



# Annual Report **2024**



# Key Financial Results 2024

Revenue in EUR million

## 383.1

+14.7%



adj. EBITDA-Margin in %

## 16.9

+1.3pp



Operating Cash Flow in EUR million

## 42.6

+104.5%



R&D Ratio in %

## 5.6

+0.2 pp



Employees as of 12/31/2024

## 1,239

+9.6%



Order Intake in EUR million

## 423.2

+18.6%



Order Backlog as of 12/31/2024 in EUR million

## 234.9

+21%



Net debt as of 12/31/2024 in EUR million

## 66.2

-29.0%



NWC as % of Revenue

## 25.8

+1.3pp





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## Letter from the Executive Board



Johannes Linden

Dr. Konstantin Kurfiss

**Dear Ladies and Gentlemen,**

The year 2024 was a period of geopolitical and economic change. Sweden's accession to NATO, the European and US elections, as well as the political and economic challenges in Germany and the USA, shaped the environment in which PFISTERER operated. At the same time, issues such as climate change, the global transformation of energy infrastructure, and advancements in the use of artificial intelligence moved increasingly to the forefront. The need to drive sustainable solutions to reduce CO<sub>2</sub> emissions was reinforced by political measures. The energy transition is no longer just a challenge but an obligation for companies, governments, and society alike. In this environment, we have further strengthened our position as an international quality leader in electrical connection technology for energy infrastructure. With our innovative solutions, we are actively shaping the energy transition and driving the development and reliability of the electrical energy infrastructure.

### **Positive Business Results and Sustainable Growth**

PFISTERER Holding SE achieved positive business results in the 2024 fiscal year. Revenues increased by 14.7% to €383.1 million, while we improved our adjusted EBITDA margin from 15.6% to 16.9%. Our order intake increased by 18.6% to €423.2 million, underscoring the high demand for our innovative connection and insulation solutions. Furthermore, we more than doubled our operating cash flow to €42.6 million and reduced our net debt by 30% to €66.2 million, further enhancing our financial stability for the current fiscal year.

### **International Expansion and Innovation**

Our 1,200 employees located in over 90 countries reflect PFISTERER's global presence and are the foundation of our success. In 2024, we strategically invested in expanding our footprint, particularly in North America. The opening of a new production location in Rochester, USA, as well as our new sales company in Riyadh, Saudi Arabia, reflect our strategy of being present in high-growth regions and offering world-class products and services to our customers worldwide.

In parallel, we intensified our research and development activities. Our expertise in high-voltage technology enables us to set new standards in electrical energy infrastructure. In particular, the development of innovative connection technologies and new silicone and metal processing technologies contribute to making electrical energy transmission more efficient and sustainable. Additionally, we are preparing to enter the market for high-voltage direct current (HVDC) transmission – a segment with high potential that is on the verge of serial production.

### **Sustainability as a Corporate Responsibility**

Sustainability is not just a strategic goal for us but a responsibility that is part of our DNA. Our „One WORLD“ initiative bundles social and ecological projects whereby we make our contribution to the communities in which we are located. At the same time, we are optimizing our production processes and supply chains to reduce CO<sub>2</sub> emissions and use resources more efficiently.

During 2024, we reduced our direct energy consumption by 15% and our CO<sub>2</sub> emissions by 11% (Scope 1) and 34% (Scope 2). Our recycling rate stands at 75%, and for the first time, we calculated our Scope 3 emissions to further minimize our ecological footprint over the long term.

### **Outlook and Thanks**

The energy sector is undergoing profound change, bringing both challenges and opportunities. PFISTERER is well-positioned to help shape this transformation and play a critical role as a reliable partner for our customers and society.

Our special thanks go to our employees, whose extraordinary commitment makes a significant contribution to PFISTERER's success. Let us shape the future of electrical energy supply together.

Kind Regards,

A handwritten signature in green ink, appearing to read 'J. Linden'.

**Johannes Linden**  
Co-CEO and Speaker, PFISTERER Holding SE

A handwritten signature in blue ink, appearing to read 'Konstantin Kurfiss'.

**Dr. Konstantin Kurfiss**  
Co-CEO, PFISTERER Holding SE





## Supervisory Board Report for Fiscal Year 2024



THE SUPERVISORY BOARD OF THE PFISTERER HOLDING SE  
(from left) Matthias Benz • Prof. Dr. Petra Denk • Prof. Dr. Wolfgang Blättchen, *Chairman* •  
Dr. Stefan Seipl • Erich Schefold, *Deputy Chairman*

After a successful year in 2023, operational revenue, earnings, and financial performance continued their positive development in 2024, with the Group reporting highly profitable EBITDA results for the year. This positive trend is primarily due to a consistent focus on being a technology provider specializing in insulation and connection solutions within our core business area of highly efficient power grid connections. For 2025, the Executive Board has defined measures for increased revenue growth and efficiency improvements – both geographically in the North American market and technologically through an expansion into direct current (DC) technology.

The continuously increasing demand for electrical energy, grid expansion efforts, and the global energy transition are driving our business forward. Additionally, we are on track to be ready for the capital markets and are preparing the required steps. The Supervisory Board supports implementing the corporate and financial strategy jointly developed by the Executive Board.

**Collaboration Between the Supervisory Board & the Executive Board**

During fiscal year 2024, the Supervisory Board monitored and advised the Executive Board in the fulfillment of their responsibilities. All transactions requiring approval under the Articles of Association or internal regulations were discussed thoroughly before approval was granted. The Executive Board regularly informed the Supervisory Board through oral and written reports about PFISTERER Group's business performance as well as fundamental issues concerning business policy, financing strategies, risk management developments (including compliance), technological direction, order intake, revenue, earnings, and liquidity across Group companies. The Internal Audit function ensured the implementation of corporate governance requirements while enhancing governance structures like internal control systems (ICS). Audit reports were discussed in detail amongst the Executive Board and the Audit Committee of the Supervisory Board. Since 2021 PFISTERER Holding SE has published sustainability reports – most recently in July 2024.

Environmental, social, and governance issues (ESG), as well as responsible corporate management, remain in focus in our company. This includes compliance with applicable regulatory requirements and continuously improving all aspects of sustainability.

As Chairman of the Supervisory Board, I was in regular contact with the Executive Board in addition to our scheduled meetings.

**Supervisory Board Meetings**

In 2024, five regular meetings of the Supervisory Board took place, with the participation of the Executive Board. The Annual General Meeting was held on June 14, 2024. The impact of focusing on being a technology-oriented company (17 operational locations with five factories and five product segments) was clearly felt in 2024 and is reflected in our earnings performance. The business plan for our North America operations as well as the strategic technology roadmap for medium- and high-voltage cable accessories (including direct current) are among the strategic topics that were discussed. In the context of the „IFRS Conversion“ project, business activities are now clearly structured by region and product group. The strategic business plan through 2030 within the context of the energy transition, since concluded, will help us structure investments in manufacturing and product innovation.

**Report on Committee Work**

On September 30, 2024, the Supervisory Board adopted new Rules of Procedure governing the roles and responsibilities of the various committees.

The **Audit Committee** primarily monitors accounting processes, corporate governance & compliance practices, the adequacy and effectiveness of internal control systems (ICS), risk management systems (RMS), internal audit systems, financial statement audits, audit quality assessments, and prepares decisions on accounting-related matters. The Audit Committee Chairman, Mr. Erich Schefold, has extensive expertise and knowledge in accounting and auditing (§107 para. 4; §100 para. 5 AktG).



In 2024, four Audit Committee meetings were held. In addition to the Executive Board and relevant members of the Finance and Controlling departments, the external auditors also participated in the meeting reviewing the consolidated annual financial statements. The committee's work focused on reviewing the consolidated annual financial statements as well as the audit planning for the 2024 financial statements, in particular materiality and determining the audit priorities for the first IFRS financial statements (including comparative figures), in the context of the desired preparations to achieve our capital market goals. The committee also addressed issues relating to the corporate governance structure, including the further development of the early risk detection system and the internal control system, cybersecurity risks, and currency management. Future reporting on non-financial indicators was also discussed.

The **Technology Committee**, which is responsible for all important questions regarding Technology, had two meetings during fiscal year 2024 focused on questions regarding strategy development for key markets, market trends in manufacturing and technology, as well as the on-going initiatives regarding new product development and existing product enhancement in the various business segments. Their work included a new structure for our laboratories, material development for DC cable accessories, and new patent applications. In addition to patent strategy and digitalization, cooperation agreements with cable manufacturers in the HVDC sector were also a priority. The committee is led by Mrs. Prof. Dr. Denk.

Three meetings of the **Financing Committee** took place during 2024. The main focus was to ensure adequate preparations for the approach to the capital markets. In October 2024, the committee was renamed the **Capital Market Committee** (CMC) in the context of the on-going preparations to access the capital markets. The Capital Market Committee evaluates activities with potential capital market relevance. It consists of two members and with myself as Chairman. Three meetings were held in 2024, focused primarily on the internal requirements for an IPO.

The **Nomination and Personnel Committee** prepares personnel decisions for the Supervisory Board. The Nomination and Personnel Committee held two meetings in 2024. The main topic was the remuneration of the Executive Board, in particular to adjust the existing system of fixed remuneration, short-term incentive (STI) and long-term incentive (LTI) compensation components to the requirements of the capital markets. In this context, the percentages of these three compensation components were adjusted as part of the new appointment of the Executive Board members which took place on February 14, 2025 and runs through 2028. The new LTI is already based on actual stock options. Following the purchase of shares by the Executive Board during difficult times, a share ownership guideline has now been introduced.



## **CONSOLIDATED FINANCIAL STATEMENTS FOR FISCAL YEAR 2024**

At the Audit Committee meeting on April 10, 2025 and the Supervisory Board meeting on April 11, 2025, the audited consolidated annual financial statements of PFISTERER Holding SE as well as the Group management report were reviewed with our auditor, who attended both meetings.

The consolidated annual financial statements of PFISTERER Holding SE as of December 31, 2025, in accordance with IFRS, and the Group management report for the financial year 2024 were audited by BDO AG Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, who issued an unqualified audit opinion dated March 28, 2025. The Supervisory Board has examined the documents submitted to it in detail and, based on the final results of its own examination, agrees with the results of the audit, the management reports and the statements regarding the future development of the company. It approves the proposal for the distribution of profits. At its meeting on April 11, 2025, the Supervisory Board approved the consolidated annual financial statements of PFISTERER Holding SE together with the management reports on the recommendation of the Audit Committee; therefore, the annual financial statements are hereby accepted.

### **Events After Fiscal Year-End**

Despite the ongoing war in Ukraine and other geopolitical crises, the new financial year 2025 got off to a positive start. PFISTERER continues to see a significant positive impact from the transformation of electrical energy systems and the expansion of the grid, and has been able to significantly increase its sales to customers in the business areas of renewable energy generation and distribution. Roland Berger estimates general growth rates for our product areas to be around 12% per year until the end of the decade. The transfer of operations from the former Wunsiedel plant in Germany to Kadan in the Czech Republic was successfully completed. At the beginning of April, a purchase agreement was signed for a UK-based company specializing in the development of submarine cable links and related services. In particular, the aim is to maintain our high margin compared to competitors by further exploiting the scalability of our products.

### **Acknowledgment from Supervisory Board**

The Supervisory Board would like to express its gratitude to the Executive Board and all employees of the PFISTERER Group companies for their performance and exceptional contributions, to continue the success in the current year.

Winterbach, April 2025

A handwritten signature in blue ink, appearing to read 'W. Blättchen'.

