aumann AG, MBB SE held 48.53% of the shares in Aumann AG as at the end of the reporting period (previous year: 48.53%). The criterion of control is met in accordance with IFRS 10, as MBB SE holds the absolute majority of voting rights at the Annual General Meeting of Aumann AG. Aumann's treasury shares do not carry voting rights, meaning that MBB held more than of the voting shares in Aumann as at the end of the reporting period

In the case of Friedrich Vorwerk Group SE, the criterion of control was met in the previous year because there was an agreement between the two largest shareholders, MBB SE, which held 46.86% of the shares as at 31 December 2023, and ALX Beteiligungsgesellschaft mbH, which held 18.75% of the shares, on the uniform exercise of voting rights. MBB held more than 50% of the voting shares as at the end of the reporting period.

3.2 Non-controlling interests

At the time of acquisition, non-controlling interests are initially measured at their corresponding share of the identifiable net assets of the acquired company. Changes in the Group's share in a subsidiary that do not result in a loss of control are recognized as equity transactions.

3.3 Associates

Companies in which MBB holds between 20.0% and 50.0% of the share capital are classified as associates if MBB has a significant influence but does not control them. In cases of a controlling influence, the respective companies are fully consolidated (see section 3.1).

Associates are included in the consolidated financial statements using the equity method. Associates not accounted for using the equity method due to immateriality are measured at amortized cost and reported under „Financial assets“ within non-current assets.

3.4 Joint arrangements

Joint ventures are those in which the Group exercises joint control together with a third party in accordance with IFRS 11. Joint ventures are accounted for at MBB using the equity method and reported under “Financial assets” within non-current assets. Joint ventures not accounted for using the equity method due to immateriality are measured at amortized cost.

Consortiums are particularly common in Germany, where they are most frequently found in the construction industry. According to a statement by the Institute of Public Auditors in Germany, a typical German consortium satisfies the requirements for classification as a joint venture. The results of consortiums are reported pro rata under Income from joint ventures and associates. In particular, receivables from and liabilities to consortiums include cash receipts and payments and cost allocations, and are reported under trade receivables and other liabilities.

4. Presentation of accounting policies

4.1 General information

The accounting and valuation methods applied correspond to those of the previous year's consolidated financial statements.

The consolidated financial statements have been prepared on a going concern basis and, with the exception of the revaluation of certain financial instruments, on the basis of historical cost. Historical cost is generally based on the fair value of the consideration paid in exchange for the asset.

The balance sheet is broken down into current and non-current assets and liabilities. The statement of comprehensive income is prepared using the nature of expense method to determine the consolidated net profit for the year.

4.2 Reporting currency

The consolidated financial statements are prepared in euro, as the majority of Group transactions are conducted in this currency. Unless stated otherwise, all figures are rounded up or down to thousands of euro in line with standard commercial practice. The amounts are stated in euro (€), thousands of euro (€ thousand) and millions of euro (€ million).

4.3 Currency translation

Currency translation is performed in accordance with the provisions of IAS 21.

The items included in the financial statements of the respective company are measured using the functional currency of the group company. Foreign currency transactions are then translated into the functional currency at the spot exchange rate on the date of the transaction.

Foreign currency monetary assets and liabilities are translated into the functional currency at the end of each reporting period using the closing rate. All exchange differences are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the ex-change rate at the date when the fair value was determined.

The assets and liabilities of the foreign operations are translated into euro at the closing rate. Income and expenses are translated at the average exchange rate for the financial year. The resulting currency translation differences are recognized as a separate component of equity.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities resulting from the acquisition of that foreign operation are translated at the closing rate.

The following exchange rates were applied (for €1.00):

	Closing rate 31 Dec 2024	Average rate 2024
Polish zloty (PLN)	4.2750	4.3057
Chinese renminbi (CNY)	7.5833	7.7862
US-Dollar (USD)	1.0389	1.0821

	Closing rate 31 Dec 2023	Average rate 2023
Polish zloty (PLN)	4.3395	4.5421
Chinese renminbi (CNY)	7.8509	7.6591
US-Dollar (USD)	1.1050	1.0816

4.4 Intangible assets

Intangible assets are recognised and initially measured at cost in accordance with the criteria of IAS 38 and, in the case of business combinations, at fair value in accordance with IFRS 3.

Costs for research activities are charged as expenses in the period in which they are incurred, whereas development costs are capitalised if all of the capitalisation criteria of IAS 38 are met.

If these criteria are not met, the development costs are expensed in the period in which they are incurred.

Intangible assets are subsequently measured using the cost model in accordance with IAS 38. Intangible assets (excluding goodwill) are amortised on a straight-line basis over their estimated useful life.

With the exception of goodwill, the Group has no intangible assets with indefinite useful lives.

The acquisition costs of new software are capitalised and treated as an intangible asset unless these costs are an integral part of the associated hardware. Software is amortised on a straight-line basis over a period of three to five years.

Capitalized development costs are amortized on a straight-line basis over a period of up to seven years.

Patents are amortized over a useful life of 10 years.

Costs incurred in order to restore or maintain the future economic benefits that the company had originally expected are recognized as an expense.

Gains and losses from the disposal of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized in profit or loss in the period in which the asset is disposed of.

4.5 Goodwill

Goodwill from business combinations accounted for in accordance with IFRS 3 is the residual amount of the excess of the cost of the business combination over the Group’s interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.

Goodwill is not amortised but allocated to a cash-generating unit ("CGU") as part of the business combination. The goodwill is tested for impairment at least once a year in accordance with the provisions of IAS 36.

If a subsidiary is sold, the amount of the goodwill attributable to the subsidiary is taken into account in calculating the gain on disposal.

4.6 Property, plant and equipment

Expenditure on property, plant and equipment is recognised and initially measured at cost in accordance with the criteria of IAS 16 and, in the case of business combinations, at fair value in accordance with IFRS 3.

Depreciation is calculated on a straight-line basis over the expected useful economic life, assuming a residual value of €0.00. The following estimated useful lives are used for the individual asset groups:

- Buildings and exterior installations: 5 to 50 years
- Technical equipment and machinery: 1 to 21 years
- Computer hardware: 3 years
- Other office equipment: 2 to 25 years

Land is not depreciated.

Prepayments made and property, plant and equipment under construction are not depreciated or amortised until completion.

If items of property, plant and equipment are disposed of or scrapped, the corresponding cost and the cumulative depreciation are derecognized; any realized gain or loss from the disposal is recognised in profit or loss.

4.7 Leases

Leases are identified in accordance with the provisions of IFRS 16. Leases are recognised by capitalising a right-of-use asset and recognising the present value of the lease payments (lease liability) as a liability.

As a lessee, the Group primarily utilises real estate, motor vehicles and other technical equipment and machinery.

Lease payments are discounted at the interest rate implicit in the lease, if this can be readily determined. Otherwise they are discounted using the incremental borrowing rate. MBB uses the incremental borrowing rate. This incremental borrowing rate is a risk-adjusted interest rate derived for the specific term and currency, also taking into account the credit rating of the individual Group companies.

The right-of-use asset is initially measured at cost in accordance with IFRS 16.24 at commencement date. Subsequent measurement is based on the cost model with straight-line amortisation of the right-of-use asset and any remeasurements due to impairment losses or remeasurements of the lease liability from contract modifications.

For contracts that contain lease and non-lease components, these components are separated.

Some leases, in particular those for property, include extension options. When determining the lease term, such options are only taken into account if it is reasonably certain that they are excercised. The assessment of whether options are reasonably certain to be exercised affects the term of the lease and can therefore have a significant effect on the measurement of the lease liabilities and the right-of-use assets.

MBB exercises the option under IFRS 16 not to recognize right-of-use assets and lease liabilities for low-value (i.e. value of underlying asset €5,000 or less on acquisition) and short-term leases (remaining term of twelve months or less). The lease payments associated with these leases are recognised as an expense on a straight-line basis over the term of the lease.

In rare cases, MBB is the lessor. These leases are not material to the company's consolidated financial statements.

MBB has no investment property.

4.8 Borrowing costs

Borrowing costs are expensed in the period in which they are incurred, unless they are incurred for the acquisition, construction or manufacturing of qualifying assets. In this case, the borrowing costs are added to the cost of these assets. Interest expenses are capitalised for qualifying assets.

4.9 Impairment of non-financial assets

Non-financial assets are tested for impairment in case facts or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. For impairment testing, the recoverable amount of the asset or the cash-generating unit (CGU) as defined under IAS 36 must be determined.

If the recoverable amount falls below the carrying amount, an impairment loss in the amount of the difference is immediately recognised in profit or loss.

Non-financial assets other than goodwill are recognised in profit or loss in accordance with the requirements set out in IAS 36.110 and the carrying amounts and limits set out in IAS 36.117 and IAS 36.122.

4.10 Financial instruments – Initial recognition and subsequent measurement

The classification, measurement and impairment of financial instruments as well as the recognition of derecognition are carried out in accordance with the provisions of IFRS 9. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

I) Financial assets

Initial recognition and measurement

With the exception of trade receivables, the Group measures financial assets at fair value on initial recognition. Trade receivables that do not contain a significant financing component are measured at the transaction price calculated in accordance with IFRS 15.

A purchase or sale of financial assets carried out at market conditions is measured on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

On initial recognition, financial assets must be classified in accordance with the criteria of IFRS 9.4.1 for the purposes of subsequent measurement. Further information on the classification criteria and subsequent measurement is presented below.

Subsequent measurement

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

- financial assets measured at amortised cost (debt instruments)
- assets measured at fair value through other comprehensive income with the reclassification of cumulative gains and losses (debt instruments)
- assets measured at fair value through other comprehensive income without the reclassification of cumulative gains and losses on derecognition (equity instruments)
- financial assets measured at fair value through profit or loss

Financial assets measured at amortised cost (debt instruments)

The Group measures financial assets at amortised cost when both the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The financial assets' contractual cash flows are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost are subsequently measured using the effective interest rate method and are tested for impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or is impaired.

The Group's financial assets measured at amortised cost essentially comprise trade receivables.

Financial assets measured at fair value through other comprehensive income (debt instruments)

The Group measures debt instruments at fair value through other comprehensive income if both the following conditions are met:

- The financial asset is held within the framework of a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the financial assets' contractual cash flows are solely payments of principal and interest on the principal amount outstanding.

For debt instruments measured at fair value through other comprehensive income, interest income, gains and losses on currency translation and impairment losses or reversals of impairment losses are recognised in profit or loss and calculated in the same way as for financial assets measured at amortised cost.

The remaining changes in fair value are recognised in other comprehensive income. On derecognition, the cumulative gain or loss from changes in fair value recognised in other comprehensive income is reclassified to profit or loss.

The Group's debt instruments measured at fair value through other comprehensive income include listed bonds reported under short-term securities.

Financial assets measured at fair value through other comprehensive income (equity instruments)

On initial recognition, the Group can irrevocably elect to classify its equity instruments as equity instruments designated at fair value through other comprehensive income if they satisfy the definition of equity in accordance with IAS 32 and are not held for trading. This classification decision is made individually for each instrument.

Gains and losses from these financial assets are not reclassified to profit or loss. Dividends are recognized in profit or loss as other income when the right to receive payment of the dividend is established. Equity instruments at fair value through other comprehensive income are not tested for impairment.

The Group has elected to assign some of its listed equity instruments to this category.

Financial assets measured at fair value through profit or loss

Financial assets at fair value through profit or loss include according to IFRS 9.4.1.4

- financial assets "held for trading" according to the definition of IFRS 9, including derivatives not designated as hedging instruments,
- financial assets that are categorised at fair value through profit or loss upon initial recognition, or
- financial assets that are required to be measured at fair value.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented in the statement of profit or loss. This category includes derivative financial instruments and listed equity instruments held for trading.

Derecognition

A financial asset is generally derecognised if, in accordance with IFRS 9.3.2, the contractual rights to receive cash flows from the financial asset have either expired or have been transferred. In the event of a transfer, the associated transfer of significant risks and rewards or the transfer of control leads to the derecognition of the asset.

Impairment of financial assets

The Group recognises impairment for expected credit losses (ECL) on all debt instruments that are not measured at fair value through profit or loss in accordance with IFRS 9.5.5.1.

The measurement period of the expected credit loss is generally dependent on a significant increase in the default risk since initial recognition of the financial instrument. It is based on the expected 12-month credit loss if there is no significant increase in the default risk and on the remaining term (lifetime ECL) if there is a significant increase.

For trade receivables and contract assets, the Group applies the accounting option for risk provisioning, which is generally based on the lifetime ECL without examining changes in risk. On the basis of its past experience of credit losses, the Group has prepared a provision matrix that is adjusted for future factors if specific future factors of the borrower and the economic environment can be determined at reasonable effort.

For debt instruments measured at fair value through other comprehensive income that entirely comprise listed bonds, the Group uses the simplification for financial instruments with low credit risk. To do so, it assess whether the debt instrument has a low credit risk at the end of each reporting period. The Group measures the expected credit losses for these instruments on a 12-month basis. However, if the credit risk has increased significantly since initial recognition, the impairment loss is based on the lifetime ECL. It also takes into account that there is a significant increase in credit risk if contractual payments are more than 30 days overdue. The Group uses issuer credit default spreads to determine whether the credit risk on a debt instrument has increased significantly and to estimate the expected credit losses.

The Group considers a financial asset to be in default if contractual payments are 90 days past due and a subsequent detailed review of the debtor does not reveal other information. Moreover, it can assume in certain cases that a financial asset is in default if internal or external information indicates that it is unlikely that the Group will receive the outstanding contractual amounts in full before all credit enhancements held are taken into account. A financial asset is impaired in case there is no valid expectation that the contractual cash flows will eventually be collected.

II) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, liabilities, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and liabilities, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, contract liabilities, other liabilities and loans, including overdrafts.

Subsequent measurement

The subsequent measurement of financial liabilities is dependent on their classification:

Financial liabilities measured at fair value through profit or loss

In accordance with IFRS 9.4.2.1 and IFRS 9.4.2.2, financial liabilities at fair value through profit or loss include financial liabilities "held for trading" as defined in IFRS 9 as well as financial liabilities classified as at fair value through profit or loss upon initial recognition.

This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9 and as such are effective.

Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

The Group has only to a small extent financial liabilities measured at fair value through profit or loss.

Loans and liabilities

After initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Fees paid between the contracting parties as well as transaction costs, premiums and discounts are included in the calculation of the effective interest rate. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through amortisation process using the effective interest rate method reported under finance expenses.

Derecognition

According to IFRS 9.3.3 a financial liability is derecognised when the obligation underlying the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

III) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position 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.

4.11 Put options of non-controlling shareholders

If they arise in the course of business combinations and represent contingent consideration, put options must be recognized at fair value at the time of the business combination according to IFRS 3.58. Contingent consideration classified as an asset or liability is measured at fair value at each reporting date with changes recognized in profit or loss.

4.12 Derivative financial instruments

The Group uses derivative financial instruments to a limited extent, such as currency futures, interest rate swaps or commodity swaps to hedge against commodity price risks, foreign exchange rate risks and interest rate risks. They are accounted for under IFRS 9. These derivative financial instruments are initially and subsequently carried and remeasured at fair value. Derivative financial instruments with a positive fair value are recognised as financial assets, while derivative financial instruments with a negative fair value are recognised as financial liabilities. These derivative financial instruments are not designated as hedges, but instead are classified as held for trading.

4.13 Inventories

Inventories are accounted for in accordance with IAS 2 and recognised at the lower of acquisition or production cost and net realisable value (less necessary selling costs), taking into account the planned use. Raw materials, consumables and supplies as well as purchased goods are recognised at the lower of cost using the average price method or market price on the balance sheet date. Appropriate write-downs are recognised for inventory risks arising from the storage period and reduced usability. In addition to the cost of production materials and production wages, the pro-duction costs of work in progress and finished goods also include pro rata material and production overheads, assuming normal capacity utilisation.

4.14 Contract assets and contract liabilities

Contract assets and contract liabilities are recognised in accordance with IFRS 15. If revenue is recognised due to the fulfilment of a contractual performance obligation before the conditions for invoicing have been met or the customer has made a payment, the corresponding claim is recognised as a contract asset.

If payments are made by customers or receivables from a customer are contractually due before a contractual performance obligation has been satisfied and revenue has therefore been recognised, future revenue is measured in accordance with IFRS 15 and recognised as a contract liability. The contract liabilities are then released to revenue in accordance with the fulfilment of the contractual performance obligations.

If the contract asset value of a customer order exceeds the advance payments received on it, it is recognised as an asset under contract assets. In the opposite case, amounts are reported under “Contract liabilities”.

If it is probable that the production costs of construction contracts will exceed the recoverable amount, the expected losses are recognised immediately as an expense. In such cases, impairment is recognised up to the amount of the respective contract asset or – if the contract asset is exceeded – a provision for onerous contracts is recognised under short-term provisions in accordance with IAS 37. This recognition is case-based at the amount required to fulfil the current obligation of the contract.

Construction contracts in the area of energy grids (Service & Infrastructure segment)

For construction contracts related to energy grids (pipeline and underground power cable construction), revenue from construction contracts with customers is recognised, in accordance with IFRS 15, over a period of time as the projects are built on the customers’ site, and the customers therefore controls the assets created or improved. Project realisation is accounted for on the basis of individual contracts. The transaction price is allocated to separate performance obligations on the basis of cost estimates. The MBB Group uses the value of a contract agreed with the customer to determine the transaction price.

Revenue from these projects is recognised over a period of time using the output-oriented method on the basis of work performed to date. The work performed and the corresponding revenue are calculated at the level of the individual items according to the cost estimate. The direct progress estimate from work performed to date is the best indicator due to potential unforeseen deviations in budget costs. Work performed must be ascertained directly by the project team each month.

Payments for construction contracts are typically made in line with performance on the basis of regular invoices. Advance payments before commencement of the construction are common in plant engineering.

Revenue from construction contracts performed in consortiums is recognized over a period of time based on the work actually performed as at the end of the reporting period.

Inventories not yet used in construction but already available on construction sites are reported separately under inventories. Work already invoiced is recognised under trade receivables.

Supplementary work in connection with construction contracts is work that cannot be charged under existing contractual agreements, whose chargeability or acknowledgement has yet to be agreed with the customer. While the costs are recognised immediately in profit or loss when they are incurred, the revenue from supplementary work is only recognized after the customers' written acknowledgement has been received or on payment of the supplementary work, if payment is received before written acknowledgement.

Revenue in plant engineering (Service & Infrastructure segment)

Revenue is recognised over a period of time if a contractual arrangement leads to the construction of an assets without alternative use and there is a claim to payment including a profit margin on work already performed. The description on construction contracts related to energy grids applies accordingly.

In this segment, advance payments for plant construction prior to performance of services are customary for individual projects.

Construction contracts (Technological Applications segment)

For long-term construction contracts in the Technological Applications segment, revenue is recognised over a period of time if a contractual arrangement leads to the construction of an assets without alternative use and there is a claim to payment including a profit margin on work already performed. Revenue from these projects is recognised over time using the input-oriented method. When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognised by reference to the performance progress (percentage of completion) of the contract at the reporting date. The percentage of completion is calculated as the ratio of the contract costs incurred by the end of the reporting period to the total estimated contract costs as at the end of the reporting period (cost-to-cost method).

Construction contracts accounted for over time are recognized as contractual assets in the amount of the contract costs incurred by the end of the reporting period plus the proportionate profit resulting from the percentage of completion less advances received. Changes to contracts, additional amounts invoiced and incentive payments are recognised to the extent that a binding agreement has been concluded with the customer. If the result of a construction contract cannot be reliably estimated, the probable revenue is recognized up to a maximum of the costs incurred. Contract costs are recognised in the period in which they are incurred.

4.15 Cash and cash equivalents / cash flow

Cash and cash equivalents disclosed in the statement of financial position comprise cash in hand, bank balances and short-term deposits with an original term of less than three months. Cash and cash equivalents are measured at cost.

Cash and cash equivalents in the consolidated statement of cash flows are defined in line with the description above.

Interest and dividends received are presented in cash flow from operating activities, interest paid in cash flow from financing activities.

4.16 Equity

The components of equity are accounted for in accordance with IAS 32 - Financial Instruments: Presentation. Ordinary shares are classified as equity.

Treasury shares are accounted for as a deduction from equity. The nominal value of treasury shares is deducted from issued capital, the remaining difference to the purchase price is deducted from capital reserves.

4.17 Provisions

In accordance with IAS 37, provisions are recognised for present obligations from a past event that will probably lead to a future outflow of resources embodying economic benefits in the amount of the reliably estimable expenditure.

Provisions that do not lead to an outflow of resources in the following year are recognised at their settlement amount discounted to the balance sheet date. The settlement amount also includes expected cost increases. Provisions are not offset against rights of recourse. If the Group expects at least a partial refund of a provision recognized as a liability, the refund is recognized as a separate asset provided the receipt of the refund is almost certain.

Provisions for warranties are recognised in other provisions and are formed taking into account past or estimated future claims experience. They do not represent a separate performance obligation.

Accruals are recognised for obligations for which an exchange of services has taken place and the amount of the consideration is established with sufficient certainty. They are reported under liabilities.

4.18 Share-based payments

Share-based payments are recognised in accordance with IFRS 2. If they are settled with equity instruments, they are recognised at the grant date at the fair value of the equity instruments vested at the point of time. The fair value of the obligation is therefore recognised pro rata over the vesting period in which the beneficiaries acquire an unrestricted claim to the options as personnel expenses and offset directly against the capital reserve in equity.

Obligations from cash-settled share-based payments are recognised as other provisions and re-measured at fair value on each reporting date. The expenses are recognised as personnel expenses over the vesting period.

4.19 Pensions and other post-employment benefits

The pension obligations are measured in accordance with IAS 19. Payments for defined contribution pension plans are expensed. For defined benefit pension plans, the obligation is recognized in the statement of financial position as a pension provision. These pension commitments are regarded as defined benefit plan commitments and are therefore measured in line with actuarial principles using the projected unit credit method.

Actuarial gains and losses are reported in other comprehensive income. The interest expense from pension discounting is reported in net finance costs.

4.20 Revenue recognition

Revenue is recognised in an amount that reflects the consideration to which the entity expects to be entitled in exchange for promised goods or services to customers. Revenue is recognized when the customer acquires control of the goods or services.

Sale of goods and products and provision of services at Delignit, DTS and the Consumer Goods segment

The customer achieves control when the goods and products are delivered or accepted. Revenue from service transactions is only recognised when it is sufficiently probable that the economic benefits associated with the transaction will flow to the Group. It is recognised in the accounting period in which the corresponding services are rendered, thereby giving the customer control of the service.

If performance obligations do not fulfil the criterion of abstract or concrete independence of IFRS 15.27, they must be combined with other promised goods or services in accordance with IFRS 15.30 until an independent bundle of goods and services is identified. In the event that the revenue of the partial services would have to be recognised differently if they were independent, a uniform recognition model is applied to the entire contract using the so-called "predominant deliverable model", i.e. the revenue recognition of all partial services follows the predominant partial service. Thus, the delivery of hardware and software as the predominant partial performance with the contractually linked service does not fulfil the criterion of a period-related performance obligation and together represent a time-related performance obligation.

Construction contracts and plant engineering in segments Technological Applications and Service & Infrastructure

Revenue from long-term construction contracts and plant engineering is recognised over a period of time in accordance with IFRS 15. Please see the information on contract assets for further details.

Interest income

Interest income is recognized when the interest arises (using the effective interest rate, i.e. the computational interest rate at which estimated future cash inflows are discounted to the net carrying amount of the financial asset over the expected term of the financial instrument).

Dividends

Dividend income is recognized when the legal right to payment arises.

4.21 Taxes

a) Current income taxes

Current tax assets and liabilities for the current period and earlier periods are measured at the amount of the refund expected to be received from the tax authority or the payment expected to be made to it. The calculation is based on tax rates and tax laws applicable at the end of the reporting period.

b) Deferred taxes

Deferred tax liabilities are recognised in accordance with IAS 12 for all taxable temporary differences, with the exception of the deferred tax liability from the initial recognition of goodwill.

Deferred tax assets are recognised for all deductible temporary differences and unused tax loss carryforwards to the extent that it is probable that taxable income will be available against which the deductible temporary differences and the unused tax loss carryforwards can be utilised.

Investment-dependent tax credits are recognised in analogous application of the provisions of IAS 12. They are not offset against the corresponding investment.

Deferred tax assets and liabilities are netted if they are attributable to future charges or reductions by the same taxpayer and due to the same tax authority. Deferred taxes are netted for each company on a factual basis. Offsetting is primarily performed for deferred taxes from IFRS 16 (Leases) and IAS 28 (Investments in Associates and Joint Ventures).

Deferred taxes are measured using tax rates that fulfil the requirements of IAS 12.47 et seq. Deferred taxes are recognised as tax income or expense in the statement of comprehensive income and, if they relate to items recognised directly in equity, are also recognised directly in equity.

4.22 Contingent liabilities and contingent assets

Contingent liabilities are disclosed separately in the notes unless the probability of an outflow of resources embodying economic benefits is low.

In the context of business combinations, contingent liabilities are recognised in accordance with IFRS 3.23 if their fair value can be reliably determined.

Contingent assets are not reported in the financial statements, but are disclosed in the notes when receipt of economic benefits is probable.

4.23 Government grants

Income related government grants is recognised as profit or loss on a systematic basis in the periods in which the related expenses are recognised and if it is sufficiently certain that the conditions imposed in connection with the grants will be fulfilled.

Provided that the grants offset future expenses, the grants received are reported as deferred income in the statement of financial position under liabilities.

4.24 Fair value measurement

Inputs used to determine the fair value are categorised into different levels of the so called fair value hierarchy in accordance with IFRS 13.72 et seq., requiring that the (unadjusted) prices quoted in active markets for identical assets or liabilities (level 1 inputs) are deemed the highest priority for application, while unobservable inputs are deemed the lowest priority (level 3 inputs).

If the inputs used to measure the fair value of an asset or liability can be categorized into different levels of the fair value hierarchy, the fair value measurement is categorized in its entirety into the level of the fair value hierarchy that corresponds to the lowest level input that is significant to the measurement as a whole.

Fair value disclosures are not made if the carrying amounts of the financial assets and liabilities that are not measured at fair value essentially correspond to the fair values.

4.25 Classification of expenses

Expenses recognised in the income statement are classified by nature in accordance with the nature of expense method.

Other taxes comprise taxes apart from income taxes and are presented separately in the item "Other taxes".

5. Material judgements, estimates and assumptions

For the preparation of the consolidated financial statements in accordance with IFRS, estimates and assumptions must occasionally be made. These influence the amounts of assets, liabilities and financial obligations calculated as at the end of the reporting period and the reporting of expenses and income. The actual amounts can differ from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a) Impairment of non-financial assets

The Group determines whether there are indications of impairment of non-financial assets at the end of each reporting period. Goodwill with an indefinite useful life is tested for impairment at least once a year and in case there are indications of impairment. Other non-financial assets are tested for impairment in case there are indications that the carrying amount is higher than the recoverable amount. To estimate the value in use, management measures the expected future cash flows of the asset or cash-generating unit and selects an appropriate discount rate to determine the present value of these cash flows.

b) Pensions and other post-employment benefits

The expense of defined benefit post-employment plans is determined using actuarial calculations. The actuarial calculation is based on assumptions regarding discount rates, future increases in wages and salaries, mortality and future pension increases. In line with the long-term orientation of these plans, such estimates are subject to significant uncertainty.

c) Provisions

Other provisions are recognised and measured on the basis of an assessment of the probability of a future outflow of benefits, using values based on experience and circumstances known at the end of the reporting period. The actual obligation may differ from the amounts recognized as provisions.

d) Deferred tax assets

Deferred tax assets are recognised for all unused tax loss carryforwards and for temporary differences to the extent that it is probable that taxable income will be available for this, meaning that the loss carryforwards can actually be used. In calculating the amount of deferred tax assets, management must make judgements with regard to the expected timing and amount of future taxable income and the future tax planning strategies.

e) Revenue from contracts with customers

The majority of the transactions conducted by the companies of the Aumann and Vorwerk are construction contracts, for which revenue is recognised over time by reference to the percentage of completion. This method requires an estimate of the percentage of completion. Depending on the method applied in determining the percentage of completion, the material estimates comprise the services already provided, the total contract costs, the costs to be incurred until completion, the total contract revenue, the contract risks and other judgements. The estimates are continuously reviewed by the company's management and adjusted as necessary. For technically complex and sophisticated projects especially, there is a risk that the estimate of total costs could differ considerably from the costs actually incurred.

f) Accounting for gold reserves

MBB SE owns physical gold reserves that are held as a liquidity reserve and reported in total liquidity. No specific IFRS standard is applicable: Gold reserves cannot be accounted for in accordance with IAS 2 as they are not held for use in a production process and also IFRS 9 is not applicable as gold does not meet the definition of a financial asset as set out in IAS 32.11, and hence is not in scope of IFRS 9.

As such, there is a gap in the IFRS regulation when it comes to accounting for physical gold reserves that the Group seeks to close by applying the provisions of IFRS 9. Physical gold reserves are measured at fair value on initial recognition. In subsequent periods, changes in the value of gold reserves are recognised directly in equity in other comprehensive income.

II. Notes to the consolidated statement of financial position

1. Non-current assets

1.1 Statement of changes in non-current assets of the MBB Group as of 31 December 2024

31 Dec 2024	Opening balance cost €k	Opening write downs €k	Additions in the financial year €k	Businss acquisition €k	Reclassification €k	Disposals in the financial year €k	Currency translation differences €k	Write downs (accumulated) €k	Carrying mount at the end of financial year €k	Carrying amount at the end of previous year €k	Write downs in the financial year [1] €k	Disposals on write downs €k	Currency translation differences on write downs accumulated €k
I. Intangible assets													
1. Concessions, industrial property rights and similar rights	48,057	-39,307	6,965	0	0	-13	58	-46,724	8,345	8,750	-7,368	3	-53
2. Development Costs	20,113	-7,829	2,452	0	0	0	0	-9,854	12,711	12,284	-2,025	0	0
3. Order backlog	10,702	-10,642	0	0	0	0	0	-10,675	28	60	-33	0	0
4. Goodwill	48,726	0	0	173	0	0	0	0	48,899	48,726	0	0	0
5. Advance payments	4	0	0	0	0	-4	0	0	0	4	0	0	0
	127,602	**-57,778**	**9,417**	**173**	**0**	**-17**	**58**	**-67,253**	**69,982**	**69,824**	**-9,425**	**3**	**-53**
II. Property, plant and equipment													
1. Land and buildings including buildings on third-party land	122,582	-30,706	8,276	0	12,004	-3,168	260	-36,135	103,820	91,875	-6,858	1,362	-70
2. Technical equipment and machinery	144,966	-82,728	21,012	9	1,167	-9,678	689	-91,144	67,022	62,238	-16,993	9,174	-463
3. Other equipment, operating and office equipment	85,056	-47,926	21,597	60	939	-6,274	37	-55,869	45,545	37,130	-13,369	5,458	-28
4. Advance payments and assets under development	16,699	-52	9,925	0	-14,110	-564	28	-52	11,926	16,647	0	0	0
	369,303	**-161,413**	**60,811**	**69**	**0**	**-19,684**	**1,015**	**-183,201**	**228,313**	**207,891**	**-37,220**	**15,993**	**-561**
Total	**496,905**	**-219,190**	**70,228**	**242**	**0**	**-19,700**	**1,073**	**-250,453**	**298,295**	**277,715**	**-46,646**	**15,997**	**-614**

[1] The write-downs recognised in the income statement also include write-ups on debt instruments in the amount of €1 thousand.

1.2 Statement of changes in non-current assets of the MBB Group as of 31 December 2023

31 Dec 2023	Opening balance cost €k	Opening write downs €k	Additions in the financial year €k	Businss acquisition €k	Reclassification €k	Disposals in the financial year €k	Currency translation differences €k	Write downs (accumulated) €k	Carrying mount at the end of financial year €k	Carrying amount at the end of previous year €k	Write downs in the financial year[1] €k	Disposals on write downs (others) €k	Currency translation differences on write downs accumulated €k
I. Intangible assets													
1. Concessions, industrial property rights and similar rights	41,218	-30,444	6,180	166	451	-155	197	-39,307	8,750	10,774	-8,848	155	-170
2. Development Costs	16,930	-6,220	3,183	0	0	0	0	-7,829	12,284	10,710	-1,609	0	0
3. Order backlog	10,702	-10,609	0	0	0	0	0	-10,642	60	93	-33	0	0
4. Goodwill	48,726	0	0	0	0	0	0	0	48,726	48,726	0	0	0
5. Advance payments	41	0	0	0	-38	0	0	0	4	41	0	0	0
	117,618	**-47,273**	**9,364**	**166**	**413**	**-155**	**197**	**-57,778**	**69,824**	**70,344**	**-10,490**	**155**	**-170**
II. Property, plant and equipment													
1. Land and buildings including buildings on third-party land	112,907	-26,179	7,494	0	2,754	-1,792	1,219	-30,706	91,875	86,728	-5,728	1,484	-283
2. Technical equipment and machinery	129,645	-67,348	13,599	32	1,389	-2,851	3,154	-82,728	62,238	62,297	-15,856	2,559	-2,083
3. Other equipment, operating and office equipment	73,543	-40,471	16,254	149	121	-5,129	117	-47,926	37,130	33,072	-12,092	4,727	-91
4. Advance payments and assets under development	8,844	-50	13,695	0	-4,677	-1,196	33	-52	16,647	8,794	0	0	-1
	324,938	**-134,048**	**51,042**	**182**	**-413**	**-10,968**	**4,522**	**-161,413**	**207,891**	**190,890**	**-33,676**	**8,770**	**-2,459**
Total	**442,556**	**-181,321**	**60,405**	**348**	**0**	**-11,123**	**4,720**	**-219,190**	**277,715**	**261,234**	**-44,166**	**8,925**	**-2,629**

[1] The write-downs recognised in the income statement also include loss allowances on debt instruments amounting to €106 thousand.