Prof Dr Wolfgang Blättchen  
Chairman of the Supervisory Board



# Sustainability *report* **2024**





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# 1. Sustainability *as a Core Value*

At **PFISTERER**, we are proud to play a role in combating climate change by delivering sustainable connectivity and insulation solutions for energy generation, transportation, and distribution. As enablers of the global energy transition, we work closely with our partners and customers to create innovative, sustainable products and solutions with minimal environmental impact.

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In 2024, we further deepened our commitment to sustainability, driving initiatives from within. We measured Scope 3 emissions for the first time, established a dedicated Sustainability Committee, and implemented key performance indicators (KPIs) alongside robust processes to guide our efforts. Proactively aligning with the **Corporate Sustainability Reporting Directive (CSRD)**, we are well on track to meeting its requirements, ensuring we are prepared for future expectations.

This year also marked our first **Double Materiality Assessment (DMA)**, a significant milestone in identifying and prioritizing our environmental, social, and governance (**ESG**) impacts, risks and opportunities. The assessment confirmed our existing initiatives and goals, while also providing valuable insights to refine and enhance our approach in greater detail.

We are committed to continuous improvement, refining our sustainability strategy to adapt to evolving challenges and opportunities while driving meaningful progress. Together with our stakeholders, we aim to build a resilient, sustainable future, ensuring our actions align with our values and the needs of generations to come.



## OUR GOALS

### **Reduce Greenhouse Gas Emissions**

Our aim at PFISTERER is to become carbon neutral, thus contributing to reversing climate change. A key indicator for this is greenhouse gas emissions measured in CO<sub>2</sub> equivalents (CO<sub>2</sub>e).

### **Engage with Stakeholders**

To continuously develop our sustainability strategy, we involve all stakeholders, ranging from potential and existing employees to suppliers, banks, municipalities, and end customers.

### **Implement Circular Economy**

We support the idea of the circular economy and strive to avoid waste. Through waste separation, we aim to reuse them in accordance with the circular economy.

### **Increase Energy Efficiency**

Given rising emissions and energy prices, we aim to increase energy efficiency in our factories. Numerous individual projects have been initiated to reduce energy consumption through comprehensive measurements, analyses, and optimisations.

### **Increase Resource Efficiency**

In line with efforts to improve energy efficiency, we aim to increase material efficiency. Our productivity should be increased through efficiency programs, recycling, and reuse.

### **ZERO-Accidents-Policy**

With our zero-accidents-policy, we aim to prevent accidents before they occur. This includes the introduction of safety officers in each plant and similar measures.

### **Develop Sustainable Products**

Our goal is to develop products with maximum lifespan and minimal impact on the environment and users. Therefore, we consider environmental and safety requirements early in the product development process.

### **Promote Gender Equality**

Our efforts include promoting gender equality, for example through part-time offerings.

### **100% Integrity**

Our commitment to integrity forms the foundation of our business success. We adhere to legal regulations, codes of conduct, and take responsibility.



## Contribution to the Sustainable Development Goals of the United Nations

PFISTERER is committed to implementing the United Nations Sustainable Development Goals (SDGs). These 17 goals aim to address global challenges such as poverty, hunger, climate change, and inequality by 2030, creating a sustainable future for generations to come. PFISTERER is dedicated to responsible action and contributes particularly to the following Sustainable Development Goals (SDGs):

### SDG3: Good Health and Well-being

As a forward-thinking company, we prioritise the health and well-being of our employees by offering flexible work models and health promotion initiatives.

### SDG5: Gender Equality

We advocate for gender equality by providing equal opportunities for all employees and addressing individual needs. We foster an open corporate culture that values diversity and actively promote women in leadership positions.

### SDG7: Affordable and Clean Energy

Our products are integral to the energy grid, directly contributing to reliability. With low maintenance requirements and high reliability, they help reduce overall lifecycle costs.

### SDG8: Decent Work and Economic Growth

At PFISTERER, all employees have the opportunity to fulfil their potential, take on responsibility, and contribute their ideas. This is facilitated through targeted training and development initiatives. Our goal is to provide secure jobs with high social benefits and a balanced work-life balance.

### SDG9: Industry, Innovation and Infrastructure

Through our research and development efforts, we strive to develop innovative products and applications for global markets, promoting future fields such as sustainable energy generation and transmission, increasing mobility, and urbanisation.

### SDG12: Responsible Consumption and Production

A central aspect of our sustainable practices is reducing resource consumption such as raw materials, energy, and water. We implement continuous measures to reduce our energy and resource consumption.

### SDG13: Climate Action

Our products play a crucial role in building the smart grids of tomorrow and enabling the efficient transmission of renewable energy. In our own manufacturing processes, we continuously work to improve energy efficiency to reduce energy consumption and associated CO<sub>2</sub> emissions.





## 2. Double Materiality Assessment

In 2024, we conducted a **Double Materiality Assessment (DMA)** aligned with the Corporate Sustainability Reporting Directive (CSRD) and **European Sustainability Reporting Standards (ESRS)**. Using a structured, top-down approach, we prioritized key environmental, social, and governance (**ESG**) topics to ensure strategic alignment and compliance.

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### **Methodology and Integration of Stakeholders**

Our methodology combined qualitative stakeholder interviews, quantitative financial evaluations, and expert panel reviews to identify significant impacts, risks, and opportunities. Key stakeholders included customers, employees, investors, local communities, and suppliers, with proxies used for these categories. We applied the topics outlined in the **European Sustainability Reporting Standards (ESRS)**, incorporating the entire value chain into our analysis. Throughout the process, external accounting advisors provided guidance and validated that our approach and evaluation adhered to the **ESRS** requirements. Looking ahead, the **Double Materiality Assessment (DMA)** will be updated annually to ensure continued alignment with evolving standards and stakeholder expectations.

### **Outcomes and Strategic Alignment**

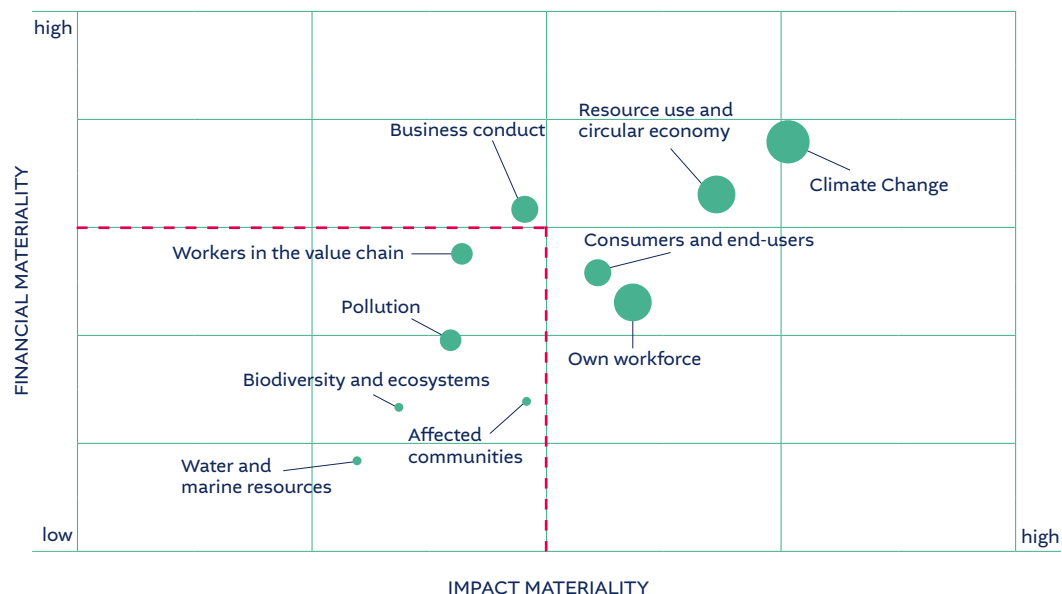
The DMA identified core priorities, including the energy transition, resource efficiency, employee satisfaction, customer focus, and governance. These align with our strategic goals and core values of innovation, accountability, and sustainability. The results guide our sustainability strategy, ensuring it supports compliance and long-term growth.

# Our Material Topics

- **Energy Transition and Climate Change:**  
Supporting renewable energy with sustainable technologies.
- **Efficient Resource Use and Circular Economy:**  
Minimizing waste and optimizing material use.
- **Employee Satisfaction and Working Conditions:**  
Promoting well-being, equality, and growth.
- **Consumers and End-Users:**  
Ensuring product safety, reliability, and innovation.
- **Governance and Compliance:**  
Strengthening trust through transparent practices.

## CONCLUSION

The 2024 DMA has reinforced the importance of integrating sustainability into our operations and strategy. By continually refining our approach, we aim to drive long-term value for stakeholders and contribute to a sustainable future. In the double materiality matrix, the ESRS sub-topics are presented based on their impact and financial materiality. The size of the markers reflects the significance of each topic for stakeholders.





## 3. Environment

As a manufacturing company with our own products, we have a special responsibility for the environment. We aim to handle resources and energy responsibly and continually improve, reducing our environmental impact and contribution to climate change. We consider all processes in the manufacturing process from raw materials to installation and throughout the product lifecycle. Our strategy involves consistently measuring all necessary KPIs to then install targeted and sustainable measures. Our goal is to provide products with the lowest possible environmental footprint.

### **Sustainable Product Design**

Our products are designed for maximum durability and longevity, ensuring the safety and resilience of energy networks. By leveraging intelligent, simulation-based design, we minimize material usage and environmental impact. Throughout the design process, we prioritize the use of recycled raw materials, ease of maintenance and repair, and strict compliance with European regulations (WEEE, RoHS, REACH) to enhance sustainability and regulatory adherence.

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### **ACTIONS**

During the year, we have taken significant steps towards achieving our targets:

- **Qualification of CONNEX system for environmentally friendly 420kV clean air applications:** PFISTERER's CONNEX system has been qualified for use in Siemens Energy's 420kV clean air switchgear, making it the first certified connection technology for this eco-friendly application. Clean Air, composed of natural ambient air components like oxygen and nitrogen, offers a sustainable alternative to SF6.
- **Transition to electric vehicles:** As part of our electrification policy rollout, many newly leased vehicles are now electric. The acquisition or leasing of non-electric vehicles is being phased out, with exceptions for specific cases such as regions lacking charging infrastructure or for specialized installation vehicles.
- **Charging infrastructure:** Electric vehicle charging stations have been installed for employees in Winterbach and Gussenstadt.
- **Photovoltaic expansion:** A photovoltaic system with 487 kWp has been installed at our Gussenstadt facility. It is expected that this system will generate 476,000 kWh of renewable electricity annually.
- **Renewable energy usage:** Our Kadan facility sourced 50% of its electricity consumption from renewable sources.
- **Energy efficiency measures:** Various measures were implemented to increase energy efficiency, including the expansion of LED lighting and the installation of more efficient heating panels in production areas.

- **Climate change education:** We developed an interactive online learning course focused on climate change and practical steps our employees can take to reduce emissions. In the first two months since its launch, over 150 employees have already participated, demonstrating a strong interest.
- **Scrap reduction:** Savings were achieved through training, process improvements and technical upgrades.

## FUTURE ACTIONS

- **Global renewable energy sourcing:** Expand sourcing of renewable energy globally by purchasing 100% of renewable energy until 2030.
- **Photovoltaic expansion:** Increase the installation of photovoltaic systems at our facilities.
- **Vehicle fleet electrification:** Continue the global electrification of our company vehicle fleet, aiming to achieve an 80% electric vehicle composition by 2029.
- **Wood chip heating plant:** Replace natural gas heating in Gussenstadt by purchasing district heating from a wood chip plant by 2025/2026.