2. Goodwill

The carrying amount of goodwill is €48,899 thousand (previous year: €48,726 thousand).

The increase in goodwill results from the acquisition of Seyde und Coburg Kathodischer Korrosionsschutz GmbH described in section 1.3. The increase totalling €173 thousand is allocated to the Service & Infrastructure segment.

Goodwill is subject to an annual impairment test. Therefore, goodwill acquired in business combinations was allocated to the cash-generating units (CGU). The allocation and parameters used for the impairment test are shown in the table below.

The impairment tests confirmed the recoverability of capitalised goodwill.

Assumptions for the impairment test

The recoverable amount of the CGU is determined on the basis of the value in use calculation using cash flow forecasts based on a medium-term plan approved by the management of the respective CGU for a period of five years. Following the medium-term planning, the calculation is transferred to perpetuity, taking into account a sustainable growth rate of an unchanged 1.0%. Current and future probabilities, the expected economic development and other circumstances are taken into account when determining the budget figures. The forecasted cash flows are discounted using a pre-tax discount rate (WACC), the values and underlying parameters are shown in the following table.

CGU per segment	Goodwill €k	Market risk premium in %	Riskfree interest rate in %	WACC pretax in %	Revenue growth* in %
Technological Applications					
Aumann Limbach-Oberfrohna	28,426	7.3	2.5	10.3	8.0
(previous year)	*28,426*	*7.3*	*2.7*	*10.0*	*12.9*
Aumann AUM	10,057	7.3	2.5	9.2	10.0
(previous year)	*10,057*	*7.3*	*2.7*	*9.0*	*4.6*
Service & Infrastructure					
ISL	4,149	7.5	2.5	16.6	12.5
(previous year)	*4,149*	*7.5*	*2.8*	*16.7*	*15.8*
Gottfried Puhlmann	3,812	7.5	2.5	8.7	3.7
(previous year)	*3,812*	*7.5*	*2.7*	*11.1*	*4.4*
DTS	1,180	7.5	2.5	14.5	10.0
(previous year)	*1,180*	*7.5*	*2.8*	*16.9*	*10.0*
Korupp	314	7.5	2.5	10.0	0.5
(previous year)	*314*	*7.5*	*2.7*	*11.7*	*1.0*
Hempel	151	7.5	2.5	9.6	-0.5
(previous year)	*151*	*7.5*	*2.7*	*11.7*	*9.7*
Seyde und Coburg	173	7.5	2.5	9.6	6.2
(previous year)	-	-	-	-	-
Consumer Goods					
Hanke Tissue	637	7.5	2.5	11.4	4.5
(previous year)	*637*	*7.5*	*2.8*	*14.5*	*4.3*

*Planned growth in revenue including changes in inventories (operating performance), average of the next five years.

The CGU Aumann AUM comprises the companies Aumann Espelkamp GmbH and Aumann Immobilien GmbH.

When calculating the WACC, a peer group is formed for each CGU, which affects the calculation of the beta factor and the weighting of the cost of equity and debt. A country risk premium of 0.85% (previous year: 0.85%) is taken into account when calculating the WACC for the Hanke Tissue CGU.

Estimation uncertainties in the impairment test

The following assumptions underlying the calculation of the value in use of the CGU are subject to the highest uncertainty of estimates:

- EBITDA margins
- discount rates
- revenue development

EBITDA margin: The EBITDA margins are based on the medium-term planning of the respective CGU. A decrease in the EBITDA margin by 0.5 percentage points would not lead to an impairment loss for any of the CGUs.

Discount rates: Discount rates represent the market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments. Adjustments to the discount rate are made to factor in the specific amount and timing of tax flows in order to reflect a pre-tax discount rate. An increase in the pre-tax discount rate of 0.5 percentage points would not result in impairment for any of the CGUs.

Revenue development: The forecasted revenue developments are based on past experience and growth assumptions for the target markets of the respective CGUs. The Group recognise that possible new competitors or a changing market environment can have a significant impact on assumptions for revenue development. Such a development could yield a reasonably possible alternative to the estimated development for the CGUs. A deviation from the forecast revenue developments by 1 percentage point would not lead to an impairment for any of the CGUs.

3. Intangible assets

With regard to the development of intangible assets, please refer to the presentation in the statement of changes in non-current assets.

The MBB Group's research and development activities primarily consist of targeted technology, process and system developments at Aumann. The development expenses capitalised in intangible assets in the financial year amounted to €2,452 thousand for the MBB Group (previous year: €3,183 thousand).

4. Property, plant and equipment

With regard to the development of property, plant and equipment, we refer to the presentation in the statement of changes in non-current assets. No borrowing costs were capitalised for qualifying assets in either the reporting year or the previous year.

The development expenses capitalised in property, plant and equipment in the financial year amount to €1,038 thousand for the MBB Group (previous year: €0 thousand) and relate to developments in the area of automated welding technology.

The following table provides an overview of the capitalised rights of use per asset class as at 31 December 2024:

Right-of-use assets	31 Dec 2024	31 Dec 2023
	€k	€k
Land and buildings	7,763	6,992
Technical equipment and machinery	2,358	3,722
Other equipment, operating and office equipment	3,412	3,719
Total	**13,533**	**14,433**

The rights of use presented separately here are also included in the statement of changes in non-current assets in section II.1. Additions to right-of-use assets in the 2024 financial year totalled €6,762 thousand (previous year: €8,633 thousand). The disposals of rights of use in the 2024 financial year totalled €189 thousand (previous year: €19 thousand). Right-of-use assets were amortised in the amount of €7,473 thousand in the 2024 financial year (previous year: €7,434 thousand).

5. Financial assets and securities

Financial assets	31 Dec 2024 €k	31 Dec 2023 €k
Long-term securities	104,734	89,020
Joint ventures and associates	9,297	10,578
Other loans	359	414
Other participations	1	1
Carrying amount as of 31 Dec	**114,391**	**100,012**

The development of financial assets is shown in the following tables.

Long-term securities	31 Dec 2024 €k	31 Dec 2023 €k
Carrying amount as of 1 Jan	**89,020**	**66,039**
Additions during the period	35,596	54,162
Disposals during the period	-29,144	-36,013
Revaluation	9,263	4,831
Carrying amount as of 31 Dec	**104,734**	**89,020**

The disposals in the period relate to the sales of securities held as fixed assets as part of active portfolio management. The fair value of the securities at the time of derecognition amounted to €32,112 thousand in the reporting year (previous year: €47,044 thousand). The cumulative gain on disposal totalled €3,979 thousand in the reporting year (previous year: €11,084 thousand).

Joint ventures and associates	31 Dec 2024 €k	31 Dec 2023 €k
Carrying amount as of 1 Jan	**10,578**	**17,059**
Share in net income	5,903	9,353
Distributions	-7,183	-15,834
Carrying amount as of 31 Dec	**9,297**	**10,578**

Disclosures on consortiums

In the Group, consortiums are classified as joint ventures and their results are reported under Income from joint ventures and associates. The table below shows the ten biggest consortiums in terms of performance for the 2024 financial year.

Consortiums	Ownership interest in %
(BRU) ARGE LNG Brunsbüttel	50.00%
(BAL) Dach-ARGE Baltrum Büsum	33.33%
(SE1) ARGE SEL 01	50.00%
(GH2) ARGE Get H2 Lingen	10.00%
(KT3) ARGE Kabeltrasse A310	50.00%
(EWA) ARGE EWA	50.00%
(HEN) Dach-ARGE A310 Tunnel Henstedt	33.73%
(DK3) Dach-ARGE Kabeltrasse A310	50.00%
(RTL) Dach-ARGE RV Ruhrtalleitung BA 2+3	45.00%
(OST) Dach-ARGE Ostwind 3 Los 1 Anlandung	33.33%

The financial information for these working groups for the 2024 financial year is presented at 100%.

Consortium	Revenue	Assets		thereof	Liabilities	
		Non-current	Current	liquid funds	Non-current	Current
	€k	€k	€k	€k	€k	€k
(BRU)	65,786	0	365,989	4,901	0	347,940
(BAL)	41,088	250	76,714	2,322	0	75,948
(SE1)	37,839	0	50,926	5,562	0	50,648
(GH2)	32,959	0	33,686	727	0	32,959
(KT3)	13,712	28	27,459	1,192	0	27,487
(EWA)	13,706	7	22,814	8,846	0	20,982
(HEN)	13,503	0	19,798	562	0	19,799
(DK3)	11,547	0	30,099	309	0	30,123
(RTL)	9,710	0	19,880	263	0	19,880
(OST)	8,933	0	12,785	803	0	12,633

Disclosures on cumulative losses from associates

In the financial year, all pro rata losses from equity investments were recognised in profit or loss.

Information on securities held as current assets

The development of securities held as current assets is shown in the following table.

Short-term securities	31 Dec 2024	31 Dec 2023
	€k	€k
Carrying amount as of 1 Jan	**121,906**	**79,839**
Additions during the period	32,602	98,501
Disposals during the period	-42,813	-58,536
Valuation from effective interest method[1]	1,762	464
Revaluation at market value - foreign exchange rate effect	1,355	-142
Revaluation at market value - bond price	-19	1,781
Carrying amount as of 31 Dec	**114,793**	**121,906**

[1]The valuation effects from the application of the effective interest method totalled €82 thousand cumulatively in previous years and were reported under "Revaluation at market value - bond price".

Financial assets measured at fair value through other comprehensive income

The MBB Group's financial assets measured at fair value through other comprehensive income include physical gold holdings and securities. The carrying amount of physical gold holdings increased to €6,492 thousand (previous year: €4,808 thousand) as a result of measurement at fair value. MBB has designated these investments as at fair value through other comprehensive income because they are not acquired for the purpose of trading, but generally with a long-term holding perspective.

Of the securities, shares and bonds measured at fair value through other comprehensive income totalling €219,527 thousand (previous year: €210,925 thousand), €104,734 thousand (previous year: €89,020 thousand) are reported under non-current assets and €114,793 thousand (previous year: €121,906 thousand) under current assets. The Group's debt instruments recognised at fair value through other comprehensive income consist exclusively of listed bonds, which the management considers to be investments with a low credit risk. Write-ups of €1 thousand (previous year: impairments of €106 thousand) were recognised under write-downs for expected credit losses on bonds.

6. Inventories

Inventories	31 Dec 2024 €k	31 Dec 2023 €k
Raw materials and supplies	21,586	24,570
Finished goods and commodities	11,016	9,775
Work in progress	8,121	9,285
Advance payments	3,638	10,747
Carrying amount as of 31 Dec	**44,361**	**54,377**

As at the reporting date, inventories were impaired in the amount of €2,085 thousand (previous year: €1,479 thousand). In the financial year, the assessment of the marketability of certain inven-tories changed compared to the previous year. This resulted in reversals of impairment losses on inventories of €611 thousand as at the reporting date (previous year: €0 thousand).

7. Trade receivables

	31 Dec 2024 €k	31 Dec 2023 €k
Trade receivables	63,861	66,795
Receivables from consortiums	23,461	18,851
Less specific valuation allowances	-3,997	-3,608
Less expected credit loss	-82	-77
Carrying amount as of 31 Dec	**83,242**	**81,962**

The total amount of trade receivables is due within one year. Individual value adjustments are made to trade receivables if there are indications of default risks. Indicators for value adjustments are non-receipt of payments and information about changes in the creditworthiness of customers. There is no significant concentration of credit risk due to the breadth of the customer base. Of the individual value adjustments, €2,044 thousand (previous year: €1,542 thousand) relate to trade receivables and are otherwise mainly attributable to the offsetting of receivables of Friedrich Vorwerk from those joint ventures that had cumulative negative results as at the balance sheet date.

8. Contract assets and contract liabilities

Contract assets comprise the claims for remuneration from construction contracts, plant engineering projects and long-term construction contracts for work already performed as at the end of the reporting period. If the advances received exceed the claim to payment, they are reported under “Contract liabilities”.

	31 Dec 2024 €k	31 Dec 2023 €k
Gross contract assets	718,732	569,512
advance payments received thereon	-600,011	-419,949
Contract assets	**118,721**	**149,563**
Contract liabilities	105,035	97,896

Revenue, which was included in the balance of contract liabilities at the beginning of the period, totalled €89,395 thousand in the 2024 financial year.

9. Other current assets

Other assets maturing within one year break down as follows:

	31 Dec 2024 €k	31 Dec 2023 €k
Receivables from other taxes	3,641	2,121
Prepaid expenses	3,236	1,634
Receivables due from personnel	1,526	1,365
Factoring receivables	1,345	2,525
Interest receivables	977	1,071
Other current assets	3,108	2,827
Carrying amount as of 31 Dec	**13,834**	**11,542**

Tax receivables consist of tax refunds of €3,641 thousand (previous year: €2,121 thousand). Receivables due from employees are essentially for employee loans.

10. Income tax

10.1 Deferred taxes

Deferred tax assets and liabilities from temporary differences break down as follows as of 31 December 2024 and 31 December 2023.

	31 Dec 2024 €k	31 Dec 2023 €k
Deferred tax assets	15,661	18,639
Deferred tax liabilities	44,951	29,433
Net	**-29,290**	**-10,793**

	31 Dec 2024 €k	31 Dec 2023 €k
Temporary differences from:		
Intangible assets	5,732	6,259
Liabilities	5,602	6,264
Pension provisions	3,112	3,060
Unused tax losses	1,771	1,873
Provisions	1,312	2,477
Special economic zone tax benefits	1,191	1,499
Property, plant and equipment	1,055	1,399
Receivables	640	698
Contract assets	122	325
Other current assets	114	113
Inventories	57	145
Securities	4	5
Others	37	26
Netting	-5,088	-5,504
Deferred tax assets	**15,661**	**18,639**

	31 Dec 2024 €k	31 Dec 2023 €k
Temporary differences from:		
Contract assets	34,743	18,474
Property, plant and equipment	6,417	6,787
Intangible assets	3,998	4,056
Financial assets	3,158	3,334
Pension provisions	1,100	1,359
Inventories	394	557
Securities	93	105
Receivables	92	205
Provisions	42	30
Liabilities	2	29
Netting	-5,088	-5,504
Deferred tax liabilities	**44,951**	**29,433**

The tax benefit from the special economic zone in deferred tax assets relates to Hanke Tissue Sp. z o.o. in the Kostrzyn (Küstrin) special economic zone in Poland. The special economic zone promotes investment and job creation by allowing up to 50% of the investment amount to be offset against the income tax due on earnings generated in the special economic zone.

The balance of €5,088 thousand in the 2024 financial year is mainly the result of leases totalling €3,996 thousand (previous year: €4,259 thousand) and the recognition of joint ventures in the amount of €533 thousand (previous year: €577 thousand).

10.2 Current income tax

Income tax assets and income tax liabilities are as follows:

	31 Dec 2024 €k	31 Dec 2023 €k
Corporate income tax	12,659	12,875
Trade income tax	1,596	1,353
Other income tax	408	196
Income tax receivables	**14,663**	**14,424**
Trade income tax	5,683	4,073
Corporate income tax	5,307	4,858
Other income tax	115	66
Income tax liabilities	**11,105**	**8,997**

11. Cash on hand, bank balances

The composition of cash and cash equivalents and the reconciliation to liquid funds are shown in the following overview.

Composition of cash and cash equivalents and reconciliation to liquid funds	31 Dec 2024 €k	31 Dec 2023 €k
Composition of cash and cash equivalents		
Cash on hand	27	52
Bank balances	390,122	313,850
Reconciliation to liquid funds as of 31 December		
Cash and cash equivalents at end of period	**390,149**	**313,901**
Gold	6,492	4,808
Securities	219,527	210,925
Liquid funds as of 31 December	**616,168**	**529,635**

12. Equity

Please see the “Statement of changes in consolidated equity” for information on the development of equity.

12.1 Share capital

As at 31 December 2024, the share capital of MBB SE amounted to €5,436,169.00 and was fully paid in. It is divided into 5,436,169 no-par value bearer shares (ordinary shares with no par value).

Purchase of treasury shares

The Annual General Meeting on 12 June 2023 authorised the company to acquire treasury shares in the period up to 11 June 2028 in an amount of up to 10% of the company's share capital existing at the time of the resolution.

On 31 January 2024, MBB resolved to make use of the authorisation granted by the Annual General Meeting on 12 June 2023 to acquire treasury shares in accordance with Art. 5 SE-VO in conjunction with Section 71 para. 1 no. 8 AktG. § Section 71 (1) no. 8 AktG to make use of this authorisation. On 15 March 2024, MBB repurchased 393,522 treasury shares at a price of €96.00 for a total value of €37,778,112.00.

The Annual General Meeting on 26 June 2024 revoked the resolution of 12 June 2023 on the acquisition and use of treasury shares and authorised the company to acquire treasury shares in the period up to 25 June 2029 in compliance with the principle of equal treatment (Article 9 (1) (c) (ii) SE Regulation in conjunction with Section 53a AktG). § Section 53a AktG) to acquire treasury shares totalling up to 10% of the company's share capital existing at the time of the resolution. The acquired shares, together with other shares which the company has previously acquired and still holds or which are attributable to it in accordance with Art. 5 SE Regulation in conjunction with Sections 71a et seq. §§ Sections 71a et seq. of the German Stock Corporation Act (AktG), may not exceed 10% of the share capital at any time.

Of the treasury shares acquired in March 2024 as part of the share buyback programme, 113,299 were used to fulfil the share option programme. On 30 October 2024, the Board of MBB resolved to cancel the remaining 280,223 treasury shares for the purpose of a capital reduction. Following the cancellation of the treasury shares and the effectiveness of the capital reduction, the share capital of MBB SE amounts to €5,436,169.00 (previously: €5,716,392.00) and is divided into 5,436,169 bearer shares (previously 5,716,392 shares) with a notional interest in the share capital of €1.00 per share.

On 30 October 2024, MBB SE resolved to make use of the authorisation granted by the Annual General Meeting on 26 June 2024 to acquire treasury shares in accordance with section 71 (1) no. 8 AktG. In the period from 15 November 2024 to 30 December 2024, MBB repurchased 25,555 treasury shares at an average price of €100.64 for a total value of €2,572,207.29 via the stock exchange. The share buy-back programme, which provides for the acquisition of treasury shares with a maximum volume of €15.0 million at a price of €120.00 per share, is scheduled to end on 30 April 2025 at the latest.

Authorised capital and contingent capital

The Annual General Meeting on 24 August 2020 authorised the company to issue share options (2020 share option programme), to create new conditional capital 2020/I and to adopt the necessary amendments to the Articles of Association. The share option programme authorises the Board of Directors to grant up to 240,000 subscription rights for up to 240,000 no-par value bearer shares in the company to beneficiaries within the meaning of Section 192 para. 2 no. 3 AktG until 30 June 2025. (For details, see the remuneration report prepared separately in accordance with Section 162 AktG). The company's share capital is conditionally increased by up to €240,000 through the issue of up to 240,000 new no-par value bearer shares (Conditional Capital 2020/I). The conditional capital increase serves exclusively to fulfil entitlements from the 2020 equity-based share option programme.

The Annual General Meeting on 26 June 2024 cancelled the Authorised Capital 2023 and created new Authorised Capital 2024. The Board of Directors is authorised to increase the company's share capital on one or more occasions until 25 June 2029 by up to a total of €2,500,000.00 in return for cash and/or non-cash contributions by issuing new no-par value bearer shares (Authorised Capital 2024).

The shares in MBB SE are held as follows:

	Dec 31, 2024		Dec 31, 2023	
	Number of shares	%	Number of shares	%
MBB Capital Management GmbH[1]	2,149,205	39.535%	2,066,666	36.153%
MBB Capital GmbH[2]	1,715,613	31.559%	1,900,613	33.248%
Anton Breitkopf	45,000	0.828%	45,000	0.787%
Dr Constantin Mang	18,729	0.345%	7,200	0.126%
Dr Jakob Ammer	4,483	0.082%	1,588	0.028%
Torben Teichler	1,550	0.029%	1,550	0.027%
Treasury shares	25,555	0.470%	0	0.000%
Others[3]	1,476,034	27.152%	1,693,775	29.630%
Total	**5,436,169**	**100.00%**	**5,716,392**	**100.00%**

[1] 100% of the shares in MBB Capital Management GmbH are held by Dr Christof Nesemeier.

[2] 100% of the shares in MBB Capital GmbH are held by Gert-Maria Freimuth.

[3] The shares held by Dr Peter Niggemann, which were reported separately in the previous year, are included in the "Others" item

12.2 Capital reserve

The capital reserve amounts to €434.2 million (previous year: €469.2 million) and comprises

- the premium received by the company from the initial issue of shares in 2006
- Premiums and transaction costs arising from IPOs of subsidiaries
- Effects of share buybacks and the cancellation of shares
- Effects from the recognition of share-based payments.

In the year under review, the capital reserve increased by €4,987 thousand as a result of the share option programmes of MBB SE and Aumann AG.

The capital reserve was reduced by the acquisition of treasury shares in 2024. The difference between the acquisition costs and the nominal value of the acquired treasury shares in the amount of €39,931 thousand was offset against the capital reserves.

In the reporting year, treasury shares were also cancelled for the purpose of a capital reduction. Further information on the cancellation of treasury shares and the capital reduction can be found in the share capital section.

12.3 Legal reserve

5% of the parent company's net profit for 2006 was transferred to the legal reserve.

12.4 Retained earnings and other comprehensive income

Equity difference from currency translation

The equity difference from currency translation, which totalled € -345 thousand as at the balance sheet date (previous year: € -917 thousand), is the result of translation using the modified reporting date method.

The difference results from the translation of the income statement items of the foreign currency companies at the average rate and the balance sheet items at the closing rate on the one hand and the equity of the respective subsidiaries at the historical rate on the other.

Reserve for changes in fair value

The reserve for changes in fair value results from the measurement of financial assets at fair value on the balance sheet date. For the statement of comprehensive income, other comprehensive income is broken down according to whether these valuation gains or losses can be reclassified to the income statement upon realisation.

Reserve for pensions

In accordance with IAS 19, actuarial gains/losses (after taking into account the associated deferred tax effects) are recognised in the reserve for pensions and in other comprehensive income.

Other reserve

On 19 February 2019, MBB SE acquired 66% of the shares in ISL Internet Sicherheitslösungen GmbH, Bochum, via DTS IT AG. As part of the transaction, reciprocal put and call options were agreed for the remaining 34% of the shares. In the first quarter of 2021, the purchase option to acquire further shares in ISL was finalised, resulting in a shareholding of 80.34%. A financial liability was recognised from the put option, which was charged to equity. After taking deferred tax effects into account, an other reserve of € -2,090 thousand was recognised. After taking into account non-controlling interests, the value of the equalisation item amounts to € -1,672 thousand.

Retained earnings

This item contains the profits generated by the Group less the distributed profits. Retained earnings increased by a total of €26,245 thousand in the financial year.

The increase in retained earnings is due to the consolidated net profit of €37,660 thousand.

By contrast, retained earnings were reduced by the changes in shareholdings in subsidiaries (€-5,204 thousand) and the acquisition of treasury shares by Aumann AG (€-835 thousand) described in section I.1.4 (Corporate and structural changes in 2024). A dividend of €5,376 thousand (€1.01 per share) was paid out to the shareholders of MBB SE in the 2024 financial year.

The Board and the Executive Management will propose to the Annual General Meeting that a basic dividend of €1.11 per share and a special dividend of €2.22 per share to mark MBB's 30th anniversary, i.e. a total of €3.33 € per dividend-bearing share, be distributed from net retained profits. Dividends totalling approximately €17.8 million will therefore be proposed to the Annual General Meeting.

12.5 Non-controlling interests

Non-controlling interests arise from investments in Aumann AG, Delignit AG, DTS IT AG, Friedrich Vorwerk Group SE and Hanke Tissue Sp. z o.o. Non-controlling interests increased by €14,076 thousand in the financial year.

The increase is due in particular to the share of consolidated comprehensive income of €28,948 thousand attributable to non-controlling interests. Non-controlling interests were reduced by the changes in shareholdings in subsidiaries of €6,727 thousand described in section I.1.4 (Corporate and structural changes in 2024), by the treasury shares acquired by Aumann AG (€5,241 thousand) and by distributions of €3,058 thousand.

In accordance with IAS 32, the shares of non-controlling shareholders of Friedrich Vorwerk SE & Co. KG are not recognised in equity but under current and non-current liabilities.

13. Provisions for pensions and similar obligations

Due to MBB SE's business model, employees' entitlements to post-employment benefits are not regulated at Group level. Pension arrangements are made at the level of the individual subsidiaries, which means that different company agreements exist. What all obligations have in common is that they are defined benefit pension commitments and that the entitlement arises when there is also an entitlement to the statutory pension. The amount of the benefits depends on the length of service and the remuneration of the beneficiaries in the years prior to retirement. The pension obligations exist at Blomberger Holzindustrie GmbH, CT Formpolster GmbH, Aumann Beelen GmbH, Aumann Limbach-Oberfrohna GmbH, Friedrich Vorwerk SE & Co KG and Gottfried Puhlmann GmbH. The pension agreements are closed, i.e. company pension agreements are no longer concluded for new hires.

	31 Dec 2024			31 Dec 2023		
	DBO	Plan assets	Total	DBO	Plan assets	Total
	€k	€k	€k	€k	€k	€k
As of 1 Jan	**19,313**	**-385**	**18,928**	**19,035**	**-420**	**18,615**
Payments	-861	40	-821	-870	40	-830
Service cost	193	0	193	190	0	190
Interest cost (+) / income (-)	674	-14	660	679	-12	667
Actuarial gains (-) /losses (+)	1,155	7	1,162	279	7	286
As of 31 Dec	**20,474**	**-352**	**20,122**	**19,313**	**-385**	**18,928**

€112 thousand of the actuarial effects result from experience adjustments, €1,043 thousand from actuarial adjustments and € -7 thousand from plan assets.

The defined benefit pension commitments expose the Group to actuarial risks, in particular rising life expectancy, interest rate risks and future pension increases. The following actuarial assumptions were used as a basis:

	2024	2023
Actuarial interest rate	3.00 - 3.30%	3.64 - 3.69%
Salary trend	0.00 - 2.00%	0.00 - 2.00%
Pension trend	0.00 - 2.00%	0.00 - 2.00%

The post-employment benefit plans are partially funded. The liabilities are equal to the obligation (DBO) less plan assets.

The expenses and income recognised in profit and loss are as follows:

	31 Dec 2024	31 Dec 2023
	€k	€k
Addition to provisions (service cost)	-193	-190
Addition to provisions (interest cost)	-674	-667
Interest income from plan assets	14	12
Total	**-853**	**-845**

The expected pension payments from the pension plans for 2025 according to the expert opinion amount to €1,566 thousand. The expected payments are based on the assumption that all beneficiaries will also assert their existing claims in full in the following year. Experience shows, however, that they will only be utilised in instalments from retirement age.

The sensitivity of the total pension obligation to changes in the weighted main assumptions is as follows:

		Impact on obligation	
	Change in assumption	Increase in assumption	Decrease in assumption
Interest rate	0.25%	-3.59%	3.81%
Pension growth rate	0.25%	2.39%	-2.22%
Life expectancy	+ 1 year	4.61%	-

The sensitivity of the defined benefit obligation to actuarial assumptions was calculated using the same method as the measurement of the pension provision on the statement of financial position. The sensitivity analysis is based on the change in an assumption while all other assumptions remain constant. It is unlikely that this would occur in reality. There could be a correlation between changes in some assumptions.

The weighted average duration of the defined benefit plans is 14 years.

14. Liabilities

The liabilities have the following maturities:

31 Dec 2024	Up to 1 year €k	More than 1 year and up to 5 years €k	Over 5 years €k	Total €k
Liabilities to banks	20,492	16,037	6,910	43,439
Lease liabilities	7,583	9,518	1,771	18,872
Liabilities from participation rights	0	0	10,213	10,213
Trade payables	54,182	0	0	54,182
Contract liabilities	104,373	662	0	105,035
Liabilities to non-controlling interests	3,179	0	3,857	7,036
Other liabilities	42,222	797	0	43,020
Accruals	45,096	0	0	45,096
As of 31 Dec 2024	**277,127**	**27,014**	**22,751**	**326,893**

31 Dec 2023	Up to 1 year €k	More than 1 year and up to 5 years €k	Over 5 years €k	Total €k
Liabilities to banks	12,473	19,292	3,752	35,517
Lease liabilities	7,865	9,275	1,484	18,625
Liabilities from participation rights	0	0	10,213	10,213
Trade payables	66,316	0	0	66,316
Contract liabilities	97,086	810	0	97,896
Liabilities to non-controlling interests	1,787	0	1,967	3,754
Other liabilities	33,028	2,769	0	35,797
Accruals	37,278	0	0	37,278
As of 31 Dec 2023	**255,835**	**32,146**	**17,416**	**305,397**

The liabilities to banks attributable to investment and working capital loans bear interest at both fixed and variable rates of between 0.65% and 4.26% (previous year: 0.65% and 8.05%). The weighted average interest rate for 2024 is 2.26% (previous year: 1.79%).

Land and buildings, technical equipment and machinery and inventories were pledged as collateral. The carrying amount of the pledged assets totalled €62,097 thousand as at the reporting date (previous year: €61,145 thousand), of which €54,727 thousand related to property, plant and equipment (previous year: €53,838 thousand) and €7,370 thousand to inventories (previous year: €7,307 thousand).

As at the balance sheet date, profit participation capital totalling €10,213 thousand (previous year: €10,213 thousand) issued by Friedrich Vorwerk SE & Co. KG was reported. The profit participation rights grant a guaranteed interest rate of 2.5% above the applicable 3-month EURIBOR. In addition, the holder of the profit participation rights participates in the profitability of the Friedrich Vorwerk Group in the form of a variable interest rate. The total interest rate on profit participation rights in the year under review was 7.3 % (previous year: 6.0 %). The profit participation rights can be terminated for the first time with effect from 31 December 2039.

Non-controlling interests in partnerships exist exclusively in Friedrich Vorwerk SE & Co. KG. The liabilities to non-controlling shareholders are made up of the profit shares of the non-controlling shareholders. The withdrawable claims are recognised in the short term.

Contract liabilities essentially correspond to the advance payments received from customers.

15. Other liabilities

Other liabilities are as follows:

	31 Dec 2024 €k	31 Dec 2023 €k
Current		
Value added tax	23,647	13,867
Consortiums	6,627	8,946
Wage tax	3,102	2,978
Social security benefits	1,677	1,202
Deferred income	1,616	278
Wages and salaries	1,609	1,656
Debtors with credit balances	1,405	561
Contingent considerations from put options	1,384	0
Associates	356	183
Derivative financial instruments	257	0
Commissions	51	27
Capital gains tax	0	89
Miscellaneous	490	3,240
	42,222	**33,028**
Non-current		
Investment grant received	744	790
Support funds	53	82
Contingent considerations from put options	0	1,631
Other deferred income	0	249
Miscellaneous	0	16
	797	**2,769**
Total	**43,020**	**35,797**

As part of the acquisition of 66% of the shares in ISL Internet Sicherheitslösungen GmbH, Bochum, by DTS IT AG, Herford, on 19 February 2019, it was agreed that the existing shareholders have the right to tender their remaining shares (34%) to DTS IT AG (put option). At the same time, DTS IT AG has the right to acquire the shares of the existing shareholders (call option). The call and put options have an identical structure. The option can be exercised from 1 January 2025 at the earliest. The exercise price is based on ISL's average EBIT.

In the first quarter of 2021, the call option to acquire further shares in ISL was finalised, bringing the shareholding in ISL to 80.34%. In the first quarter of 2025, the remaining call option was triggered by DTS IT AG, meaning that the shareholding has risen further to .

A financial liability was recognised from the put option in relation to the remaining minority interests, which is measured at fair value through profit or loss. When calculating the financial liability, it was assumed that the option would be exercised at the earliest possible date. The liability from the put option is valued at €1,384 thousand as at the balance sheet date (previous year: €1,631 thousand) and is recognised under other liabilities.

16. Provisions and accruals

The following table shows the development of provisions and accruals during the financial year.

The non-current bonus provisions mainly include the expected expense for the tax settlement from the stock option programs of MBB SE and Aumann AG totaling €1,155 thousand.