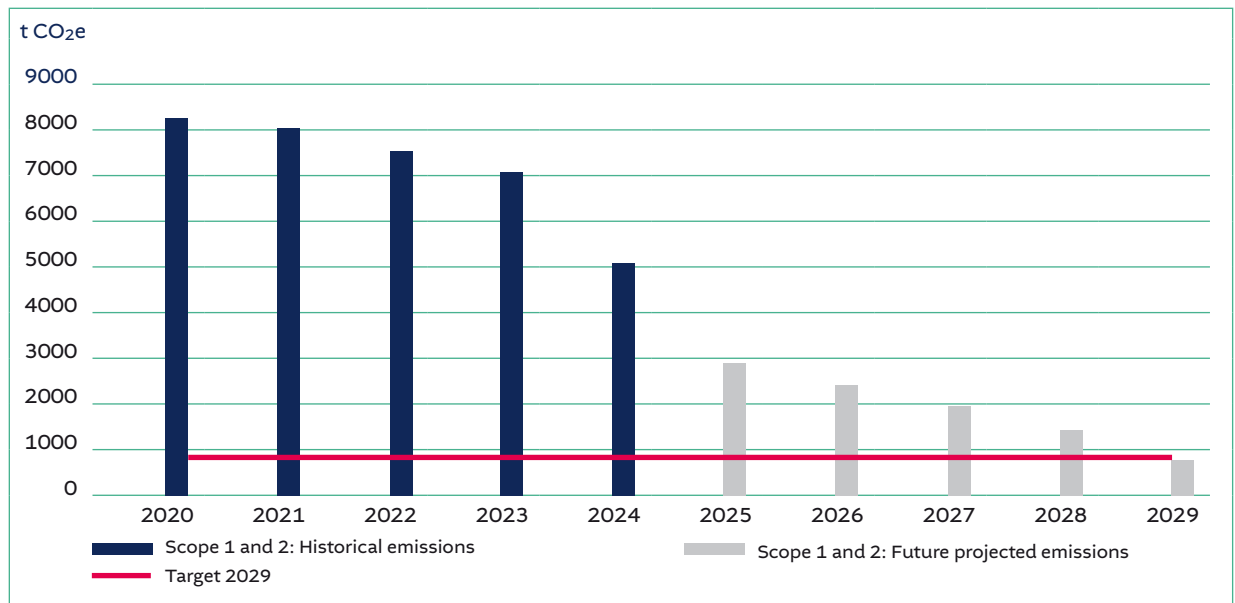
## TARGETS\*

	Target	2024	2023	2022	Base Year 2020
CO <sub>2</sub> e Emissions Scope 1 (t CO <sub>2</sub> e)	Reduce 90% by 2029 compared to 2020 without carbon offsets. Net Zero by 2030 through the use of carbon offsetting for remaining emissions.	3,205 (-35% compared to base year)	3,696	4,588	4,942
CO <sub>2</sub> e Emissions Scope 2, market-based (t CO <sub>2</sub> e)	Reduce 90% by 2029 compared to 2020 without carbon offsets. Net Zero by 2030 through the use of carbon offsetting for remaining emissions.	1,868 (-43% compared to base year)	3,418	2,908	3,294
CO <sub>2</sub> e Emissions Scope 3 (t CO <sub>2</sub> e)	Develop reduction target in 2025	260,426	292,239	-	-
Energy Intensity (MWh / revenue in million €)	Annual saving	47.29 (-16% compared to previous year)	56.51	75.66	72.13
Recycling Rate (%)	Annual increase	74.86 (-10% compared to previous year)	82.76	80.97	81.75

\* Changes compared to the previous reporting year: All PFISTERER locations are now included.



## Scope 1 and 2: Pathway to reduce Scope 1 and 2 emissions to meet 2029 target



## CO<sub>2</sub>e Emissions: Scope 1, 2, 3\*

(t CO <sub>2</sub> e)	2024	2023	2022	Base Year 2020
Scope 1	3,205	3,696	4,588	4,942
Scope 2 (market-based)	1,868	3,418	2,908	3,294
Scope 2 (location-based)	4,475	4,706	4,187	4,448
Scope 3 (including 3.11)	260,426	292,239	-	-
Scope 3 (excluding 3.11)	127,973	126,016	-	-

\* Changes compared to the previous reporting year: All PFISTERER locations are now included. Sold subsidiaries have been deducted according to the GHG Protocol guidelines. Emission factors have been updated for all reporting periods.





## 4. Social

Shaped by our values of teamwork, responsibility, and sustainability, it is natural for us to establish these in collaboration with our employees, our local communities, and throughout our entire supply chain. Close communication and cooperation with our stakeholders are the key to our success. In the future, we will expand our activities along the supply chain to achieve our **sustainability goals**. We count on our long-standing partners and their commitment to adhering to the Code of Conduct and pursuing equally ambitious **sustainability goals**.

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In 2024, PFISTERER initiated the process to align with the **German Supply Chain Due Diligence Act (LkSG)** by conducting an abstract risk analysis, followed by concrete risk assessments, supplier self-disclosures, internal self-disclosures, and a final rating to mitigate risks. Although not legally bound by **LkSG**, we voluntarily adopt its principles and aim for full compliance by 2025. Our commitment to human rights and environmental protection is reinforced by international frameworks such as the **ILO** Declaration on Fundamental Principles and Rights at Work, the **UN Guiding Principles** on Business and Human Rights, the **10 Principles of the UN Global Compact**, and the **OECD** Guidelines for Multinational Enterprises.

We are committed to fostering equal opportunities for all, regardless of ethnic background, race, religion, age, gender, disability, sexual orientation, perspective, or social status. To support our employees and their families, we actively promote flexible work arrangements such as part-time positions, parental leave, and optional additional leave days under the T-ZUG scheme at IG Metall locations.

In 2024, we launched PFISTERER One World, a dedicated platform for our community support initiatives. This initiative serves as a unified framework to consolidate our global efforts, focusing on meaningful contributions to the communities where we live and work. Through events, donations, and collaborative activities, we aim to make a lasting positive impact.

### ACTIONS

Throughout the year, we have made substantial progress in creating a future-ready workplace and fostering strong partnerships:

- **Supply Chain Due Diligence Act:** Initiated compliance process with risk analysis and assessments, aiming for full adherence by 2025.
- **One World event in China:** Our dedicated team in Changshu joined forces for a river cleanup at the Changshu River. Over the course of a single day, they worked collaboratively to collect waste from the riverbanks, making a meaningful contribution to improving their local environment and community.
- **Health Day in Winterbach:** We organized a dedicated Health Day event at our Winterbach location, focusing on employee well-being and health awareness. Activities included blood pressure measurement, sleep analysis, distribution of healthy snacks, and engaging activities to promote healthy living. Employees also received valuable information on maintaining wellness in the workplace.

- **Safety and ergonomics training vehicle:** To address safety and ergonomic challenges across various roles, we deployed a mobile training vehicle. This initiative provided hands-on sessions tailored to logistics, manufacturing, maintenance, and office work. Key topics included safe handling of goods, accident prevention, and workplace ergonomics, promoting both immediate and long-term health benefits for employees.
- **Bicycle training program:** With the growing adoption of our bike-leasing program, we introduced a bicycle training initiative to enhance traffic safety and accident prevention. The program included theoretical sessions on traffic rules, reaction times, and safety strategies, along with practical exercises such as braking drills, stability training, and navigating obstacle courses. This initiative encourages employees to adopt cycling as an eco-friendly and healthy commuting option.
- **E-learning expansion:** We significantly expanded our portfolio of e-learning courses, offering employees a diverse range of professional development opportunities. This effort saw high levels of participation and engagement, underscoring our commitment to continuous learning and skill enhancement across the organization.

## TARGETS

### Lost Time Injury Rate (LTIR) per million hours worked:

ZERO-accidents-policy with the goal of an annual reduction of 10%

→ 28% Reduction from 2023 to 2024 from 14.35 to 10.25.\*

### Training hours:

Increase by 5% annually

→ increase by 56% from 2023 to 2024 from 6,002 to 9,416 hours.

\* Changes compared to the previous year: All PFISTERER locations are now included. The values for previous years have been recalculated accordingly.





## 5. Governance

We at PFISTERER are committed to strong governance and integrity. For over 100 years, our global customers have trusted us - that sets us apart, and this is what we aim to continue. Our cross-company Code of Conduct, the compliance and risk management system ensure that the rules and ethical principles are consistently adhered to.

We have a zero-tolerance policy against bribery. We commit to complying with all laws and regulations regarding antitrust and fair competition. To ensure compliance throughout our upstream value chain, we require our business partners to adhere to our Supplier Code of Conduct. We are convinced that such compliance is essential to gain the trust of our stakeholders and maintain our reputation as a responsible and respected company. Regarding the defined compliance risks, PFISTERER has a **Compliance Management System (CMS)** that is essentially oriented towards the IDW Standard 980.

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### **Tax Governance Principles**

PFISTERER complies with all applicable tax and customs regulations, including corporate tax, payroll tax, VAT, duties, and excise taxes in the countries where it operates. This includes timely filing of declarations and payments. In intercompany transactions, we adhere to internationally recognized transfer pricing principles.

### **Information Security Management**

PFISTERER has implemented a tailored Information Security Management System (ISMS) to meet industry and stakeholder requirements, including those of critical infrastructure (KRITIS) partners. Aligned with the NIS2 Directive, the ISMS ensures a robust and cyber-resilient supply chain. To maintain a high level of security, PFISTERER evaluates cyber threats and risks monthly, defines appropriate countermeasures, and conducts annual independent assessments to verify the effectiveness of its security controls.

## ACTIONS

- **Governance Committee:** In 2024, we decided to establish a Governance Committee to enhance integrity and strengthen our processes. This committee will be implemented in 2025, convening at regular intervals to review and advance key initiatives, ensuring continuous alignment with governance standards and best practices.
- **Compliance training:** This year, PFISTERER has reinforced compliance through regular e-learning for all employees with PFISTERER Outlook access and tailored training for high-risk groups, while also offering training to certain key business partners (such as sales intermediaries or certain service providers) on a case-by-case basis if required. A global approval policy and zero-tolerance stance on bribery support our Code of Conduct, complemented by internal audits and a whistleblower system for violations.
- **IT Security:** We are protecting access to our systems and applications through a universal multi-factor authentication solution. Our computer- and server systems are monitored 24/7 by a managed Security Operations Center (SOC). We are managing IT systems for all devices worldwide and establishing a holistic level of security through technical and regulatory policies in all covered PFISTERER companies.

## TARGETS

**Reports from the Whistleblower System:** Zero substantiated compliance violations  
→ From three whistleblower cases, zero were concluded as substantiated in 2024.



## 6. Certificates and ESG-Ratings

**PFISTERER** holds the following certifications:

### Company-Wide Certifications:



ISO 9001:2015 –  
Quality Management  
Systems



ISO 14001:2015 –  
Environmental Management  
Systems



ISO 45001:2018 –  
Occupational Health and  
Safety Management Systems

### Main Manufacturing Site:



ISO 50001:2018 –  
Energy Management Systems



### ESG-Ratings:

PFISTERER is regularly assessed by EcoVadis.





# **Group Management Report 2024**

## Group management report

### 1 Principles of the Group

#### 1.1 Business Model

Pfisterer Holding SE (hereinafter referred to as PFISTERER) is an internationally operating company that develops, manufactures, and markets connection and insulation technologies for electrical conductors across all voltage levels up to 1,100 kV. The company's solutions cover the critical interfaces within power grids – from generation to transmission and distribution – and are manufacturer-independent, making them compatible with all types of cables and conductors. PFISTERER's core expertise lies in metal and silicone processing, as well as in electrical end-of-line testing performed in its own laboratories as part of the production process.

With over 100 years of company history, PFISTERER operates in a risk-averse market in which customers place the highest demands on safety, quality, and reliability. The product portfolio primarily includes alternating current (AC) technologies for high-, medium-, and low-voltage applications on land, in the air, and under water. Another key focus is on low-loss transmission technologies such as direct current (DC) systems.

The market environment is shaped by global trends such as decarbonization, the expansion of renewable energy, and the modernization of existing grid infrastructure. In particular, the high-voltage direct current (HVDC) segment offers strong growth potential due to increasing energy demand and longer transmission distances.

Against the backdrop of this dynamic market environment, PFISTERER continuously develops its products and expands its existing production capacities. Strategically, the company focuses on the regions of Europe and Africa, the Americas, the Middle East including India, and the Far East.

### 1.2 Organizational structure

#### 1.2.1 Locations and corporate structure

Pfisterer Holding SE is the parent company of the PFISTERER Group and is headquartered in Winterbach near Stuttgart. Pfisterer Holding SE has 17 active subsidiaries operating worldwide. PFISTERER's product solutions are manufactured and tested at five production sites located in the United States and Europe and are distributed globally through its subsidiaries and technical distribution partners.

Location	Utilization
Winterbach, Germany	Corporate headquarter, R&D, production, sales, customer service, high-voltage laboratory (EOL test), training center
Gussenstadt, Germany	R&D, production, customer service, product management
Wunsiedel, Germany	Sales, technology and administration
Selb, Germany	High-voltage laboratory (EOL test), production
Küssnacht am Rigi/Altdorf, Switzerland	R&D, sales, customer service, product management, training center, high-voltage laboratory (R&D)
Kadaň, Czech Republic	Production, high-voltage laboratory (EOL test)
Rixheim, France	Sales, customer service, training center
Barcelona, Spain	Sales, customer service, training center
Novate Milanese, Italy	Sales, customer service, training center
	Real Estate company
Sheffield, United Kingdom	Sales, customer service, training center
Plochocin, Poland	Sales, customer service, training center
Amsterdam, Netherlands	Shelf company
Rochester (NY), USA	Production, sales, training center, high-voltage laboratory (EOL test)
Buenos Aires, Argentina	Sales, customer service, training center
São Paulo, Brasil	Sales, customer service
Peking, China	Sales, customer service
Changshu, China	Sales, customer service, training center
Dubai, United Arab Emirates	Sales, customer service
Riad, Saudi Arabia	Sales, customer service, training center

Due to the limited capacity at the site in LeRoy, USA, PFISTERER relocated its sales and production operations in the 2024 financial year to a new site in Rochester, located approximately 50 kilometers away. This move reflects PFISTERER's response to the significant growth potential of the North American market.

To continue expanding its market presence in the Middle East – specifically in Saudi Arabia – PFISTERER established a subsidiary in Riyadh, Saudi Arabia, in August 2024.

Following a fire at the German site in Wunsiedel in September 2024, the leased facility could no longer be used. As a result, PFISTERER transferred the production of silicone insulators during the fourth quarter of 2024 to its

## Principles of the Group

existing production site in Kadaň, Czech Republic. The already established manufacturing operations there ensure compliance with the company's high-quality standards and enable the fastest possible resumption of production. The business units for Sales, Engineering, and Administration remain at a new facility in Wunsiedel, Germany.

As part of its ongoing efforts to increase efficiency, the company sold or liquidated two non-productive entities (LIW Composite GmbH, Wunsiedel, Germany, and Lapp Insulators Redwitz B.V., Amsterdam, Netherlands), and continued the wind-down of three non-operational entities (one in Algeria and two in Russia).

PFISTERER is represented by 17 active subsidiaries and a comprehensive sales network through technical distribution partners in more than 90 countries. This enables the Group to operate close to its customers and to respond quickly and flexibly to their needs and to changing market requirements.

### 1.2.2 Group management

As a European stock corporation (Societas Europaea), Pfisterer Holding SE operates under a dual management system consisting of a Management Board and a Supervisory Board. The Management Board is responsible for managing the company and conducting its business operations independently. The Supervisory Board advises and monitors the Management Board in its management of the company.

The Management Board leads the organization through a regional sales structure and a centralized organizational framework. In the 2024 financial year, Group management and controlling were implemented for the first time based on key performance indicators in accordance with International Financial Reporting Standards (IFRS).

### 1.2.3 Product portfolio and technologies

PFISTERER's products are structured into the following segments: OHL (Overhead Line Technology), High Voltage Accessories (AC cable accessories, hereinafter referred to as HVA), Components (connection technology, hereinafter COM), Medium Voltage Cable Accessories (AC cable accessories for medium voltage, hereinafter MVA), and HVD (DC and high-voltage cable accessories).

In the OHL segment, PFISTERER provides insulation and connection solutions for overhead line systems. Silicone insulators and metal fittings are key components that ensure reliable mechanical attachment of high-voltage lines to grounded towers while simultaneously providing safe electrical insulation. PFISTERER's products and solutions also ensure that sensitive overhead conductors are securely fastened and protected against harmful vibrations. The company has more than forty years of experience with silicone composite insulators across various voltage levels – from low voltage to ultra-high voltage (UHV) – and in both alternating current (AC) and direct current (DC) applications.

The HVA segment includes a wide range of cable accessories such as terminations, joints, and connections for transformers and switchgear. Plug-in bushings, surge arresters, and the CONNEX cable plug system cover voltage levels ranging from 53 kV (high voltage, HV) up to 550 kV (ultra-high voltage, UHV). All components undergo both type and routine testing in PFISTERER's own end-of-line (EoL) test facilities in accordance with various international standards before being delivered to customers.

In the COM segment, PFISTERER offers shear bolt connection solutions for conductors up to 3,500 mm<sup>2</sup>, as well as branch and connection systems for low-voltage cables using insulation-piercing contact technology. Numerous patents underscore the company's pioneering role in this segment. Many of PFISTERER's product solutions – such as SICON and ISICOMPACT – have set industry standards.

The MVA segment includes the main product line MV-CONNEX, which covers voltage levels from 12 kV to 52 kV and provides solutions for transformer connections or cable connections. This segment also includes a wide range of system solutions and accessories that complement the portfolio. All products are developed and manufactured in accordance with applicable regional standards and are type-tested in PFISTERER's own EoL laboratories prior to delivery, as per customer specifications.



## Principles of the Group

The HVD segment is currently in development.

PFISTERER's product solutions make a significant contribution to the sustainable optimization of energy infrastructure. Increasing energy demand, aging networks, and the use of renewable energy sources necessitate the expansion and modernization of global power grid infrastructure.

### 1.3 Business processes

#### 1.3.1 Customers

PFISTERER stands out for its broadly diversified customer portfolio and long-standing, global customer relationships across all market segments. The company works in close collaboration with project developers and those responsible for project execution – namely energy utilities, Original Equipment Manufacturers (OEMs), Engineering Procurement Contractors (EPCs), cable manufacturers, and technical distribution partners. This diversity is also reflected in revenue distribution: in the 2024 reporting year, the top 10 customers accounted for less than one-quarter of total revenue, with the largest individual customer contributing less than 6%.

PFISTERER supplies its customers not only with customized high-end products and systems – such as mechanical connections and silicone insulators – but also offers comprehensive services. These include project management, installation training and supervision, as well as laboratory and condition-based testing.

#### 1.3.2 Employees

As of December 31, 2024, the PFISTERER Group employed 1,239 people (previous year: 1,130). The average number of employees over the year was 1,200 (previous year average: 1,118).

The employees of the Group are the driving force behind its technological leadership and capacity for innovation. At the same time, they ensure the company's competitiveness in an increasingly dynamic and international environment. PFISTERER therefore focuses on attracting talent in a targeted manner and retaining skilled personnel over the long term. In addition, vocational training and the promotion of young professionals play a key role in laying the foundation for future business success.

#### Talent acquisition

The HR strategy aims to create an inspiring work environment that fosters individual development while strengthening the corporate culture. At the same time, 2024 proactively addressed the challenges of skilled labor shortages and pursued innovative approaches to talent acquisition.

#### Employee retention

In 2024, PFISTERER focused on further developing its corporate values and identity and adopted a new mission statement, consisting of the company's vision, mission, and five core values. These values are intended to be tangible for all employees and serve as the foundation for a trusting and productive working environment. To support this, PFISTERER continued its initiatives in the areas of work-life balance, health management, and employee development in 2024.

Since Q3 2024, employees at the German sites in Winterbach and Gussenstadt have been able to charge their private electric vehicles free of charge. The Executive Board has initiated discussions with employee representatives regarding potential employee share ownership programs and a possible voluntary supplementary private health insurance. The virtual stock option program (VSOP), launched in November 2023, is intended to strengthen long-term employee retention.

#### "New Work" project

A further milestone in 2024 was the launch of the "New Work" project. The objective of this initiative is to modernize the work organization, environment, and culture across the PFISTERER Group, aligning them with the

## Principles of the Group

corporate values and creating a more dynamic framework. With “New Work,” PFISTERER is establishing a working environment that is agile, future-proof, and inspiring – both for current employees and future talent.

### Personnel development

A cornerstone of personnel development is the leadership program, which has been continuously expanded since its inception in 2022. Following the implementation of Module 3 in 2023, the program continued in 2024 with Module 4. It provides leaders with opportunities to expand their competencies and make a sustainable contribution to the successful development of the Group. Additional training initiatives – such as globally accessible language courses for all employees – underscore PFISTERER’s commitment to continuous employee development.

### Training and promotion of young talents

PFISTERER is strongly committed to training and developing the next generation of skilled workers. In addition to its long-standing tradition of training school graduates in industrial and commercial occupations, and the recently introduced dual study programs in Business Administration – Industry and Industrial Engineering, the company took another major step forward in 2024:

At its Gussenstadt site in Germany, PFISTERER invested approximately EUR 1.5 million in a new, forward-looking and state-of-the-art training workshop. This investment creates the conditions for training young talent at an even higher level and preparing them for future responsibilities. Considering the continued shortage of skilled workers, in-house training is a critical success factor for the PFISTERER Group. For this reason, the company continues to expand its training offering and increase its trainee quota.

### 1.3.3 Research and development

In the 2024 financial year, the PFISTERER Group invested € 21.3 million in the design and technological development of its product portfolio. In addition, an amount of € 2.6 million (12.0 % of total R&D costs) was capitalized under internally generated intangible assets.

PFISTERER’s product development focuses on markets where the application of its own product solutions offers a clear differentiation from competitors and creates significant added value for customers. As an independent manufacturer of high-voltage (HV) cable accessories, PFISTERER is developing a new generation of cable accessories for high-voltage direct current (HVDC) transmission. In 2024, full type test sequences for individual products were successfully completed for the first time. The development and qualification of suitable insulating material systems have also been supported internally since the reporting year through the in-house materials laboratory. External university research projects aimed at predicting material suitability and assessing the long-term stability of developed materials continued during the period.

Within the field of alternating current cable accessories, several projects are directed toward offshore wind power applications. A key milestone was the successful final qualification, in accordance with relevant standards, of the efficient underwater connector repair solution developed in the previous year. To meet the demands of next-generation, higher-capacity wind turbines and their associated higher voltage levels, PFISTERER initiated the development of a plug-in connection system specifically optimized for this application. Additionally, the product portfolio for offshore applications is being expanded with the development of a plug-in outdoor cone-type termination, which is currently nearing final testing.

Further development activities addressed market trends such as the use of larger conductor cross-sections and the increasing demand for alternatives to the greenhouse gas sulfur hexafluoride (SF<sub>6</sub>). These efforts were continuously advanced throughout the reporting year.