The provisions for project completion costs relate to projects of Aumann and Friedrich Vorwerk that have already been completed and finally invoiced, but which are still subject to costs of follow-up work and fault remediation. Provisions for warranties were recognised at commercial discretion on the basis of past or estimated future claims experience in the amount of the expected settlement amount. The increase largely relates to Aumann and is partly in line with the increase in revenue

The outflow of resources for current provisions is expected in the following financial year.

in € thousand Financial year 2024	1 Jan	Initial consoli-dation	Use	Release	Addi-tions	Cur-rency effect	31 Dec
Long-term provisions							
Bonus program	3,380	0	-2,964	0	738	0	1,155
Partial retirement	1,112	0	-673	0	260	0	700
Anniversaries	236	0	-3	0	28	0	260
Death grants	10	0	0	0	1	0	11
	4,739	**0**	**-3,640**	**0**	**1,027**	**0**	**2,126**
Accruals and short-term provisions							
Outstanding invoices	20,582	0	-19,678	-55	25,762	4	26,614
Guarantees and warranties	4,105	1	-652	-504	8,036	4	10,990
Project completion costs	7,055	0	-6,824	0	9,834	39	10,104
Vacation	8,061	0	-4,444	-87	4,050	4	7,586
Variable salary and commis-sions	4,056	27	-3,894	-209	5,954	0	5,934
Flexitime	3,355	0	-583	0	1,030	0	3,802
Onerous and unfavourable contracts	2,825	0	-2,743	0	981	1	1,064
Staff costs	762	0	-162	-1	413	1	1,013
Accounting and audit costs	830	1	-572	-33	764	0	990
Employers' liability insurance association	758	1	-519	-146	694	0	789
Legal disputes and damage compensation	158	0	-129	-29	66	0	66
Reduction in earnings	3	0	-3	0	0	0	0
Other	2,348	0	-580	-69	738	0	2,437
	54,897	**30**	**-40,783**	**-1,132**	**58,322**	**53**	**71,388**
Total	**59,636**	**30**	**-44,423**	**-1,132**	**59,350**	**53**	**73,514**

in € thousand Financial year 2023	1 Jan	Reclas-sifica-tion	Initial con-soli-dation	Use	Re-lease	Addi-tions	Cur-rency-re-lated ef-fects	In-ter-est rate ef-fect	31 Dec
Long-term provisions									
Bonus program	2,398	0	0	0	-6	988	0	0	3,380
Partial retirement	1,047	0	0	-294	0	359	0	0	1,112
Anniversaries	251	0	0	-13	-10	5	0	2	236
Death grants	13	0	0	0	-3	0	0	0	10
	3,709	**0**	**0**	**-307**	**-18**	**1,352**	**0**	**2**	**4,739**
Accruals and short-term pro-visions									
Outstanding invoices	21,164	-29	0	-19,727	-170	19,343	1	0	20,582
Vacation	7,414	0	116	-6,337	-39	6,888	19	0	8,061
Project completion costs	4,435	0	0	-3,664	-76	6,408	-48	0	7,055
Guarantees and warran-ties	3,613	0	0	-844	-122	1,466	-7	0	4,105

in € thousand	1 Jan	Reclassification	Initial consolidation	Use	Release	Additions	Currency-related effects	Interest rate effect	31 Dec
Variable salary and commissions	3,164	0	162	-2,907	-369	4,006	0	0	4,056
Flexitime	3,094	0	0	-308	0	569	0	0	3,355
Onerous and unfavourable contracts	2,496	29	0	-2,355	0	2,661	-6	0	2,825
Accounting and audit costs	651	0	0	-521	-30	729	0	0	830
Employers' liability insurance association	738	0	0	-554	-228	802	0	0	758
Staff costs	621	0	0	-146	-13	303	4	-8	762
Legal disputes and damage compensation	252	0	0	-252	0	158	0	0	158
Reduction in earnings	54	0	0	-54	0	3	0	0	3
Bonus program	70	0	0	-51	-20	0	0	0	0
Other	1,759	0	0	-1,088	-135	1,812	0	0	2,348
	49,525	**0**	**278**	**-38,808**	**-1,202**	**45,150**	**-37**	**-8**	**54,897**
Total	**53,234**	**0**	**278**	**-39,115**	**-1,220**	**46,503**	**-37**	**-6**	**59,636**

17. Leases

As of the balance sheet date lease liabilities break down as follows:

Lease liabilities by asset type	31 Dec 2024 €k	31 Dec 2023 €k
Land and buildings	8,038	7,138
Technical equipment and machinery	7,211	7,756
Other equipment, operating and office equipment	3,623	3,730
Total	**18,872**	**18,625**

Lease liabilities are recognised by maturity as follows:

Lease liabilities by maturity	31 Dec 2024 €k	31 Dec 2023 €k
Long-term	11,289	10,759
Short-term	7,583	7,865
Total	**18,872**	**18,625**

The following lease effects were recognised in the consolidated statement of comprehensive income:

Amounts recognized in the consolidated statement of comprehensive income	2024 €k	2023 €k
Depreciation and amortization expense	8,916	8,730
thereof buildings	2,926	2,477
thereof technical equipment and machinery	3,685	4,127
thereof other equipment, operating and office equipment	2,305	2,126
Interest expense	660	491
Expenses for short-term leases	13,743	10,304
Expenses for low-value leasing objects	358	320
Total	**23,677**	**19,845**

The cash outflows for leases (including payments for short-term and low-value leases) totalled €23,608 thousand in the 2024 financial year (previous year: €20,311 thousand).

III. Notes to the statement of comprehensive income

1. Revenue

In the financial year 2024, revenue totalled €1,068.4 million (previous year: €954.6 million). Of this revenue, €839.9 million (previous year: €689.6 million) was attributable to contracts with customers for specific periods.

As at 31 December 2024, Friedrich Vorwerk's order backlog amounted to €1,187.7 million (previous year: €1,000.8 million) with revenue of €498.4 million generated in the reporting year (previous year: €373.4 million). Aumann's order backlog totalled €184.0 million as at the reporting date (previous year: €303.2 million) with revenue of €312.3 million generated in the year under review (previous year: €289.6 million).

The development of revenue is explained in the summarised management report and Group management report. The segment reporting contains a breakdown of revenue primarily by business segment and secondarily by geographical segment.

2. Income from joint ventures and associates

	2024 €k	2023 €k
Income from joint ventures and associates recognized in financial assets	5,903	9,353
Income from joint ventures and associates recognized in receivables and liabilities	126	5,387
Total	**6,029**	**14,740**

The MBB Group's shares in the accumulated profits of joint ventures classified as joint ventures are recognised in financial assets under equity investments. The Group's revenue from goods and services supplied to or rendered for joint ventures is recognised under revenue. The capital paid into a joint venture is recognised together with trade receivables from the joint ventures after deduction of capital withdrawals and accumulated losses under trade receivables or, if there is a net liability, under other liabilities.

3. Other operating income

	2024 €k	2023 €k
Securities	6,597	3,824
Refunds and government grants	3,814	4,510
Own work capitalised	3,482	4,252
Settlement of benefits in kind	3,316	2,880
Exchange rate gains	1,583	835
Rentals and leases	1,373	1,291

	2024	2023
Reversal of provisions	1,132	1,198
Release of prepaid expenses for CO_2 emissions	768	1,192
Insurance and damage compensation	745	585
Sale of non-current assets	209	500
Reversal of valuation allowances on receivables	88	536
Subsidies and investment grants	79	175
Relating to former periods	66	149
Other	968	2,995
Total	**24,218**	**24,922**

Income from government reimbursements and grants as well as income from subsidies and investment grants include performance-related government grants totalling €3,153 thousand (previous year: €4,333 thousand). These mainly comprise grants for energy-intensive industrial companies, of which €2,940 thousand (previous year: €3,946 thousand) are attributable to Hanke and in the previous year also included grants from the federal government totalling €112 thousand from the capping of electricity prices for companies in German industry. The other performance-related government grants primarily relate to public funds to promote electromobility, research and development and employment. There are no unfulfilled conditions or other contingencies associated with the grants.

4. Cost of materials

	2024 €k	2023 €k
Cost of raw materials and supplies	-339,542	-360,239
Cost of purchases services	-244,586	-231,086
Total	**-584,128**	**-591,324**

5. Personnel expenses

	2024 €k	2023 €k
Wages and salaries	-234,858	-203,588
Social security and pension costs	-57,864	-51,163
Total	**-292,722**	**-254,751**

Expenses for retirement benefits totalled € 466 thousand in the reporting year (previous year: € 339 thousand). Expenses for equity-settled share-based payments recognised in equity amounted to € 777 thousand in the reporting year (previous year: € 1,037 thousand)

6. Other operating expenses

	2024 €k	2023 €k
Maintenance expenses	-18,067	-16,960
Rental agreements and leasing	-14,246	-10,829
Travel costs/vehicle costs	-9,170	-7,754
Other personnel-related expenses	-3,646	-2,250
Insurance	-3,318	-3,471
Legal and consulting	-2,971	-3,047
Facility management, waste disposal and other services	-2,645	-2,855
IT and license expenses	-2,564	-2,049
Costs for training and apprenticeship	-1,919	-1,679
Advertising costs	-1,683	-1,308
Contributions and fees	-1,608	-1,500
Expenses from security transactions	-1,455	-3,068
Costs for telephone, post and data communication	-1,412	-1,283

	2024	2023
Write-offs and bad debt allowances on receivables	-1,243	-1,625
Office supplies	-615	-702
Incidental costs for monetary transactions	-542	-545
Expenses from the disposal of non-current assets	-265	-421
Foreign currency losses	-193	-1,172
Previous period expenses	-111	-59
Miscellaneous operating expenses	-6,474	-7,232
Total	**-74,147**	**-69,808**

7. Depreciation and amortisation expense

	2024 €k	2023 €k
Depreciation and amortisation on intangible assets and property, plant and equipment	-46,786	-44,154
Impairment losses (-) / reversals (+) on property, plant and equipment	140	-12
Expected credit loss (-) / income(+) on financial instruments	1	-106
Total	**-46,645**	**-44,272**

8. Finance income

	2024 €k	2023 €k
Interest and similar income	9,125	6,095
Income from valuation of financial liabilities	300	0
Total	**9,425**	**6,095**

Interest and similar income of €9,125 thousand (previous year: €6,095 thousand) mainly comprises interest income on bank and time deposit balances. The valuation of contingent considerations from put options resulted in income of €300 thousand in the current reporting year, whereas an expense of €704 thousand was recognised under financing expenses in the previous year.

9. Finance costs

	2024 €k	2023 €k
Bank interest	-1,804	-1,501
Interest expense from participation rights	-744	-609
Interest expense from pensions	-674	-667
Interest expense from leases	-660	-457
Bank guarantee commissions	-388	-573
Expenses from valuation of financial liabilities	0	-704
Other interest and similar expenses	-449	-326
Total	**-4,721**	**-4,836**

In the previous year, the expenses from the measurement of financial liabilities include the effect from the measurement of contingent considerations from the put option totalling €704 thousand.

10. Taxes

Detailed information on the deferred tax assets and liabilities recognised can be found in section I.4.18 b) "Deferred taxes".

Deferred taxes are recognised on the basis of the future local income tax rate. The income tax rate in Poland is 19%, in China 25% and in Greece 22%.

As at 31 December 2024, the following tax loss carryforwards existed for which no deferred tax assets were recognised in the financial year, as in previous years:

	2024 €k	2023 €k
Trade income tax	61,844	50,652
Corporate income tax (incl. capital gains tax)	27,492	20,021

The reconciliation between the income tax expense and the product of the profit for the period recognised in the balance sheet and the applicable Group tax rate is shown below. The applicable Group tax rate corresponds to the domestic tax rate of MBB SE.

	2024 €k	2023 €k
Deferred taxes	-18,651	1,647
Corporate income tax (incl. capital gains tax)	-7,242	-6,909
Trade income tax	-5,951	-4,425
Total	**-31,843**	**-9,687**

	2024 €k	2023 €k
Earnings before taxes (EBT)	99,977	34,827
Other taxes	-1,403	-887
Consolidated net profit before income taxes and non-controlling interests	**98,574**	**33,940**
Income taxes	-31,843	-9,687
Current income tax rate	**32.3%**	**28.5%**

	2024 €k	2023 €k
Earnings before taxes (EBT)	99,977	34,827
Other taxes	-1,403	-887
Consolidated net profit before income taxes and non-controlling interests	**98,574**	**33,940**
Applicable (statutory) tax rate	30.0%	30.0%
Expected income tax expense	**29,572**	**10,182**
Effects due to the change in unrecognised loss carryforwards	2,938	227
Taxation of foreign establishments	155	-788
Effect from expenses not deductible for tax purposes	1,023	678
Effects from tax-exempt income	-908	-831
Taxes relating to other periods	1,304	227
Effects due to deviations from the expected income tax rate	-588	105
(Off-balance sheet) deduction of expenses (Stock option program)	-1,932	0
Other tax effects	279	-113
Current income tax expense	**31,843**	**9,687**

11. Earnings per share

In calculating earnings per share, the earnings attributable to the holders of ordinary shares in the parent company are divided by the weighted average number of ordinary shares in circulation during the year.

To calculate diluted earnings per share, the consolidated net profit is adjusted for expenses and earnings in connection with dilution effects in accordance with IAS 33.32 and then divided by the number of outstanding ordinary shares including dilution effects.

The treasury stock method was used to calculate the effects of the stock option program on diluted earnings per share.

MBB SE's 2020 stock option program ended on 26 August 2024. As at the end of the reporting year, basic earnings per ordinary share were the same as diluted earnings per ordinary share. Any dilutive effects in the previous year resulted from MBB SE's 2020 stock option program. Based on the structure of the 2020 stock option program, a total of 48,532 of the 230,000 share options issued were considered dilutive potential ordinary shares using the treasury stock method as at the balance sheet date of the previous year. These are added to the weighted average number of ordinary shares.

	2024	2023
Profit attributable to holders of ordinary shares of the parent before adjustments (in € thousand)	37,660	12,150
Weighted average number of ordinary shares used to calculate earnings per share (in thousand)	5,431	5,735
Earnings per ordinary share (in €) - basic	**6.93**	**2.12**
Profit attributable to holders of ordinary shares of the parent after adjustments (in € thousand)	37,660	12,150
Weighted average number of ordinary shares used to calculate earnings per share - after diluting effects (in thousand)	5,431	5,784
Earnings per ordinary share (in €) - diluted	**6.93**	**2.10**

12. Other comprehensive income

The MBB Group's IFRS comprehensive income of €80,699 thousand (previous year: €45,726 thousand) comprises earnings after taxes of €66,731 thousand (previous year: €24,253 thousand) and other comprehensive income of €13,968 thousand (previous year: €21,472 thousand). Other comprehensive income includes gains from the fair value measurement of shares of €12,232 thousand (previous year: €15,862 thousand) and the measurement of bonds and gold of €1,665 thousand (previous year: €2,764 thousand). Of this amount, MBB SE recognised gains of €11,958 thousand from the measurement of shares (previous year: €15,385 thousand) and gains of €1,752 thousand (previous year: €2,566 thousand) from the measurement of bonds and gold.

The following overview shows income taxes recognised in the respective items of other comprehensive income.

	2024 €k	2023 €k
Changes in the fair value of bonds and gold	-10	-56
Items that may be subsequently reclassified to profit and loss	**-10**	**-56**
Fair value changes shares	-206	-52
Reserve for pensions	350	87
Items that will not be subsequently reclassified to profit and loss	**143**	**36**
Total	**134**	**-20**

IV. Segment reporting

1. Information by segment

Segment reporting was prepared in accordance with IFRS 8 (Operating Segments). According to this standard, operating segments are components of an entity for which separate financial information is available and which are regularly reviewed by the chief operating decision maker to decide how to allocate resources and assess their performance. For reporting purposes, the activities of the MBB Group are broken down by business division and region. The demarcation is based on internal management and takes into account the different risk and earnings structures of the divisions.

The composition of the operating segments is unchanged compared to the previous year and is as follows as at the balance sheet date:

Technological Applications

This segment comprises subsidiaries with technical products and industrial customers. The segment consists of the companies of Aumann and Delignit.

Consumer Goods

The Consumer Goods segment includes the subsidiaries whose products are predominantly used by private consumers. Accordingly, this segment contains the subsidiaries Hanke and CT Formpolster.

Service & Infrastructure

The Service & Infrastructure segment comprises the companies of DTS, which specialize in IT security and cloud services, and the companies of Friedrich Vorwerk, a leading provider in the field of pipeline and plant engineering for gas, power grid and hydrogen applications.

Segment results

The accounting and valuation methods used for segment reporting correspond to the accounting and valuation methods described in section I. 4. The segment result is based on the adjusted EBITDA of the individual segments, as this is used to manage the segments. The transfer prices between the operating segments are determined on the basis of arm's length market conditions.