In the overhead line segment, development efforts in 2024 focused on expanding the insulator product portfolio – enabling both a larger core diameter for increased mechanical demands and the capability for overmolding end fittings on automated, continuous injection molding production lines. In addition, fittings for overhead line

## Principles of the Group

systems in HV/DC applications with large conductor diameters, including a very large spacer damper, were developed.

In the low-voltage sector, development of a new product family of screw-type low-voltage connectors for applications up to 1 kV was successfully completed in the reporting period, and specific market qualification processes were initiated. Ongoing projects aimed at developing new product generations continued as planned.

### 1.3.4 Production and procurement

PFISTERER develops and manufactures its products using a variety of materials. As of the end of the 2024 financial year, the Group operated five production sites worldwide. The site in Gussenstadt, Germany, specializes in the manufacturing of various metal components. The sites in Winterbach and Selb (Germany), as well as Kadaň (Czech Republic), focus primarily on silicone and plastic processing. End-of-line (EoL) testing of manufactured products is also conducted at these sites before delivery to customers. Following a fire at the Wunsiedel site in Germany in September 2024, the production of silicone insulators was relocated to the existing site in Kadaň, Czech Republic. The newly opened production facility in Rochester, USA, inaugurated in November 2024, now also covers both metal and silicone processing, including EoL testing.

PFISTERER's Global Supply Chain Management function unlocks the potential of international procurement markets and integrates them across the entire end-to-end supply chain. Key priorities within PFISTERER's supply chain include the consideration of total systemic costs, fast and reliable availability, and compliance with sustainability requirements in addition to local and international regulatory standards. Selected suppliers from Europe, Asia, and the Americas also manufacture based on PFISTERER designs – often using PFISTERER-owned tools – to meet the Group's high quality standards. PFISTERER actively manages and diversifies its sourcing portfolio with a particular focus on risk mitigation. As a result, the ten largest suppliers accounted for less than 35% of the total procurement volume in 2024.

All PFISTERER production facilities operate under a certified quality management system in accordance with ISO 9001:2015, an environmental management system certified to ISO 14001:2015, and an occupational health and safety management system certified to ISO 45001:2018. These certifications were confirmed by external auditors without any non-conformities.

### 1.3.5 Control system

The Management Board of the PFISTERER Group oversees the company based on various performance indicators. As numerous business activities within the Group are largely integrated at the operational level, the Management Board of Pfisterer Holding SE manages the company at both the Group and segment levels.

#### Key financial control metrics

The key indicators at the Group level are order intake and revenue. These metrics were chosen by the Management Board due to the current market environment and dynamic demand situation. They are calculated monthly and made available to the extended management for review and discussion.

#### Additional control metrics

Other control metrics include earnings before interest, taxes, depreciation, and amortization (EBITDA) as well as adjusted EBITDA (adjusted for the employee participation program), net debt, net working capital, and cash flow from operating activities. As part of its growth strategy, the Management Board also monitors investments.

During 2024, PFISTERER developed a set of metrics to track the progress of Environmental, Social, and Governance (ESG) dimensions. The defined metrics are measurable, targets have been set, and these will be recorded and compared biannually going forward.

At the segment level (regions, products), management continues to monitor order intake, revenues, standard and gross margins, and the order backlog as an important and forward-looking metric.

## 2 Economic report

### 2.1 Global economy

The German economy remains in stagnation. Over the past five years, the Gross Domestic Product (GDP) has grown by just 0.1% in real terms.

Although energy prices have recently fallen, they have stabilized at levels higher than those prior to the COVID-19 pandemic. While real incomes have recovered from the losses incurred due to high inflation between autumn 2021 and mid-2023, consumption remains subdued, and the savings rate remains high. Capacity utilization and labor productivity are also on the decline.<sup>1</sup>

Energy markets and geopolitics remained unstable in 2024, and the risk of further disruptions remains ever-present. The ongoing fighting in Ukraine is accompanied by the risk of a prolonged conflict in the Middle East and in the China/Taiwan region.

The global economy is on a moderate expansion path. This growth is primarily driven by emerging and developing countries, while industrialized nations face structural challenges.<sup>2</sup>

The transition to clean energy has accelerated. However, the achievement of climate goals remains uncertain, as the political frameworks in many countries are volatile. Investments in clean energy technologies continue to rise, driven by political measures for emission reduction and economic incentives.<sup>3</sup>

### 2.2 Target markets

PFISTERER solutions are used wherever power grids need to be connected, linked, or expanded. From energy generation to transportation and distribution, PFISTERER, together with its partners, is shaping the power grids of today and tomorrow, making a significant contribution to a safe and sustainable energy infrastructure.

Renewable energy sources are fundamentally changing the structures of power generation and distribution: On land, small to medium-sized producers are replacing conventional power plants, while large-scale plants are being newly built offshore. PFISTERER contributes to the required modularity in plant design for generation plants with both proven and new components.

PFISTERER is also a leader in products and systems for safe and efficient power transmission, supplying components and systems for high-voltage cables and overhead lines worldwide – in the air, underground, or underwater.

Future distribution grids must be designed or upgraded to accommodate bidirectional power flow. For cable distribution networks that have grown over generations, flexible connection and junction elements are needed, which harmonize with a variety of cable types and virtually eliminate installation errors. Additionally, all connection components must operate with low losses and require no maintenance for decades – just like PFISTERER screw connectors.

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<sup>1</sup> Sachverständigenrat – Kurzfassung des Jahresgutachtens 2024/2025

<sup>2</sup> Sachverständigenrat – Jahresgutachten 2024/2025

<sup>3</sup> IEA – World Energy Outlook 2024 Executive Summary

## 2.3 Business performance

### 2.3.1 Order intake

PFISTERER recorded an order intake of € 423.2 million in the past fiscal year, resulting in an order backlog of € 234.9 million as of December 31, 2024 (December 31, 2023: € 194.1 million). The forecast from the previous year, which anticipated order intake at the level of the previous year, was exceeded.

### 2.3.2 Earnings situation

#### Consolidated result

	2024	2023	2024 vs. 2023	
	in € million	in € million	in € million	%
Revenue from contracts with customers	383.1	334.1	49.0	14.7%
Cost of sales	-231.2	-205.4	-25.8	12.6%
Gross result	151.9	128.8	23.1	18.0%
Operating expenses	-103.9	-87.2	-16.8	19.2%
EBIT	48.0	41.6	6.4	15.3%
Financial result	-3.6	-8.3	4.7	-56.4%
EBT	44.3	33.3	11.0	33.2%
Consolidated result	32.2	25.2	7.0	27.6%
EBITDA	60.1	51.9	8.3	15.9%
Personnel expenses related to the virtual share option program (VSOP)	4.5	0.4	4.1	1097.8%
Adjusted EBITDA	64.6	52.3	12.3	23.6%

Despite the challenging macroeconomic conditions, consolidated revenue increased by € 49.0 million to € 383.1 million (2023: € 334.1 million), representing a notable growth of 14.7 %.

Cost of sales for the fiscal year amounted to € 231.2 million (2023: € 205.4 million). As a result, the gross profit for the fiscal year was € 151.9 million, corresponding to a gross margin of 39.5% (2023: € 128.8 million or 38.5%).

#### Operating expenses

Marketing and sales costs amounted to € 54.2 million in the fiscal year 2024, representing an increase of 8.3 % compared to the previous year (2023: € 50.0 million). This was mainly due to higher personnel costs and increased consulting and travel expenses.

Research and development costs increased by € 3.3 million, reaching € 21.3 million (2023: € 18.0 million). This represents an 18.2 % increase in research and development costs compared to the previous year.

Personnel costs in the fiscal year 2024 totaled € 95.9 million, an increase of € 11.6 million or 13.7 % compared to the previous year (2023: € 84.3 million). This rise was due to wage increases to offset inflation, higher variable compensation components, and an overall increase in the number of employees. Furthermore, personnel expenses include impacts from the lump-sum payment to the PSV (an association to secure the pensions of employees) for the entry into the pension liability of Lapp Redwitz B.V., Amsterdam, Netherlands, amounting to EUR 1.6 million, additional expenses from a stock option program (share-based) of EUR 4.5 million, and further expenses for establishing a transfer company due to the partial closure of the production of Pfisterer Insulators Wunsiedel GmbH, Wunsiedel, Germany, amounting to EUR 3.8 million.

The personnel expense ratio relative to revenue was 25.0 %, slightly below the previous year's level (2023: 25.2 %) and reflects the improved productivity in the streamlined structure of the PFISTERER Group in light of the above effects.

Administrative costs amounted to € 33.4 million in the fiscal year 2024 (2023: € 25.0 million). The increase was primarily due to higher personnel and consulting costs.

## Economic report

Other income and expenses netted to income of EUR 5.3 million in the fiscal year 2024 (2023: income of EUR 5.7 million). This includes EUR 6.9 million from the reversal of the pension provisions due to PSV's entry into the pension liabilities of Lapp Redwitz B.V., Redwitz, Germany, an insurance payment for the fire damage of PFISTERER Insulators Wunsiedel GmbH, Wunsiedel, Germany, amounting to EUR 2.5 million, and proceeds of EUR 1.1 million from the sale of the press technology product family. In 2024, a net foreign exchange loss of EUR 1.9 million (2023 foreign exchange gain: EUR 1.7 million) from foreign currency transactions and the revaluation of balance sheet items was recognized.

The financial result improved by € 4.7 million compared to 2023. This was primarily due to the more favorable interest rate situation from the consortium loan agreement for 2024.

EBITDA increased due to the strong business situation to € 60.1 million (2023: € 51.9 million). The forecast from the previous year was significantly exceeded. The net income improved to € 33.8 million (2023: € 25.9 million). Adjusted EBITDA rose to € 64.6 million (2023: € 52.3 million).

As in the previous year, revenue is geographically allocated according to the country of the goods recipient.

### Net sales by region

	2024		2023		2024 vs. 2023	
	in € million	%	in € million	%	in € million	%
America	66.9	17.5%	43.1	12.9%	23.7	48.5%
Europe	221.6	57.8%	199.4	59.7%	22.1	45.2%
Africa	56.1	14.6%	57.2	17.1%	-1.1	-2.2%
Asia-Pacific	38.6	10.1%	34.4	10.3%	4.2	8.5%
Total	383.1	100.0%	334.1	100.0%	49.0	100.0%

The percentage shares of revenue in relation to total group revenue by geographical allocation were roughly at the previous year's level in the 2024 financial year. In absolute terms, revenue increased significantly by € 49.0 million, primarily due to the regions of Europe, Africa, and the Americas.

### Net Sales by product segment

	2024		2023		2024 vs. 2023	
	€ million	%	€ million	%	€ million	%
HVA	144.8	37.8%	112.7	33.7%	32.1	65.6%
MVA	48.7	12.7%	34.2	10.2%	14.5	29.7%
HVD	0.0	0.0%	0.0	0.0%	0.0	0.0%
Components	102.7	26.8%	94.7	28.3%	8.0	16.4%
OHL	86.9	22.7%	92.6	27.7%	-5.7	-11.6%
Total	383.1	100.0%	334.1	100.0%	49.0	100.0%

The product segment HVA accounted for the largest share of total revenue for the PFISTERER Group, with 37.8%. In the product area MVA, a relative and absolute double-digit increase was achieved compared to the previous year. While the Components product segment grew in double digits, the OHL product segment achieved revenues below the previous year's level.

### Financial result and taxes

	2024	2023	2024 vs. 2023	
	in € million	in € million	in € million	%
Financial result	-3.6	-8.3	-4.7	56.4%
Zinsertrag	0.4	0.3	0.1	30.6%
Interest expense	-4.0	-8.6	-4.6	53.6%
Earnings before taxes (EBT)	44.3	33.3	11.0	33.2%
Tax expense	-10.6	-7.4	3.2	-43.3%



## Economic report

The financial result improved by € 4.7 million, primarily due to lower interest expenses compared to the previous year.

In the fiscal year 2024, the Group reports a positive result before taxes (EBT) of € 44.3 million (2023: € 33.3 million). The forecasted increase in earnings was exceeded. The operating margin (consolidated profit before income taxes and other taxes in relation to revenue) for the Group is 11.6 %, slightly above the previous year's level (2023: 10.0 %).

### 2.3.3 Financial situation

PFISTERER generally has access to diversified and balanced sources of financing for its business activities. These include credit lines, loans, factoring, and leasing agreements.

Effective December 22, 2022, PFISTERER entered into a syndicated loan agreement in the amount of EUR 90 million, with a term until December 22, 2025.

The increase in revenue in 2024 was accompanied by an inflation-driven rise in inventories and other working capital. The strong business performance reduced the Group's net debt to € 66.2 million (2023: € 93.3 million).

PFISTERER has entered into agreements with various factoring companies (SüdFactoring GmbH, Stuttgart; Credit Suisse AG, Switzerland; BNP Paribas Factor, France) for the purchase of receivables from goods and services. The agreement with Credit Suisse AG expired during the fiscal year 2024.

Treasury management supports the operational activities of the PFISTERER Group. It ensures the liquidity of the Group and protects the subsidiaries against various financial and contractual risks.

#### Cash and cash equivalents

	2024	2023	2024 vs. 2023	
	in € million	in € million	in € million	%
Cash, bank balances	12.5	10.1	2.4	23.3%
Working capital line	-2.3	-3.8	1.5	-39.6%
<b>Cash and cash equivalents at the end of the period</b>	<b>10.2</b>	<b>6.3</b>	<b>3.9</b>	<b>61.3%</b>

The cash flow from operating activities amounted to € 42.6 million (2023: € 20.8 million). This is primarily due to the current year's result, reduced by the effect of increased inventories, higher trade payables, and higher income tax payments.

The cash flow from investing activities was € -17.9 million (2023: € -4.1 million), mainly due to significantly increased investments in tangible assets.

The cash flow from financing activities was € -25.3 million (2023: € 6.6 million), primarily driven by a repayment under the syndicated loan agreement and higher repayments of lease liabilities.

Considering exchange rate fluctuations of € 4.5 million (2023: € 0.3 million), the cash and cash equivalents at the end of the year amounted to € 10.2 million (2023: € 6.3 million).

### 2.3.4 Financial position

The total assets of the Group increased by € 31.5 million, or 14.9 %, to € 242.7 million. The increase in long-term assets by € 10.1 million is primarily due to investments in tangible assets (mainly other facilities, plant and office equipment, and prepayments) and is complemented by the capitalization of development costs.

Inventories (including prepayments) rose by € 15.1 million. Trade receivables and other (financial) assets increased by € 3.1 million compared to the previous year.

The Group's equity (2023: € 43.9 million) increased significantly by € 39.8 million to € 83.7 million, primarily due to the positive Group result. The equity ratio in the Group rose from 21.0 % to 34.0 %.

## Economic report

Provisions increased by € 7.1 million to € 15.5 million, mainly due to warranty provisions and the provision for the restructuring of the Wunsiedel site.

Long-term financial liabilities decreased by EUR 45.4 million to EUR 0.4 million, due to a repayment of EUR 15.0 million and the reclassification of the maturity profile. Trade payables stood at € 28.1 million, an increase of € 10.1 million compared to the previous year (2023: € 18.1 million). Overall, liabilities decreased by EUR 0.8 million to EUR 26.5 million.

The development of the PFISTERER Group's asset and financial position has exceeded expectations, considering the economic framework conditions in the reporting year.

## 3 Forecast, risk and opportunity report

### 3.1 Risk report

#### 3.1.1 Forward-looking statements

This document contains forward-looking statements based on current assessments of future events. Words such as "assume," "believe," "estimate," "expect," "intend," "can/could," "plan," and similar terms indicate these forward-looking statements.

The assessment of risks for the fiscal year 2025 is shaped by the ongoing development of the Ukraine crisis, as well as geopolitical risks between the USA and China, and the Middle East conflict, and their impact on supply chains. There is also a certain level of uncertainty regarding the domestic strategy of the new US government concerning the promotion of renewable energy and the measures implemented regarding the EU's tariff policy.

There are risks for some countries in the form of reduced economic performance, potentially leading to a recession in the context of high inflation rates.

The PFISTERER Group is exposed to a wide range of risks due to its international operations, which may arise from the regional business environment or from external factors. A risk is understood to be a potential future event or development that could result in a negative deviation from the company's forecasts or goals.

At the same time, it is important for the PFISTERER Group to identify and seize opportunities. Opportunities are potential future developments or events that could lead to a positive deviation from the company's forecasts or goals.

#### 3.1.2 Risk management system

In risk management, PFISTERER aims to identify potential risks at an early stage that could jeopardize the achievement of corporate planning in terms of both strategic and business objectives, including deviations from financial targets. The risk management system developed for this purpose is centrally controlled and involves all relevant organizational units of the Group in the process. The identification and assessment of significant risks are organized through the implemented control and risk management system. It is continuously adjusted to new insights, and the overall responsibility for the risk management system lies with the Management Board. Short communication channels and flat hierarchies support effective communication regarding risks.

Using the implemented program ProKoRisk, risks across the Group are recorded, documented, assessed, and risk-reducing measures are defined, prioritized, and tracked. The risk management system serves as a connecting element between the Management Board, Supervisory Board, and other Corporate Governance units. At the same time, it ensures compliance with corporate law regulations and is aligned with the principles of IDW PS 981.

The central risk management function oversees, develops, and reports on the management system. Global functional area managers of the Group and decentralized risk managers in the individual subsidiaries monitor risks in their respective functional areas or product segments and report them quarterly, and if necessary, on an ad-hoc basis, to the central department. This approach provides the opportunity for early detection of strategic and operational risks, as well as risks in the area of reporting. The risk management system is documented by PFISTERER in a Group-wide policy. The structure of risk management is designed to be transparent. Areas of responsibility and roles are clearly defined, separated, and communicated.

Additionally, the Internal Audit contributes significant findings to the risk management system. The role of Internal Audit is to examine and monitor internal work processes and organizational structures for their proper conduct, functionality, and cost-effectiveness. PFISTERER has outsourced the internal audit work to an external consultancy. This guarantees both the technical expertise of the service provider and the independence and

## Forecast, risk and opportunity report

impartiality in carrying out the audits. The reporting is directed at the Management Board and Supervisory Board. Both the management and supervisory bodies can commission the audit.

Risk and opportunity reporting in the management report generally refers to a one-year period. The evaluation of the dimensions of likelihood and potential risks is based on the following tables:

### Frequency categories

Frequency	Observation in one year	
rare	1 to 2	times in 20 years
improbable	2 to 5	times in 20 years
possible	5 to 10	times in 20 years
probably	10 to 20	times in 20 years
highly likely	20 to 80	times in 20 years

When assessing the extent of a (net) risk, the potential impact on equity capital is considered:

### Impact on equity

Evaluation	in EUR Mio.
slight	1,0 to 2,0
medium	2,0 to 5,0
high	5,0 to 8,0
critical	8,0 to 34,0
existential	starting at 34,0

As a result of this assessment process, (net) risks are weighted and presented according to their frequency of occurrence and potential impact. The categorization is done in the following risk classes:

### Risk class

slight / irrelevant
medium / relevant
high / significant
existential

### 3.1.3 Strategic risks

#### Risk related to personnel resources

The PFISTERER Group cannot fully escape the observed shortage of skilled workers in Europe and North America. Both in terms of quantity and quality, there is a trend of declining applicant potential. As a provider in the high-tech sector, PFISTERER relies on qualified personnel.

To address this, PFISTERER is currently developing a comprehensive employer branding concept with measures and actions aimed at positively influencing employee recruitment and retention, ultimately combating its own shortage of skilled workers.

This risk is considered relevant for the organization.

### 3.1.4 Operational risks

The following risks were assessed as significant from the management's perspective:

#### Supply risk from suppliers

Raw material markets can generally be suddenly impacted by geopolitical events (such as the COVID-19 pandemic or the Ukraine crisis) or the introduction of tariffs. In 2024, the price situation for key materials and services improved compared to previous years. However, shortages or price increases for certain metals or plastics could still affect PFISTERER without warning. The dependency on certified suppliers, such as in Asia, may jeopardize the adequate supply of raw materials to the PFISTERER Group.

To address these risks, PFISTERER is exploring expanded procurement strategies. This includes the development of regionally diversified multi-source solutions. In 2024, the expansion of supply relationships with Indian suppliers as an alternative to the China sourcing region was further advanced. Regarding the financial risk, there are limits to passing on raw material and material price increases by raising sales prices in the 2024 Group's markets, though the potential impact of the risk is considered low.

#### Risks from production

Production plant failures can lead to supply shortages. For example, the fire at the production facility in Wunsiedel highlighted how unexpectedly and quickly an unforeseen situation can arise.

In this context, further fire protection inspections at the locations deemed critical are being initiated in collaboration with the insurer to identify potential hazards and implement appropriate precautions. Additionally, the existing insurance coverage is regularly reviewed and periodically adjusted to meet the requirements of ambitious corporate goals.

Furthermore, bottleneck situations may arise during periods of temporarily high production capacity utilization in certain months.

To prevent such bottleneck situations, regular coordination between procurement, production, and sales is emphasized, even during the year. An IT-based solution supports the synchronization of sales requirements with production and procurement planning, as well as capacity availability.

In summary, the risk assessment remains in the medium range.

#### Cybersecurity and information security

Cybersecurity affects the information technology of the entire company. PFISTERER has implemented numerous technical precautions, yet the systems remain inherently vulnerable to cyberattacks. PFISTERER collaborates with service providers to independently assess the effectiveness of the security measures in place and, if necessary, to implement further improvements and corrective actions. PFISTERER continuously works on refining network access controls, segmentation, and emergency and disaster recovery plans.

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The NIS Directive defines measures to ensure a high common level of security for network and information systems in the European Union. PFISTERER's compliance with the NIS-2 requirements highlights the effectiveness of the measures implemented. However, it cannot be fully excluded that cyberattacks could lead to production shutdowns and supply bottlenecks, which in turn could have negative impacts on PFISTERER's reputation, competitiveness, and financial performance.

PFISTERER considers these risks to be relevant.

### 3.1.5 Financial risks

Under the current syndicated loan agreement, PFISTERER is obligated to comply with certain covenants. These covenants relate to the net debt ratio and the equity ratio. Non-compliance with the covenants could lead to the immediate maturity of the financial liabilities, resulting in the repayment of these obligations, as well as waiver fees and increased interest rates. However, due to financial performance in the fiscal year 2024, this no longer represents a risk compared to previous years.

The termination of the syndicated loan agreement in December 2025, and the subsequent reduction of Facility A, is seen as a low risk due to the projected business development and ongoing discussions with leading lenders.

The financial instruments in the company mainly consist of receivables and liabilities, as well as cash deposits from banks. PFISTERER has an efficient collection system, and only a small number of receivables defaults were recorded during the reporting year.

Currency fluctuations, particularly the euro in relation to other currencies, remain an uncertain factor. The PFISTERER Group is exposed to both transaction and translation risks, as well as potential opportunities.

Currency risk developments are regularly analyzed and assessed by the Treasury department. In individual cases, these risks are mitigated through measures such as foreign exchange spots and forward contracts, and potentially natural hedging through netting.