Segment figures	2024	2023	Δ 2024 / 2023	
	€k	€k	€k	in %
Service & Infrastructure				
Revenue	**597,297**	**481,305**	**115,992**	**24.1%**
EBITDA (adjusted)	**93,779**	**46,980**	**46,799**	**99.6%**
Segment assets	285,072	272,800	12,271	4.5%
Segment liabilities	186,257	113,465	72,792	64.2%
Technological Applications				
Revenue	**377,478**	**375,656**	**1,822**	**0.5%**
EBITDA (adjusted)	**40,201**	**28,350**	**11,851**	**41.8%**
Segment assets	209,633	241,389	-31,756	-13.2%
Segment liabilities	105,027	151,223	-46,196	-30.5%
Consumer Goods				
Revenue	**93,973**	**98,354**	**-4,380**	**-4.5%**
EBITDA (adjusted)	**9,794**	**5,926**	**3,868**	**65.3%**
Segment assets	60,532	58,977	1,554	2.6%
Segment liabilities	17,874	21,710	-3,835	-17.7%
Reconciliation				
Revenue intersegment Service & Infrastructure	-185	-527		
Revenue intersegment Technological Applications	-61	-40		
Revenue intersegment Consumer Goods	-126	-128		
Revenue	**-372**	**-695**		
EBITDA (adjusted)	**5,272**	**-1,040**		
Group				
Third party revenue Service & Infrastructure	597,113	480,778	116,335	24.2%
Third party revenue Technological Applications	377,417	375,616	1,801	0.5%
Third party revenue Consumer Goods	93,847	98,225	-4,378	-4.5%
Revenue	**1,068,377**	**954,620**	**113,758**	**11.9%**
EBITDA (adjusted)	**149,046**	**80,216**	**68,830**	**85.8%**

Segment assets do not include deferred tax assets, current financial resources and financial assets. Segment liabilities do not include any deferred tax liabilities, tax provisions, lease liabilities or liabilities to banks.

Reconciliation of EBITDA to consolidated net profit	2024 €k	2023 €k
Total EBITDA (adjusted) of the segments	**143,774**	**81,256**
Adjustments of EBITDA	-3,364	-2,025
Reconciliation to Group EBITDA	5,272	-1,040
Group EBITDA	**145,682**	**78,190**
Depreciation and amortization expense	-46,645	-44,272
Net finance costs	939	908
Earnings before taxes (EBT)	**99,977**	**34,827**
Income tax expense	-31,843	-9,687
Other taxes	-1,403	-887
Earnings after taxes	**66,731**	**24,253**
Non-controlling interests	-29,071	-12,104
Consolidated net profit	**37,660**	**12,150**

Reconciliation of segment assets to assets of the group	2024 €k	2023 €k
Service & Infrastructure segment	285,072	272,800
Technological Applications segment	209,633	241,389
Consumer Goods segment	60,532	58,977
Total segment assets	**555,236**	**573,166**
Deferred tax assets	15,661	18,639
Cash in hand, bank balances and short-term financial assets	511,503	440,787
Financial assets	114,391	100,012
Other assets	17,880	16,416
Total assets	**1,214,671**	**1,149,020**

Reconciliation of segment liabilities to equity and liabilities of the group	2024 €k	2023 €k
Service & Infrastructure segment	186,257	113,465
Technological Applications segment	105,027	151,223
Consumer Goods segment	17,874	21,710
Total segment liabilities	**309,158**	**286,397**
Equity	783,181	763,908
Deferred tax liabilities	44,951	29,433
Current tax liabilities	11,105	8,997
Liabilities to banks	43,439	35,517
Lease liabilities	18,872	18,625
Other equity and liabilities	3,964	6,144
Total equity and liabilities	**1,214,671**	**1,149,020**

The "EBITDA adjustment effects" in the 2024 financial year mainly comprise personnel expenses of €3,364 thousand (previous year: €2,025 thousand) from share option programmes of MBB SE and Aumann AG.

The reconciliation to the Group's earnings (EBITDA) recognises consolidation effects between the segments as well as the income and expenses of the holding company that are not based on transactions with subsidiaries. In particular, this includes income and expenses from securities and the remuneration of the holding company's staff.

2. Information by region

2.1 Revenue from external customers

	2024 €k	2023 €k
Germany	787,616	705,850
Europe	233,388	205,289
USMCA (Canada, Mexico, USA)	30,304	24,799
China	7,343	10,429
Miscellaneous	9,726	8,253
Total	**1,068,377**	**954,620**

2.2 Non-current assets

Non-current assets of the MBB Group are primarily located in Europe and include intangible assets and property, plant and equipment. Non-current assets in Germany totalled €265,538 thousand at the end of the reporting period (previous year: €248,220 thousand), while those of our subsidiaries in China and the USA amounted to €104 thousand at the end of the year (previous year: €173 thousand).

3. Information on main customers

In the 2024 financial year, there were two customers that each contributed more than 10% to Group sales.

In 2024, the revenue contribution from customer A amounted to €116.8 million and is recognised in the Technological Applications segment. Customer B's contribution to sales amounted to €110.8 million and is recognised in the Service & Infrastructure segment.

In 2023, no single customer accounted for more than 10% of Group sales.

V. Notes to the consolidated statement of cash flows

The cash flow statement is presented in a separate statement. It shows the changes in cash and cash equivalents in the MBB Group. The cash and cash equivalents recognised are not subject to any restrictions on disposal by third parties. The Group has not made any payments for extraordinary transactions. Payments for income taxes and interest are recognised separately. The cash flow statement was prepared in accordance with IAS 7 and breaks down the changes in cash and cash equivalents into cash flows from operating, investing and financing activities. Interest received is allocated to cash flow from operating activities. The cash flow from operating activities is presented using the indirect method.

The following table shows the changes in liabilities from financing activities.

	Liabilities to banks €k	Lease liabilities €k	Other loans €k	Total €k
Balance sheet as of 1 Jan 2023	**49,155**	**18,620**	**0**	
Proceeds	19,265	0	1,400	20,665
Repayments	-33,322	-9,196	-1,200	-43,718
Cash-effective changes	**-14,057**	**-9,196**	**200**	**-23,053**
Changes in exchange rates	416	108	0	524

	Liabilities to banks	Lease liabilities	Other loans	Total
New leases	0	9,113	0	9,113
Derecognitions	0	-19	0	-19
Accrued interest	3	0	0	3
Non-cash changes	**419**	**9,201**	**0**	**9,620**
Balance sheet as of 31 Dec 2023	**35,517**	**18,625**	**200**	
Balance sheet as of 1 Jan 2024	**35,517**	**18,625**	**200**	
Proceeds	20,554	0	0	20,554
Repayments	-12,692	-8,847	-200	-21,740
Cash-effective changes	**7,861**	**-8,847**	**-200**	**-1,187**
Changes in exchange rates	65	27	0	93
New leases	0	9,429	0	9,429
Derecognitions	0	-362	0	-362
Accrued interest	-4	0	0	-4
Non-cash changes	**61**	**9,095**	**0**	**9,156**
Balance sheet as of 31 Dec 2024	**43,439**	**18,872**	**0**	

VI. Additional disclosures on financial instruments

The following overview shows the carrying amounts and fair values of financial instruments by class and IFRS 9 measurement category. In addition, the financial instruments measured at fair value are categorised in the fair value hierarchy provided for by IFRS 13. The individual levels of this hierarchy are defined as follows:

Level 1: The market value is determined on the basis of price quotations on active markets (e.g. stock exchange prices).

Level 2: Market observable parameters are included in the market value calculation to a significant extent.

Level 3: The determination of market value is based on valuation methods that primarily include non-market observable input factors.

The assets, trade payables, liabilities to non-controlling interests and other financial liabilities recognised at cost in accordance with IFRS 9 mainly have short remaining terms. Their carrying amounts approximate their fair values as at the reporting date. In accordance with IFRS 7.29a, their fair value is not disclosed ("n/a").

31 Dec 2024 €k	Classification according to IFRS 9[1]	Carrying amount	Fair value Level 1	Level 2	Level 3	Total
Assets						
Long-term securities	FVTOCI	104,734	104,734			104,734
(31 Dec 2023)		89,020	89,020			89,020
Trade receivables	AC	83,242				n/a
(31 Dec 2023)		81,962				
Other financial assets[2]	AC	6,957				n/a
(31 Dec 2023)		7,788				
Securities (debt instruments)	FVTOCI	114,793	114,793			114,793
(31 Dec 2023)		121,906	121,906			121,906
Derivatives without hedge relationship	FVTPL	69		69		69

31 Dec 2024 €k	Classi-fication ac-cording to IFRS 9[1]	Carry-ing amount	Fair value Level 1	Level 2	Level 3	Total
(31 Dec 2023)		172		172		172
Cash on hand, bank balances	AC	390,149				n/a
(31 Dec 2023)		313,901				
Liabilities						
Liabilities to banks	FLaC	43,439		43,143		43,143
(31 Dec 2023)		35,517		34,651		34,651
Liabilities from participation rights	FLaC	10,213		13,827		13,827
(31 Dec 2023)		10,213		13,845		13,845
Derivatives without hedge relationship	FVTPL	257		257		257
(31.12.2023)		0		0		0
Trade payables	FLaC	54,182				n/a
(31 Dec 2023)		66,316				
Liabilities to non-controlling interests	FLaC	7,036				n/a
(31 Dec 2023)		3,754				
Contingent considerations from put options	FVTPL	1,384			1,384	1,384
(31 Dec 2023)		1,631			1,631	1,631
Other financial liabilities and accruals[2]	FLaC	57,364				n/a
(31 Dec 2023)		53,192				
Aggregated according to category						
Financial assets	AC	480,348				n/a
Financial assets	FVTOCI	219,527				219,527
Financial assets	FVTPL	69				69
Financial liabilities	FLaC	172,234				n/a
Financial liabilities	FVTPL	1,642				1,642

[1] FVTPL: fair value through profit or loss; FVTOCI: fair value through other comprehensive income; AC: amortized cost; FLaC: financial liabilities at amortized cost

[2] Other financial assets and other financial liabilities include all other current assets and other liabilities that do not arise from taxes and prepaid expenses and deferred income.

The fair values of securities measured at fair value are based on the market price quoted on an active market. Investments in equity instruments are predominantly recognised at fair value through other comprehensive income. As at the balance sheet date, there were only equity instruments measured at fair value through other comprehensive income. This disclosure is based on the business model and the underlying investment strategy.

The fair values of liabilities to banks and liabilities from profit participation rights as well as contingent considerations from put options are calculated as the present values of expected future cash flows. Standard market interest rates for the corresponding maturities and credit ratings are used for discounting.

The contingent considerations from put options result from the acquisition of Internet Sicherheitslösungen GmbH, Bochum, and were recognised for the first time in the 2019 financial year. In the reporting period, interest expenses of €53 thousand (previous year: €27 thousand) were recognised from the compounding of the contingent consideration and income from the revaluation of €300 thousand (previous year: expense of €704 thousand) due to the lower fair value of the outstanding shares.

There were no changes between the levels in the reporting year or the previous year.

The following tables show the valuation techniques used to determine the fair values.

Financial instruments measured at fair value

Financial instrument	Valuation technique	Material, unobservable input factors	Relationship between significant unobservable inputs and fair value measurement
Securities	The fair value is based on the market price of equity and debt instruments as of 31 December 2024.	not applicable	not applicable
Interest Swaps	The fair value is calculated as the present value of the estimated future cash flows.	not applicable	not applicable
Contingent considerations from put options	Discounted cash flows based on contractually fixed mechanisms	ISL's performance The fair value of contingent consideration liabilities would decrease if ISL's performance were lower'.	not applicable

Financial instruments not measured at fair value

Financial instrument	Valuation technique
Liabilities to banks / liabilities from profit participation rights	Discounted cash flows: The valuation model takes into account the present value of the expected payments, discounted using a risk-adjusted discount rate.

VII. Objectives and methods of financial risk management

1. Financial assets and liabilities

The Group's main financial liabilities are non-current and current liabilities to banks, liabilities from profit participation rights, current trade payables and other non-current and current liabilities. The Group's financial assets affected by default risk mainly consist of cash and cash equivalents, bonds, trade receivables and contract assets. The carrying amount of the financial assets recognised in the consolidated financial statements less impairments represents the maximum default risk. It amounts to a total of €714,220 thousand (31/12/2023: €677,089 thousand). Business relationships are only entered into with creditworthy contractual partners. Trade receivables are due from a number of customers spread across different sectors and regions. Ongoing credit assessments are carried out with regard to the financial status of receivables. A payment term of 30 days without deduction is usually granted. No valuation allowances were recognised for trade receivables that were overdue on the balance sheet date if no significant changes in the customer's creditworthiness were identified and payment of the outstanding amounts is expected.

For information on the maturities of financial liabilities, please refer to our comments under II.14. "Liabilities" and II.15. "Other liabilities" in the notes to the consolidated financial statements.

The measurement of the MBB Group's financial assets and liabilities is presented in section I.4.10 Financial instruments - initial recognition and subsequent measurement in the notes to the consolidated financial statements.

2. Capital risk management

The Group manages its capital (equity plus liabilities less cash and cash equivalents) with the aim of achieving its growth targets through financial flexibility while at the same time optimising financing costs. The overall strategy in this regard is unchanged compared to the previous year.

Management reviews the capital structure at least every six months. The cost of capital, the collateral provided and the open credit lines and credit facilities are reviewed.

By agreeing several financial covenants when taking out loans, individual subsidiaries are required to comply with certain equity ratios.

The capital structure of the MBB Group as at the balance sheet dates of 31 December 2024 and 31 December 2023 is as follows:

	31 Dec 2024	31 Dec 2023
Equity in €k	783,181	763,908
- in % of total capital	64.5%	66.5%
Liabilities in €k	431,490	385,112
- in % of total capital	35.5%	33.5%
Current liabilities in €k	314,525	282,450
- in % of total capital	25.9%	24.6%
Non-current liabilities in €k	116,965	102,662
- in % of total capital	9.6%	8.9%
Net gearing*	-0.7	-0.6

* Calculated as the ratio of liabilities to banks and lease liabilities less cash and cash equivalents, securities and physical gold in relation to equity.

3. Financial risk management

Financial risk is monitored centrally by the management. The individual financial risks are reviewed at least quarterly.

The main risks to the Group arising from financial instruments include liquidity and credit risks. Business relationships are only concluded with creditworthy contracting parties.

Assessments by independent rating agencies, other available financial information and the Group's own trading records are used to assess the creditworthiness of major customers in particular. In addition, the amounts receivable are monitored on an ongoing basis so that the MBB Group is not exposed to any significant credit risk. The maximum default risk is limited to the carrying amount of the assets recognised in the balance sheet.

Valuation allowances on trade receivables and contract assets are determined using the simplified approach.

The Group manages liquidity risks by holding appropriate reserves, monitoring and maintaining credit agreements and planning and coordinating cash inflows and outflows.

4. Market risks

Market risks can arise from changes in exchange rates (exchange rate risk) or interest rates (interest rate risk). Exchange rate risks are largely avoided by the fact that the Group mainly invoices in euros or local currency. Aumann has entered into forward exchange contracts with a nominal value of USD 591 thousand for order-related hedging purposes. The market value of these forward exchange contracts as at the reporting date was €-36 thousand.

The Group is exposed to interest rate risks as a result of borrowing at variable interest rates. The MBB Group manages this risk by maintaining an appropriate ratio between fixed and variable interest rate agreements. Hedging using derivatives (e.g. interest rate swaps or interest rate forward transactions) takes place in exceptional cases. As at the reporting date, there were variable-interest, unhedged liabilities totalling €7,768 thousand (previous year: €7,362 thousand). Hedging transactions existed in the form of six interest rate swaps with a nominal volume of €10,356 thousand and two interest rate floors with a nominal volume of €2,250 thousand. If, ceteris paribus, interest rates had been 2 percentage points higher (lower) assuming a corresponding average level of debt, the pre-tax result would have been €151 thousand lower (higher).

5. Price risk

The listed equity and debt instruments held by the Group are susceptible to market price risks arising from the uncertainty of the future performance of these securities. The Group manages the price risk through diversification and by restricting investments in individual instruments. The Group's management is provided with regular reports on the portfolio. Management reviews and approves all decisions regarding investments in these instruments.

6. Liquidity risk

Liquidity risk describes the risk that the Group will not be able to fulfil its payment obligations when they fall due. Liquidity risks from financial liabilities do not arise due to the high level of cash and cash equivalents. Ultimately, responsibility for liquidity risk management lies with the Executive Management and the Management Boards and managing directors of the subsidiaries, who have each established an appropriate concept for managing short-term and long-term financing and liquidity requirements. The Group and the subsidiaries manage liquidity risks both by holding appropriate reserves and by constantly monitoring forecast and actual cash flows as well as by matching the maturity profiles of financial assets and liabilities.

IFRS 7 also requires a maturity analysis for financial liabilities. The following maturity analysis shows how the undiscounted cash flows in connection with the liabilities as at 31 December 2024 affect the Group's future liquidity situation.