For tax-related matters, provisions are made as needed. Judicial decisions and the interpretation of tax authorities may lead to provisions being insufficient, potentially negatively impacting the annual result.

Changes in tax law are continuously monitored by PFISTERER's tax department and are addressed, if necessary, with the support of external advisors. Appropriate measures are developed and implemented as required.

Overall, the risk is classified as low.

### 3.1.6 Legal, liability and political risks

#### Compliance and legal risks

Compliance refers to a set of measures designed to ensure the lawful behavior of the company's bodies and employees. The goal is to create a risk culture that encompasses the fundamental attitude and behavior when dealing with risk situations. Such a culture has shaped and continues to shape the risk awareness of employees and is exemplified by the leadership and the management board of PFISTERER.

To carry out mandatory compliance training for PFISTERER employees worldwide, the digital learning platform LITMOS was implemented at the end of 2023 and was widely used in 2024. For employees without access to PFISTERER's Outlook email system, particularly in production, additional in-person training sessions are conducted by the local compliance officers at each site. The learning platform enables easy offering of the required training and efficient tracking of the training sessions, including proper documentation.

As a global company, PFISTERER is exposed to various product- and country-related risks. General compliance risks identified in the risk management process include "corruption by PFISTERER employees," "corruption by business partners," and "violations of antitrust laws." Based on regular risk assessments, the business model of the PFISTERER Group is not particularly impacted by these risks. In 2024, no compliance violations or cases with initial suspicion of compliance violations in the aforementioned areas were reported.



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To give all employees, and in accordance with legal regulations, external parties the opportunity to report potential compliance violations anonymously if desired, whistleblowing channels have been established. These are detailed on the intranet, and for external parties, also on the PFISTERER website. The definition of a compliance violation is also provided there, which includes violations of environmental regulations and human rights. The reporting channels are available both to PFISTERER's internal compliance organization (local compliance officers and central group compliance) as well as to an ombudsman – a neutral trusted lawyer. Currently, for external parties, only the reporting channel to the ombudsman is available. Through these reporting channels, whistleblowers can report potential compliance issues (anonymously if desired) at any time.

PFISTERER considers this risk to be relevant.

### Risks from liability for defective products

Risks arising from warranty and goodwill cases could emerge for the PFISTERER Group if the quality of products does not meet the required standards or if regulations are not fully complied with. Quality issues with supplied parts could also lead to financial burdens.

The PFISTERER Group addresses this risk through continuous improvement of its quality management system, training the sales department on liability risks, and conducting contract reviews to limit potential liability claims. The risk classification is in the medium range.

### Foreign trade and sanctions

Given the international scope of the PFISTERER Group, regulatory risks and potential sanctions primarily involve export control regulations, embargoes, and trade restrictions imposed by the EU, the USA, or other countries.

For the topics of "Foreign Trade Law and Sanctions," the PFISTERER Group has a global customs responsible person. These risks are inherent but are considered low in the overall context of the risk profile.

### Macroeconomic risks

Further escalation of the trade conflict between the USA and China, particularly concerning Taiwan, would significantly worsen global growth prospects. The war in Ukraine, as well as the Middle East conflict and their potential impacts on business operations, are being closely monitored. The applicable restrictions, especially those imposed by international sanctions law, have been factored into the forecast. Additionally, the conflict in the Middle East between Israel and Palestine contributes to regional destabilization, which could negatively affect transportation routes, associated costs, and delivery times. The risk classification is considered low.

### Political risks

As part of the transformation of energy generation, the demand for solutions in the field of energy transmission has significantly increased. This trend also leads to rising demand for products regarding relevant regulations for product configurations and ecological footprints. At the same time, the energy sector environment is becoming politically instrumentalized, which could lead to sudden changes in approval and subsidy programs.

The PFISTERER Group systematically and continuously monitors and considers these changing political frameworks, as well as the resulting requirements and industry trends. The global market approach and service reduce the impact of unexpected local politically induced decisions. Nevertheless, negative impacts for PFISTERER cannot be fully excluded, and the board considers this to be a significant risk.

### Country risks

Political risks, especially in the Middle East, or economic risks, such as those in Argentina, are additional factors of uncertainty. The extent and long-term impact of protectionist tendencies, such as tariffs or trade restrictions, particularly arising from the growing trade conflicts between the USA and China, are also not fully foreseeable. However, these risks are classified as low in the overall context.

### 3.1.7 Sustainability risks

#### Laws and regulations on environmental protection, health, and safety

In 2024, PFISTERER adjusted its approaches to identifying and assessing sustainability risks in line with the upcoming Corporate Sustainability Reporting Directive (CSRD). These adjustments incorporate the concept of double materiality, which considers both the financial impacts of business activities as well as their effects on the environment and society. Through this comprehensive analysis, the Group can identify potential risks early and take appropriate action.

PFISTERER places special emphasis on significant risks, which are tracked using an internal risk management tool. This systematic approach allows relevant risks to be continuously monitored and adjusted if necessary. The materiality analysis is reviewed and updated annually to ensure the company remains up to date with regulatory developments and societal expectations.

PFISTERER is aware that compliance with environmental protection, health, and safety regulations is crucial. Despite regular reviews, violations of these regulations cannot be completely excluded, whether by the company or its suppliers. Therefore, PFISTERER is committed to optimizing its processes and proactively managing risks to preserve the integrity of the group and contribute to a more sustainable future.

### 3.1.8 Overall risk assessment

The risk situation of the PFISTERER Group encompasses risks from various product segments and regions, with no known risks that would endanger the company's existence. However, external factors such as trade conflicts, political uncertainties regarding the energy transition, geopolitical conflicts, and a shortage of skilled labor could negatively affect revenue and profitability. To mitigate these risks, corresponding measures have been implemented. PFISTERER continuously reviews its governance systems to enhance efficiency and achieve risk reduction. Unknown or previously insignificant risks could gain in relevance and have an impact.

## 3.2 Opportunities report

A key focus of PFISTERER is the development of cutting-edge technologies in electrical connection and insulation technology. This includes complex, contacting cable accessories and modern insulating overhead line products. To maintain and expand its market position, PFISTERER continuously invests in corresponding research and development projects, such as cable accessories for high-voltage direct current (HVDC) transmission, as well as in the required laboratory technology and the production technology for silicone and metal processing. The Board will continue to focus on expanding existing core competencies to successfully address current markets and explore new markets. PFISTERER expects the following market trends and opportunities in relevant end-user markets to positively impact future business performance.

### 3.2.1 Short-term opportunities

- Increasing use of screw connectors, with more products being produced locally in North America.
- Growing demand for sustainable outdoor end-terminals (no oil, gas, or gel as insulation media) that meet current safety requirements (explosion-proof, non-flammable).
- Rising need for cable manufacturer-independent repair solutions in the field of HV cable connections for offshore applications.
- Increased throughput due to continued process optimizations in order processing and execution, and greater local value creation.
- Higher demand from OEMs for plug-in connection systems for clean air switchgear; a growing trend toward locally operating suppliers in the Middle East.

### 3.2.2 Medium- to long-term opportunities

- Increase in system solutions in the offshore sector, with corresponding opportunities for PFISTERER's connection technologies both above and below water.
- Positive business development through the expansion of local production capacities in the USA.
- Building additional partnerships in the Middle East and Asia for the development of new transmission and distribution networks.
- Considering the growing high-voltage direct current (HVDC) transmission lines and the supply bottlenecks in these networks (DC transport grids), business opportunities increase for an independent accessory manufacturer that enables new cable partners to enter the market with its cable-independent products. Growth of OHL DC systems due to the relatively lightweight design of silicone insulators.
- With the further spread of AI applications and the necessary training of underlying models, there is a strong increase in electrical consumption.
- Due to the aging and changing power generation technologies, including the pursued green hydrogen economy, the required replacement and expansion of existing global grid infrastructure.

### 3.2.3 Overall opportunities

The partially aging power grid is being renewed and expanded due to increasing electricity demand. Additionally, electricity generated from renewable sources often needs to travel longer distances from producers to consumers (high-voltage direct current networks). Given PFISTERER's strong market position in the power infrastructure sector, significant growth potential exists in network components for direct current systems, renewables, and (AI) data centers.

On the consumer side, the increasing energy demand due to electric mobility and the growing use of heat pumps requires expansion and, in some cases, the renewal of distribution networks.

Decarbonization leads to a worldwide increase in electrification, accompanied by investments in generation technology (renewables, nuclear technology). This, combined with technological changes in generation, results in significant challenges in energy transmission and distribution. Renewable energy systems require much more complex structures, primarily in load regulation, voltage control in distribution networks, and the maintenance of grid stability.

These developments present significant market opportunities for the PFISTERER Group internationally. Management monitors the progress of these developments periodically and evaluates them for their potential value contributions to the group. This ensures an efficient allocation of resources within the group, while continuing to pursue a growth strategy. In the case of continued positive evaluations, the above-mentioned opportunities are expected to gradually be incorporated into PFISTERER's business plans, positively contributing to both short-term and medium-to-long-term corporate development.

### 3.3 Forecast report

The International Energy Agency forecasts a rise in equipment investments for electrical energy grid infrastructure from approximately USD 300 billion in 2020, to over USD 400 billion in 2024, and to USD 600 billion in 2030.<sup>4</sup>

The increasing decarbonization of power generation plays an important role in this, although the expansion of energy generation from renewable sources presents new and additional challenges for energy grids. In the past, electricity was generated centrally in power plants and transmitted through transmission and distribution networks to decentralized consumers. PFISTERER expects that this method of electricity generation and distribution will increasingly be complemented or even replaced by offshore wind farms, which will, at present, lead to longer high-voltage direct current transmission lines between the generation sites and large portions of the consumers. The growing interconnection of power grids across national borders increases transport distances and capacities.

At the same time, electricity is also being generated more locally and decentrally by small units such as individual wind turbines, biogas plants, and photovoltaic systems. This, in turn, results in a reversal of the power flow during periods of high local electricity production, creating additional investment needs in network technology at the low- and medium-voltage levels.

Electric cars, heat pumps, and AI data centers further drive-up electricity consumption. Despite the political shift under the Trump administration, renewable energy remains relevant in the USA. This is partly due to the decreasing costs of renewable technologies, state-level initiatives, and demand from businesses and consumers.

#### 3.3.1 Future market environment

According to a study by DNV AS, it is expected that the global electricity landscape will undergo a significant transformation in the coming years, with renewable energy sources such as solar and wind power increasing dramatically, gradually replacing fossil fuels by 2050, while global energy demand continues to rise.<sup>5</sup>

The global electricity grid for transmission and distribution is set to more than double between 2023 and 2050, from 104 million to 215 million circuit kilometers. The same grid will grow 2.5 times in capacity to deliver electricity to schools, factories, and cities.<sup>6</sup>

To achieve these expansion goals, massive investments are planned. Annual investments would need to be more than double to stay on the declared 1.5°C path.<sup>7</sup>

According to the International Renewable Energy Agency (IRENA), significant investments will primarily be required for renewable energy technologies such as solar and wind power. On average, by 2030, 1,044 GW of renewable capacity needs to be installed annually, more than double the amount added globally in 2023. This will require annual investments averaging USD 1.532 trillion, representing an increase of a factor of 2.7 compared to 2023.<sup>8</sup>

The Global Wind Energy Council expects strong growth for offshore wind, with an average annual growth rate of 25% until 2028 and 15% until 2033. New offshore wind farms are expected to surpass milestones of 40 GW in 2029 and 60 GW by 2032.<sup>9</sup>

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<sup>4</sup> Electricity Grids and Secure Energy Transitions, p. 11

<sup>5</sup> DNV (DET NORSKE VERITAS) ENERGY TRANSITION OUTLOOK 2024, p. 52

<sup>6</sup> DNV ENERGY TRANSITION OUTLOOK 2024, p. 60

<sup>7</sup> IRENA INTERNATIONAL RENEWABLE ENERGY AGENCY: WORLD ENERGY TRANSITIONS OUTLOOK 2024, p. 64

<sup>8</sup> IRENA INTERNATIONAL RENEWABLE ENERGY AGENCY: WORLD ENERGY TRANSITIONS OUTLOOK 2023, p. 138

<sup>9</sup> GLOBAL WIND ENERGY COUNCIL (GWEC) GLOBAL OFFSHORE WIND REPORT 2024, p. 124

## Forecast, risk and opportunity report

### 3.3.2 Expected financial and earnings situation

PFISTERER assumes stable conditions regarding transport routes, material availability, and their price developments. Under these assumptions, PFISTERER expects that its product segments and regions will continue to grow profitably worldwide in 2025.