31 Dec 2024	Carrying amount	Undiscounted cashflows		
		Up to 1 year	More than 1 year and up to 5 years	Over 5 years
Type of liability	€k	€k	€k	€k
Liabilities to banks	43,439	21,063	17,648	7,476
Lease liabilities	18,872	8,204	10,518	2,161
Liabilities from participation rights	10,213	603	2,537	16,925
Trade payables	54,182	54,182	0	0
Liabilities to non-controlling interests	7,036	3,179	0	3,857
Contingent considerations from put options	1,384	1,384	0	0
Accruals	45,096	45,096	0	0
Other financial liabilities	12,268	12,215	53	0
Total	**192,490**	**145,926**	**30,756**	**30,419**

31 Dec 2023	Carrying amount	Undiscounted cashflows		
		Up to 1 year	More than 1 year and up to 5 years	Over 5 years
Type of liability	€k	€k	€k	€k
Liabilities to banks	35,517	13,125	19,970	3,842
Lease liabilities	18,625	8,347	9,989	1,598
Liabilities from participation rights	10,213	637	2,481	17,736
Trade payables	66,316	66,316	0	0
Liabilities to non-controlling interests	3,754	1,787	0	1,967
Contingent considerations from put options	1,631	0	1,702	0
Accruals	37,278	37,278	0	0
Other financial liabilities	15,913	15,815	98	0
Total	**189,248**	**143,306**	**34,240**	**25,143**

If the contractual partner can call up a payment at different times, the liability is based on the earliest due date. Interest payments on financial instruments with variable interest rates are calculated on the basis of forward interest rates. In the case of performance-related interest, the interest rate for the reporting year is generally assumed, unless better information is available. The cash flows of financial and lease liabilities are made up of their undiscounted interest and principal payments.

VIII. Other mandatory information

1. Executive bodies

Under the monistic system, MBB SE is represented by a Board and the Executive Management. In a monistic system, management is not institutionally separated from monitoring, but both functions can be performed by the Board.

Board

- Dr Christof Nesemeier, Diplom-Kaufmann, Chairman and Executive Chairman (Board member since 9 March 2015)
- Gert-Maria Freimuth, Diplom-Kaufmann, Deputy Chairman, Chairman of the Nomination Committee (Board member since 9 March 2015)
- Anton Breitkopf, graduate in business administration, Chairman of the Audit Committee (Board member since 18 July 2018)
- Dr Peter Niggemann, lawyer, member (until 26 June 2024)

Dr Christof Nesemeier is Chairman of the Supervisory Board of Friedrich Vorwerk Group SE and Friedrich Vorwerk Management SE.

Gert-Maria Freimuth is Chairman of the Supervisory Board of Aumann AG, Delignit AG and DTS IT AG.

Anton Breitkopf is Deputy Chairman of the Supervisory Board of DTS IT AG and Delignit AG.

The members of the Board of Directors Dr Christof Nesemeier, Gert-Maria Freimuth and Anton Breitkopf were newly appointed by the Annual General Meeting on 24 August 2020. Their appointment runs until the end of the Annual General Meeting that resolves on the discharge of the respective member of the Board of Directors for the 2025 financial year, but until 23 August 2026 at the latest. The Annual General Meeting on 26 June 2024 resolved to change the number of members of the Board of Directors from four to three members after Dr Niggemann declared his resignation with effect from the 2024 Annual General Meeting.

Executive Management

- Dr Constantin Mang, Economist, Chief Executive Officer (CEO)
- Dr Jakob Ammer, Business Economist, Chief Operating Officer (COO)
- Torben Teichler, business economist, Chief Investment Officer (CIO)
- Dr Christof Nesemeier, business graduate, Executive Chairman

As CEO (Chief Executive Officer), Dr Constantin Mang is responsible for Strategy, Mergers & Acquisitions, Finance, Investor Relations and IT. As COO (Chief Operating Officer), Dr Jakob Ammer is responsible for the development of the investment portfolio and process optimisation. As CIO (Chief Investment Officer), Torben Teichler is responsible for the areas of capital investment, treasury, compliance and legal affairs.

Dr Constantin Mang is also a member of the Supervisory Board of DTS IT AG.

Dr Jakob Ammer is also a member of the Supervisory Board of AURETAS family trust GmbH.

2. Remuneration components

Reference to the remuneration system and long-term corporate development

The remuneration of the Executive Management and the Board of MBB SE is based on the remuneration system of MBB SE and is thus determined in accordance with the provisions of the German Stock Corporation Act (AktG), taking into account the German Corporate Governance Code (GCGC). The Board regularly reviews the structure and appropriateness of the remuneration of the Executive

Management of MBB SE. This also takes into account the level of remuneration paid to members of the Board, Managing Directors and employees within the MBB Group. Members of the Board are not authorised to vote on decisions relating to the amount of their own remuneration.

The Board of Directors prioritises the promotion of the business strategy and the long-term development of the company. In particular, the aim is to increase the value of the company and thus the value for shareholders in the long term. By linking the variable remuneration components to the development of equity under commercial law, the development of MBB SE's share price and the stock market prices of equity securities held, a congruence is created between the interests and expectations of the shareholders and the remuneration of the Executive Management. The Board has given a correspondingly high weighting to the multi-year remuneration components, which helps to ensure that the Executive Management's actions in the current financial year are also geared towards the long-term development of the company.

Remuneration components of the Executive Directors

The remuneration components of the remuneration system comprise the following for the Executive Management of MBB SE:

Fixed remuneration components

- Basic salary
- Fringe benefits

Variable remuneration components

- Annual variable remuneration
- Share-based long-term incentive programme with a term of several years (LTIP)

The underlying remuneration system does not provide for the possibility of MBB SE reclaiming annual variable remuneration components. During the term of the share-based long-term incentive programme, any claims by MBB SE against employees due to a gross breach of duty can be offset against the claims from the share option programme.

Basic salary and fringe benefits

The basic salary comprises fixed annual remuneration, which is paid monthly in arrears in twelve equal instalments and includes social security contributions. Remuneration in kind includes the use of a company car.

The Executive Management are also covered by the Group accident insurance and the Group-wide directors' and officers' liability insurance (D&O insurance).

Annual variable remuneration

The annual variable remuneration of the Executive Management depends on the equity growth of MBB SE. The basis of assessment is a percentage of the amount by which the equity of MBB SE at the end of each financial year exceeds the equity at the beginning of the financial year. Equity comprises the items set out in section 266 (3) A. HGB. The calculation is based on the audited annual financial statements, whereby equity is calculated with certain modifications. For example, assets with a market price are recognised at the market price and sales of assets in which MBB SE holds an interest of more than 5% are only taken into account in defined individual cases.

If the assessment basis is negative in one or more financial years, the resulting negative amount is carried forward to the following financial years and offset against the future additional amounts until the negative amounts carried forward are balanced.

The distribution quota is contractually defined for each individual member of the Executive Management Board based on the remuneration system, tasks, responsibility, performance and length of service. The Board of Directors determines the entitlement to and amount of variable remuneration at its reasonable discretion at the first Board meeting following the end of the financial year.

The Board may set additional incentives for proceeds from sales of unlisted equity investments or placements as part of IPOs at companies in which MBB SE holds more than 5%.

The bonus assessment basis for the 2024 financial year was negative, meaning that no annual variable bonus was paid to the Executive Management for the 2024 financial year.

Share-based long-term incentive program with multi-year term (LTIP)

MBB SE's business model is largely based on the use of qualified, committed managers, who are incentivised by these models to permanently and sustainably increase the value of MBB on the one hand and to remain with the company in the long term on the other. In 2020, MBB SE launched an equity-based share option programme 2020, which ended on 26 August 2024. The remuneration resulting from the allocation of the 2020 share option programme is presented in section "3. Remuneration of the executive bodies".

The basic regulations of the programme are described below.

By resolution dated 24 August 2020, the Annual General Meeting authorised the Board of Directors to grant up to 240,000 no-par value bearer shares in the company to beneficiaries pursuant to Section 192 para. 2 no. 3 AktG until 30 June 2025.

The option programme is based on the performance of the MBB SE share price during the period of the share option programme. The extent to which share option rights issued can be exercised is determined using a price criteria model.

The 2020 share option programme consists of a criterion A (exceeding share price thresholds) and a criterion B (average share price achieved). Each criterion determines a percentage exercisability in relation to the share option rights issued.

Criterion A is based on reaching a price threshold. The respective threshold value is deemed to be met if this value is reached or exceeded within the term of the share option programme on 90 XETRA trading days (not necessarily consecutive and as a moving average based on the respective daily closing price) and a total of at least 90,000 shares were traded on XETRA during this period. The following price thresholds apply:

Price threshold	Cumulative percentage vesting of issued stock option rights
€77.00	1.8%
€88.00	4.8%
€99.00	9.0%
€111.00	14.4%
€122.00	21.0%
€133.00	28.8%
€144.00	37.8%
€155.00	48.0%
€166.00	60.0%

At the end of the share option programme, criterion B evaluates the average price achieved with its increase measured against the target. The target is an average price of €110.00 at the end of the waiting period, which results in a price increase of €50.00 on the initial exercise price of €60.00 as a further target value. Dividends paid by MBB SE during the term of the programme are taken into account by reducing the exercise price.

The arithmetical results of both criteria are added together, whereby the maximum exercisability of the share options issued is limited to 100 %.

MBB SE pays tax on the non-cash benefit of the share option rights exercised.

The absolute maximum amount per beneficiary for exercisable stock option rights is €199.00 less the exercise price per share, multiplied by the total number of stock option rights allocated to the beneficiary. If the requirements for exercising the option rights are met, these can only be exercised if the beneficiary has been employed by MBB SE for twelve months without interruption and without notice and the waiting period of four years plus one working day starting from the date of issue has expired. Furthermore, exercise is only possible if the Board has determined the exercisability, the total amount of exercisable share option rights and the exercise price by resolution.

The termination of the employment relationship during the term has a reducing effect on the amount of exercisable share option rights.

The subscription rights were valued using a Monte Carlo simulation, taking into account the absolute performance targets. The following parameters were included in the valuation of the subscription rights:

Parameter	
Valuation date	24 August 2020
Exercise price	€60.00
Share price	€72.40
Risk-free interest rate	-0.73%
Dividend yield	1.32%
Expected volatility	41.84%
Term	4.1 years
Fair value	**€ 16.57**

The estimates for the expected volatility were derived from the historical share price performance of MBB SE. The remaining term of the option rights was used as the time frame.

Remuneration components of the Board

The remuneration of the Board is based on the remuneration system of MBB SE and refers to the recommendations and suggestions of the German Corporate Governance Code.

The remuneration components of the remuneration system comprise the following for the members of the Board of MBB SE:

- Annual remuneration
- Attendance fees
- Remuneration of the MBB Group's Supervisory Board
- Consultancy services
- Fringe benefits

Annual remuneration

Each member of the Board of Directors receives an annual remuneration of €50,000.00. The respective member of the Board of Directors must allow all other remuneration received directly or indirectly from the company (e.g. remuneration as Executive Management, from consultancy or service contracts, etc.) to be offset against the above remuneration, i.e. the remuneration is only payable if and to the extent that other remuneration is less than €50,000.00 per year.

Attendance fees

In addition, the members of the Board of Directors receive a fixed remuneration per meeting. The attendance fee is €15,000.00 per meeting for the Chairman, €7,500.00 per meeting for the Deputy Chairman and €5,000.00 per meeting for other members of the Board of Directors, plus any value added tax.

Remuneration of the MBB Group's Supervisory Board

Some of the members of the Board of MBB SE receive additional remuneration from their activities as members of the Boards of subsidiaries of MBB SE, which are listed in the "Corporate bodies" section.

In accordance with the provisions of the German Corporate Governance Code, Supervisory Board remuneration paid to Executive Management for intragroup mandates is offset against the remuneration paid in their capacity as Executive Management. This applies to all new employment contracts of Executive Management members concluded from 1 July 2021 until 31 December 2024.

Consultancy services

There is a consultancy agreement with Gert-Maria Freimuth for specific individual projects that go beyond the scope that is owed in any case due to his position on the board. Mr Gert-Maria Freimuth receives a daily rate of €2,000.00 with an annual budget of €140,000.00€ , plus any VAT.

Fringe benefits

The Board of Directors is covered by the Group-wide directors' and officers' liability insurance (D&O insurance).

3. Remuneration of the executive bodies

Equity-based stock option program 2020

In its resolution of 28 August 2024, the Board of Directors determined that the waiting period of twelve months for the equity-based share option programme 2020 is deemed to have been fulfilled for the participants explicitly named in the programme, that the waiting period expired at midnight on 26 August 2024 and that the share option rights can be exercised by meeting criteria A and B.

Criterion A (share price threshold) was fulfilled for the beneficiaries with continuous employment at €133.00 and resulted in an exercisability of 28.80 %. The same or lower values, which were reduced pro rata temporis, applied to the beneficiaries who left the company prematurely.

Criterion B (increase in the average share price in relation to the target value of €50.00 compared to a starting value of €60.00) was achieved with 89.57 %. Taking into account the weighting of 60 %, a final value of 53.74 % was achieved for the beneficiaries who were continuously employed. Lower values applied for beneficiaries who left the company prematurely.

A total of 152,711 options were determined to be exercisable based on the percentage exercisability of criteria A and B. The exercise price to be paid was €54.25 per share option or €60.00 per share option in the event of early termination of employment.

With regard to the exercise price, the Board of Directors already decided on 26 June 2024 that, with regard to the settlement of the programme, programme participants can also choose a modified settlement option instead of payment of the exercise price. The equivalent value of the shares less the exercise price originally payable was calculated and an additional discount applied. In this variant, no exercise price was then payable.

In accordance with the declarations of acceptance by the beneficiaries, 30,760 share options were allocated at an exercise price of €0.00 per option and 82,539 shares at an exercise price of €54.25 per option. In total, an exercise price of €4,477,741 had to be paid for the exercise of the options by the programme beneficiaries. As a result, a total of 113,299 options were exercised. The options were exercised and the shares delivered between 17 and 18 September 2024. Under the net salary agreement applicable to the 2020 share option programme, a total amount of €4,707,633 was taxed for the programme beneficiaries as a non-cash benefit assumed by and for the account of MBB SE.

The number of share options exercised, the exercise price, the share value less the exercise price on the exercise date and the non-cash benefit taxed by MBB SE for the programme participants are as follows:

Stock option program 2020	Stock options granted			Amount at the exercise day		
		Exercise price	Exercise price	Share value less exercise price	Tax non-cash benefit	Total
	Units	€ per share	€ total	€	€	€
Dr Christof Nesemeier	82,539	54.25	4,477,741	3,578,066	2,491,940	6,070,005
Dr Constantin Mang	18,479	0		1,803,550	1,408,091	3,211,642
Klaus Seidel	3,116	0		298,201	190,790	488,992
Dr Jakob Ammer	3,695	0		360,632	277,722	638,354
Torben Teichler	3,695	0		360,632	236,120	596,752
Team	1,775	0		169,868	102,970	272,838
Total	**113,299**	**0**	**4,477,741**	**6,570,949**	**4,707,633**	**11,278,582**

The weighted average share price on the exercise date was €97.52.

Remuneration of Executive bodies

The following table shows the total remuneration of the Executive Management and the Board of Directors for the past financial year and for the previous year in accordance with Section 285 No. 9 HGB. For further details, please refer to the separate remuneration report prepared in accordance with Section 162 AktG.

Remuneration	2024 T€	2023 T€
Executive Management	11,629	1,051
Board	311	339

4. Related party transactions

Parties are considered to be related if they have the ability to control the MBB Group or exercise significant influence over its financial and operating decisions.

4.1 Related persons

In accordance with IAS 24, MBB SE also reports on transactions with related parties and their family members. Related parties within the meaning of IAS 24 are defined as the Executive Management, the Board and their family members. There were no transactions with family members in either the financial year or the previous year.

The remuneration of key management personnel to be disclosed in accordance with IAS 24 comprises the remuneration of the active Executive Management and the Board.

Their remuneration was as follows:

	2024 €k	2023 €k
Salaries and other short-term benefits	1,423	1,390
Share-based payments	10,517	0
Total	**11,940**	**1,390**

Executive Management and Board

Please refer to the information on the remuneration paid as presented in the remuneration report of MBB SE. Other than the remuneration mentioned above, the members of the executive bodies have not entered into any other transactions with the MBB Group.

Notification of transactions involving shares of MBB SE

Persons with management duties, especially the members of Executive Management and the Board of MBB SE, and their related parties are required to disclose their transactions involving shares of MBB SE or related financial instruments. Notifications of relevant transactions are published on our website at https://www.mbb.com/investor-relations/corporate-governance.html.

4.2 Related companies

The affiliated companies included and not included in the consolidated financial statements are to be regarded as related parties. Transactions between the company and its subsidiaries were eliminated by way of consolidation and are not explained in these notes or are of minor importance and customary in the industry. Related parties are companies that are to be regarded as affiliated companies of the aforementioned related parties. In the course of the year, Group companies conducted the following transactions with related parties that are not part of the Group: MBB SE remunerates the consulting services of Gert-Maria Freimuth via MBB Capital GmbH, Münster.

With regard to joint ventures, please refer to section II.5 (Information on joint ventures), section II.7 (Trade receivables) and II.15 (Other liabilities).

5. Employees

The number of employees in the 2024 financial year and in the previous year breaks down as follows:

Average number of employees	2024 Headcount	2023 Headcount
Service & Infrastructure segment	2,199	2,008
Technological Applications segment	1,303	1,239
Consumer Goods segment	414	398
Total	**3,916**	**3,645**

As of the reporting date	Dec 31, 2024 Headcount	Dec 31, 2023 Headcount
Service & Infrastructure segment	2,321	2,038
Technological Applications segment	1,249	1,339
Consumer Goods segment	412	405
Total	**3,982**	**3,782**

As at 31 December 2024, the MBB Group had 311 people (previous year: 280) in training or on dual study programmes who are not included in the above employee figures.

6. Auditor’s fees

The auditor’s fees recognised in the 2024 financial year break down as follows:

	2024 €k	2023 €k
Audit services	597	563
Tax consulting services	0	0
Other assurance services	0	0
Other services	0	0
Total	**597**	**563**

7. Contingent liabilities and off-balance sheet transactions

In the construction industry and in plant engineering, it is common and necessary to issue various guarantees to secure contractual obligations. These guarantees are usually issued by banks or credit insurance companies and essentially comprise contract fulfilment, advance payment and warranty guarantees. If a guarantee is utilised, the banks have recourse claims against the Group. There is only a risk of a guarantee being utilised if the underlying contractual obligations are not properly fulfilled. No claims were made against the Group in the financial year or in the past.

Obligations or probable risks from such guarantees are recognised in the balance sheet as liabilities or provisions.

In addition, joint ventures involving MBB Group companies are subject to joint and several liability with the other partners, as is customary in the industry.

8. Other financial obligations

The off-balance sheet obligations mainly consist of purchase, rental and lease obligations that were not recognised as right-of-use assets and lease liabilities in accordance with IFRS 16 and are as follows as at 31 December 2024:

Other financial obligations	31 Dec 2024 €k	31 Dec 2023 €k
Up to one year	9,250	4,614
More than one year and up to five years	151	476
Over five years	0	34
Total	**9,401**	**5,124**

The increase is due to purchase agreements for property, plant and equipment that will not be fulfilled until the following year.

9. Declaration in accordance with section 161 AktG in conjunction with section 314 (1) no. 8 HGB

As a listed stock corporation, MBB SE is required to issue a declaration in accordance with section 161 AktG on the extent to which it complies with the recommendations of the "Government Commission on the German Corporate Governance Code". The Board issued this declaration for the last time on 27 March 2025. It is published on the Internet at https://www.mbb.com/ir/corporate-governance.html.

Our listed subsidiaries Friedrich Vorwerk Group SE and Aumann AG also issued a Declaration of Conformity with the German Corporate Governance Code in March 2025, which can be accessed at the Internet addresses below.

- Declaration of Conformity of Friedrich Vorwerk Group SE
  https://www.friedrich-vorwerk-group.de/de/investor-relations/corporate-governance/
- Declaration of conformity of Aumann AG
  https://www.aumann.com/investor-relations/corporate-governance/

10. Events after the end of the reporting period

In the first quarter of 2025, DTS IT AG acquired a further 19.66% of the shares in ISL Internet Sicherheitslösungen GmbH by exercising its purchase option, thereby increasing its shareholding from 80.34% to 100.00%.

Furthermore, on 14 March 2025, Aumann AG resolved to offer shareholders the buyback of up to 1,434,523 treasury shares (approximately 10% of the share capital) as part of a voluntary public buyback offer to all shareholders.

Dr Christof Nesemeier, founding shareholder and Executive Chairman, and Torben Teichler will jointly lead the company as Executive Managers from July 2025. Dr Nesemeier was appointed Executive Management for a further 4.5 years by the Board of Directors on 16 January 2025 and will be responsible for Strategy, M&A and Operations as Executive Chairman. Mr Teichler was also appointed CFO of MBB for a further term of office of 4.5 years and will be responsible for the areas of capital investment, finance and investor relations. Dr Constantin Mang (CEO) and Dr Jakob Ammer (COO) informed the Board of MBB SE at the extraordinary Board meeting on 16 January 2025 of their decision not to extend their service contracts, which expire on 30 June 2025.

Berlin, 27 March 2025

The Executive Management of MBB SE

signed Dr Constantin Mang
Chief Executive Officer

signed Dr Jakob Ammer
Chief Operating Officer

signed Torben Teichler
Chief Investment Officer

signed Dr Christof Nesemeier
Executive Chairman

Responsibility statement (unaudited)

To the best of our knowledge, and in accordance with the applicable reporting principles for financial reporting, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Berlin, 27 March 2025

The Executive Management of MBB SE

signed Dr Constantin Mang
Chief Executive Officer

signed Dr Jakob Ammer
Chief Operating Officer

signed Torben Teichler
Chief Investment Officer

signed Dr Christof Nesemeier
Executive Chairman

Independent Auditor's Report

To MBB SE, Berlin, Germany

Report on the audit of the consolidated financial statements and the Group Management Report

Audit Opinions

We have audited the consolidated financial statements of MBB SE, Berlin, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of MBB SE, Berlin, which is combined with the management report of the Company, hereinafter referred to as the "Group management report", for the financial year from 1 January to 31 December 2024. In accordance with German legal requirements, we have not audited the content of the components listed in the "Other information" section of our auditor's report.

In our opinion, based on the findings of our audit

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2024 and of its financial performance for the financial year from 1 January to 31 December 2024, and
- the accompanying Group management report as a whole provides a suitable view of the Group's position. In all material respects, this 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. Our audit opinion on the group management report does not cover the content of those parts of the group management report listed in the "Other information" section.

Pursuant to § 322 Abs. 3 Satz 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 group management report.

Basis for Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the Group companies in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In our opinion, the following matters were of most significance in our audit:

- Impairment of goodwill
- Revenue recognition from construction contracts and construction contracts

We have structured our presentation of these key audit matters as follows:

1. Facts and problem definition,
2. Audit approach and findings,
3. Reference to further information.

We present the key audit matters below:

Goodwill impairment

1. Goodwill of €48.9 million is recognised in the consolidated financial statements of MBB SE under the balance sheet item "Intangible assets". The company allocates goodwill to the relevant groups of cash-generating units. Goodwill is subjected to an impairment test by the company annually on the balance sheet date or as required. This involves comparing the calculated values in use with the carrying amounts of the corresponding group of cash-generating units. These valuations are regularly based on the present value of future cash flows of the cash-generating unit to which the respective goodwill is allocated. The valuations are based on the budgets of the individual cash-generating units, which are based on the financial plans approved by management. Discounting is carried out using the weighted average cost of capital of the respective cash-generating unit. The result of this valuation is highly dependent on the assessment of future cash inflows by the legal representatives of the company and the discount rate used and is therefore subject to considerable uncertainty, which is why this matter is of particular significance in the context of our audit.
2. In order to address this risk, we critically scrutinised management's assumptions and estimates and performed the following audit procedures, among others:
   - As part of our audit procedures, we obtained an understanding of the Company's impairment testing process and understood the methodology used to perform the impairment test.
   - We satisfied ourselves that the future cash inflows on which the valuations are based and the discount rates used form an appropriate basis for the impairment tests of the individual cash-generating units.
   - Our assessment was based, among other things, on a comparison with general and industry-specific market expectations as well as extensive explanations from management on the key value drivers of the plans and a comparison of this information with the current budgets from the planning approved by the Board.
   - With the knowledge that even relatively small changes in the discount rate can have a significant impact on the value in use calculated in this way, we examined the parameters used to determine the discount rate applied, including the weighted average cost of capital, and analysed the company's calculation method.
   - In addition, we conducted our own sensitivity analyses in order to be able to assess a possible impairment risk in the event of a possible change in a key assumption of the valuation. The selection was based on qualitative aspects and the extent to which the respective carrying amount exceeded the value in use.

   We have determined that the respective goodwill and the overall carrying amounts of the relevant groups of cash-generating units are covered by the discounted future cash flows as at the balance sheet date.
3. The company's disclosures on goodwill are contained in Notes I.4.5 and II.2. to the financial statements.

Revenue recognition from production and construction contracts

1. A significant portion of the Group's business activities is conducted via construction contracts and construction contracts. The recognition of revenue in accordance with IFRS 15 depends on the degree of fulfilment of the performance obligation and must be evaluated on the basis of the underlying contracts and performance. Due to the complexity of revenue recognition, revenue recognition is an area with a significant risk of material misstatement (including the potential risk of management override of controls) and is therefore a key audit matter. Of the revenue, €639.9 million is attributable to period-related contracts with customers in 2024. 118.7 million in contract assets and €104.4 million in contract liabilities from construction contracts and construction contracts are reported as at 31 December 2024.
2. In order to address this risk, we critically scrutinised management's assumptions and estimates and performed the following audit procedures, among others:
   - As part of our audit, we analysed the internally defined methods, procedures and control mechanisms for project management in the bidding and execution phase of construction contracts and construction contracts. In addition, we assessed the design and effectiveness of the accounting-related internal controls by tracing contract-specific business transactions from their origin to their presentation in the consolidated financial statements and by testing controls.
   - We assessed the estimates and assumptions made by the legal representatives on the basis of random samples selected on a risk-oriented basis as part of our case-by-case audit. Our audit procedures included, among other things, a review of the contractual basis and contractual conditions, including contractually agreed provisions on partial deliveries or services, cancellation rights, default and contractual penalties and damages. For the selected projects, we also examined the revenue recognisable as at the reporting date and the associated cost of sales to be recognised in profit or loss based on the percentage of completion and the accounting treatment of the associated balance sheet items in order to assess the determination of income for the period.
   - We also conducted interviews with project management (both commercial and technical project managers) on the development of the projects, the reasons for deviations between planned costs and actual costs, the current assessment of the costs expected to be incurred until completion and the assessments of the legal representatives regarding possible contract risks.

   Our audit procedures did not lead to any reservations relating to the recognition of revenue from construction contracts and construction contracts.
3. The company's disclosures on the accounting and valuation principles applied to construction contracts are contained in Notes I.4.14; I.4.20, II.8 and III.1 of the Notes.

Other information

The legal representatives or the Board of Directors are responsible for the other information. The other information includes

- the corporate governance declaration,
- the non-financial statement in accordance with Section 315b HGB in conjunction with § Section 289b HGB and all references thereto,
- the remaining parts of the annual report (in particular the report of the Board of Directors), with the exception of the audited consolidated financial statements and group management report and our auditor's report, and
- the responsibility statement pursuant to Section 297 (2) sentence 4 HGB for the consolidated financial statements and the responsibility statement pursuant to Section 315 (1) sentence 5 HGB for the Group management report.

The Board of Directors is responsible for the report of the Board of Directors. The legal representatives and the Board of Directors are responsible for the declaration pursuant to Section 161 AktG on the German Corporate Governance Code, which forms part of the corporate governance statement contained in the management report. In all other respects, the legal representatives are responsible for the other information.

Our opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon. In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information

- are materially inconsistent with the consolidated financial statements, the group management report or our knowledge obtained in the audit, or

- otherwise appear to be materially misstated.

Responsibilities of the Legal Representatives and the Board for the Consolidated Financial Statements and the Group Management Report

Management is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. accounting fraud or error) or error.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. Furthermore, they are 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 unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the 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. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a 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 group management report.

The Board of Directors is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the Group management report.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and of the 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 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 opinions on the consolidated financial statements and on the 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 and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and the Group management report.

During the audit, we exercise professional judgement and maintain professional scepticism. In addition

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the 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 opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or on the effectiveness of these arrangements and measures.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of accounting estimates and related disclosures made by the executive directors.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. We draw our conclusions on the basis of the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We are solely responsible for our audit opinions.

- Evaluate the consistency of the 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 the legal representatives in the 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 forward-looking statements or on the underlying assumptions. There is a significant unavoidable risk that future events will differ materially from the forward-looking statements.

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

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to address independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Assurance report in Accordance with sec. 317 (3a) HGB on the Electronic Reproduction of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes

Reasonable Assurance Conclusion

We have performed an assurance engagement in accordance with sec. 317 (3a) HGB to obtain reasonable assurance about whether reproduction of the consolidated financial statements and the Group management report (hereinafter “ESEF documents”) contained in the attached electronic file [MBB_SE_IFRS_2024-2024-12-31-de]] and prepared for publication purposes complies in all material respects with the requirements of sec. 328 (1) HGB for the electronic reporting format (“ESEF-Format”). In accordance with German legal requirements, this assurance engagement only extends to the conversion of the information contained in the consolidated financial statements and the Group management report into the ESEF format and therefore relates neither the information contained within the reproduction nor to any other information contained in the above-mentioned electronic file.

In our opinion, the reproduction of the consolidated financial statements and the group management report contained in the above-mentioned attached file and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying group management report for the financial year from 1 January to 31 December 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Group Management Report" above, we do not express any audit opinion on the information contained in these reproductions or on the other information contained in the above-mentioned file.

Basis for the audit opinion

We conducted our audit of the reproduction of the consolidated financial statements and of the group management report contained in the above-mentioned attached file in accordance with Section 317 (3a) HGB and in compliance with IDW Auditing Standard: Audit of the Electronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW PS 410 (06.2022)). Our responsibilities under those requirements are further described in the "Auditor's responsibilities for the audit of the ESEF documents" section. Our audit practice complies with the quality management system requirements of the IDW Quality Management Standard: Requirements for Quality Management in the Auditing Practice (IDW QMS 1 (09.2022)) have been applied.

Legal uncertainty about the conformity of the interpretation of the relevant European regulations

The consolidated financial statements converted into ESEF format cannot be fully analysed by machine in a meaningful way due to the conversion process chosen by the company with regard to the information in the notes in iXBRL format ("block tagging"). The legal conformity of the legal representatives' interpretation that the Delegated Regulation (EU) 2019/815 does not explicitly require meaningful machine analysability of the structured notes information when block tagging the notes is subject to significant legal uncertainty, which therefore also constitutes an inherent uncertainty in our audit.

Responsibilities of Executive Directors and the Board for the ESEF-Documents

The company's management is responsible for the preparation of the ESEF documents including the electronic reproduction of the consolidated financial statements and the group management report in accordance with Section 328 (1) sentence 4 no. 1 HGB and for labelling the consolidated financial statements in accordance with Section 328 (1) sentence 4 no. 2 HGB.

Furthermore, the company's management is responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material non-compliance, whether due to fraud or error, with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Board of Directors is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Group Auditor's responsibilities for the assurance engagement on the ESEF-Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material - intentional or unintentional - non-compliance with the requirements of Section 328 (1) HGB. During the audit, we exercise professional judgement and maintain professional scepticism. In addition

- Identify and assess the risks of material non-compliance with the requirements of Section 328 (1) HGB, 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 opinion.
- Obtain an understanding of internal control relevant to the audit of the ESEF documentation in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these controls.
- we assess the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents fulfils the requirements of the Delegated Regulation (EU) 2019/815 in the version applicable at the reporting date for the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and the audited group management report.
- we assess whether the labelling of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with Articles 4 and 6 of the Delegated Regulation (EU) 2019/815 in the version applicable at the reporting date provides an adequate and complete machine-readable XBRL copy of the XHTML reproduction.

Other information according to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting of the parent company on 26 June 2024. We were engaged by the Board of Directors on 14 November 2024. We have been the group auditor without interruption since the financial year 2017.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (audit report).

Other matter - use of the auditor's report

Our audit opinion should always be read in conjunction with the audited consolidated financial statements and the audited Group management report as well as the audited ESEF documents. The consolidated financial statements and the group management report converted into the ESEF format - including the versions to be filed in the company register - are merely electronic reproductions of the audited consolidated financial statements and the audited group management report and do not replace them. In particular, the ESEF report and our audit opinion contained therein can only be used in conjunction with the audited ESEF documents provided in electronic form.

Responsible Auditor

The auditor responsible for the audit is Katrin Peters.

Düsseldorf, 27 March 2025

Nexia GmbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

signed Dr Grabs
Auditor

signed Peters
Auditor

Financial calendar

Quarterly report Q1 2025

13 May 2025

HAIB Stockpicker Summit 2025

14 to 16 May 2025

Annual General Meeting 2025

17 June 2025

Half-year report 2025

14 August 2025

Quarterly report Q3 2025

13 November 2025

German Equity Forum

24 to 26 November 2025

End of the financial year

31 December 2025

The Annual Report 2024 is a publication of MBB SE and is also available in English.

In case of doubt, the German version shall prevail.

Both language versions are available on the Internet at

https://www.mbb.com/ir/berichte.html

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