#### Revenue and order intake

PFISTERER's order backlog and increasing efficiencies in production plants indicate a continued positive development for the business year 2025. For its largest region, Europe and Africa, PFISTERER expects strong growth and anticipates that the Asia-Pacific region, as well as the Middle East and India, will experience particularly strong growth. For the Americas (excluding Argentina), PFISTERER expects unchanged revenues.

PFISTERER expects particularly strong revenue growth in the high-voltage segment HVA. The HVD segment is expected to contribute to revenue growth after the 2025 fiscal year. MVA is expected to have solid growth, while OHL is expected to experience strong revenue growth. The COM segment is forecast to grow at a moderate rate.

In all regions and product segments, PFISTERER expects strong to very strong order intake growth.

#### Investments

The PFISTERER Group plans a significant increase in investments for the 2025 fiscal year compared to the previous year. Key drivers for this include the consistent implementation of the growth strategy, including expansion in the USA, the establishment of the new branch in the Middle East, the continuation of research and development projects, and the anticipated start of construction of the high-voltage laboratory in Winterbach, subject to obtaining building permits.

#### Research and development

Through its research and development activities, PFISTERER aims to strengthen the competitiveness and future viability of the PFISTERER Group in high-voltage direct current and alternating current technology. This goal is achieved through the development and investment in new products and manufacturing technologies, as well as the modernization of existing products.

### 3.3.3 Overall statement on future development

PFISTERER is strategically expanding its innovative products, production plants, including EOL testing, and its presence in the USA, the Middle East, and India in the 2025 business year. The PFISTERER Group continuously monitors the business developments in each product area and market region based on the associated opportunities and risks and adjusts its measures and structures as necessary to meet changing or evolving conditions.

Based on the current market conditions and the strong start to the year, the PFISTERER Group expects significantly growing order intake and revenues. By the end of the mid-term plan, the company aims for an adjusted EBITDA margin in the high double-digit percentage range.

With PFISTERER's capabilities in the context of the global energy transition, the Board is confident in the positive future prospects for the Group.

Winterbach, March 28, 2025

Johannes Linden

Dr. Konstantin Kurfiss



# **Consolidated Financial Statements as at December 31, 2024**



## Consolidated statement of profit or loss

€ thousand	Note	2024	2023
Revenue from contracts with customers	3.1	383,116	334,140
Cost of sales	3.2.1	-231,231	-205,382
Gross profit		151,885	128,758
Marketing and distribution costs	3.2.2	-54,177	-50,006
Research and development costs	3.2.3	-21,295	-18,010
Administrative costs	3.2.4	-33,378	-25,013
Other income	3.2.5	25,115	14,739
Other expenses	3.2.6	-19,843	-9,006
Impairment gains (losses) on financial assets	7.2.2	-354	132
Operating result		47,954	41,594
Financial income	3.2.7	361	276
Financial expenses	3.2.7	-3,984	-8,589
Financial result		-3,624	-8,313
Earnings before taxes		44,330	33,281
Income taxes	13	-10,566	-7,373
Result for the period		33,764	25,908
Profit/loss for the period attributable to:			
Owners of PFISTERER Holding SE		32,183	25,225
Non-controlling interests		1,581	684
Result for the period		33,764	25,908
Earnings per share:	8.4		
Non-diluted earnings per share		2.21	1.73
Diluted earnings per share		2.21	1.73

## Consolidated statement of other comprehensive income

€ thousand	Note	2024	2023
Period result		33,764	25,908
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Foreign currency translation differences from foreign operations		3,222	-2,813
Cash flow hedges – effective portion of the change in fair value	7.1	-25	-242
Deferred taxes on this position	13.2	8	70
Items that will not be reclassified to profit or loss:			
Remeasurement of net defined benefit obligation	11.1	-1,975	-2,101
Deferred taxes on this position	13.2	348	485
Other comprehensive income for the period, net of tax		1,578	-4,601
Total comprehensive income for the period		35,343	21,307
Total comprehensive income for the period attributable to:			
Owners of PFISTERER Holding SE		32,925	19,966
Non-controlling interests	5.5	2,418	1,341
Total comprehensive income for the period		35,343	21,307

## Consolidated statement of financial position

€ thousand	Note	31.12.2024	31.12.2023	01.01.2023
Assets				
Intangible assets	4.1	7,978	5,598	2,781
Property, plant and equipment	4.2	39,029	30,728	32,728
Right-of-use assets	4.3	25,233	26,856	23,765
Financial assets	6.1/6.2	154	128	3,092
Other non-financial assets	4.5	914	905	718
Deferred tax assets	13	6,835	5,874	5,002
Non-current assets		80,142	70,090	68,085
Inventories	4.4	82,969	67,850	54,994
Trade receivables	6.1	53,356	51,633	44,344
Financial assets	6.1/6.2	8,682	8,459	8,602
Other non-financial assets	4.5	4,028	2,914	2,962
Income tax receivables	13	1,000	58	816
Cash and cash equivalents	6.4	12,494	10,134	19,897
Current assets		162,528	141,048	131,615
Total assets		242,670	211,138	199,700

## Consolidated statement of financial position

€ thousand	Note	31.12.2024	31.12.2023	01.01.2023
Equity and liabilities				
Share capital	5.1	14,595	14,595	14,595
Capital reserve	5.2	15,427	10,971	10,599
Retained earnings	5.3	44,524	12,341	-12,883
Other reserves	5.4	4,162	3,420	8,678
Non-controlling interests	5.5	4,987	2,570	1,229
Equity		83,696	43,897	22,218
Financial liabilities	6.6	424	45,856	30,647
Employee benefits	11	18,656	25,542	24,339
Lease liabilities	4.3	19,280	22,678	19,243
Other financial liabilities	6.5	0	0	25
Other non-financial liabilities	4.6	804	846	19
Provisions	4.7	59	59	59
Deferred tax liabilities	13	719	3,218	2,453
Non-current liabilities		39,942	98,199	76,785
Trade payables	6.5	28,145	18,061	29,354
Financial liabilities	6.6	33,059	4,678	38,573
Employee benefits	11	9,820	9,504	7,740
Lease liabilities	4.3	7,246	4,666	3,895
Contract liabilities	3.1.2	9,232	10,805	5,964
Income tax liabilities	13	5,370	4,480	525
Other financial liabilities	6.5	4,942	3,672	5,472
Other non-financial liabilities	4.6	5,746	4,776	4,123
Provisions	4.7	15,473	8,399	5,051
Current liabilities		119,032	69,041	100,697
Equity and liabilities		242,670	211,138	199,700

## Consolidated statement of cash flows

€ thousand	Note	2024	2023
Result for the period		33,764	25,908
Depreciation and amortization on non-current assets	3.2.1/3.2.2/ 3.2.3/3.2.4	12,192	10,292
Change in provisions	4.7	3,477	3,234
Change in provisions from restructuring	4.7	3,668	0
Other non-cash expenses / income	3.2.7	-828	-1,326
Change in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	4.4/6.1	-20,399	-23,070
Change in trade payables and other liabilities that cannot be allocated to investing or financing activities	6.5	6,259	-4,834
Gain / loss from the disposal of non-current assets	4.1/4.2	495	147
Interest received / Interest paid	3.2.7	3,725	6,768
Income tax expense / income	13	10,566	7,373
Income tax payments	13	-7,409	-1,286
Other investment revenues		0	0
Expenses from share-based payments	11.2	4,456	372
Expenses from defined benefit plans	11.1	-6,710	-524
Interest paid	3.2.7	-668	-2,236
Cash flow from operating activities		42,587	20,819
Proceeds from disposals of intangible assets	4.1	45	1
Payments for investments in intangible assets	4.1	-2,767	-3,134
Proceeds from disposals of tangible non-current assets	4.2	68	1,131
Payments for investments in property, plant and equipment	4.2	-14,428	-5,262
Proceeds from the disposal of long-term financial assets	6.2	3	0
Proceeds / payments from changes in the consolidated group	10	-1,172	3,000
Interest received	3.2.7	332	150
Cash flow from investing activities		-17,919	-4,114
Proceeds from the issuance of bonds and borrowings	6.6	0	15,073
Payments for the repayment of bonds and borrowings	6.6	-15,820	-891
Repayment of lease liabilities	4.3	-7,446	-5,241
Interest paid	3.2.7	-2,057	-2,367
Dividends paid to shareholders of the parent	5	0	0
Cash flow from financing activities		-25,323	6,574
Net increase / decrease in cash and cash equivalents	6.4	-655	23,278
Effect of foreign exchange-rate changes on cash and cash equivalents	5.4	4,526	336
Cash and cash equivalents at the beginning of the period	6.3	6,314	-17,300
Cash and cash equivalents at the end of the period		10,186	6,314

## Consolidated statement of changes in equity

### Consolidated statement of changes in equity

	Share capital	Capital reserves	Retained earnings	Other reserves	Equity attributable to owners of PFISTERER Holding SE	Non-controlling interests	Total equity
€ thousand							
As of January 1, 2023	14,595	10,599	-12,883	8,678	20,989	1,229	22,218
Result for the period	0	0	25,225	0	25,225	684	25,908
Other comprehensive income	0	0	0	-5,258	-5,258	657	-4,601
Total comprehensive income (loss) for the period	0	0	25,225	-5,258	19,966	1,341	21,307
Share-based payments	0	372	0	0	372	0	372
As of December 31, 2023	14,595	10,971	12,341	3,420	41,328	2,570	43,897

	Share capital	Capital reserves	Retained earnings	Other reserves	Equity attributable to owners of PFISTERER Holding SE	Non-controlling interests	Total equity
€ thousand							
As of January 1, 2024	14,595	10,971	12,341	3,420	41,328	2,570	43,897
Result for the period	0	0	32,183	0	32,183	1,581	33,764
Other comprehensive income	0	0	0	742	742	836	1,578
Total comprehensive income (loss) for the period	0	0	32,183	742	32,925	2,418	35,343
Share-based payments	0	4,456	0	0	4,456	0	4,456
As of December 31, 2024	14,595	15,427	44,524	4,162	78,709	4,987	83,696



## Notes to the consolidated financial statements

### 1 Basis of preparation

#### 1.1 Reporting entity

Pfisterer Holding SE, with its registered office at Rosenstraße 44, 73650 Winterbach, Germany, is the parent company of the PFISTERER Group (hereinafter referred to as "PFISTERER" or "the Group"), which consists of the parent company and its subsidiaries. Pfisterer Holding SE is registered in the commercial register of the Stuttgart District Court under number HRB 790497.

PFISTERER is a leading global independent manufacturer of cable fittings, insulators for overhead lines, and associated components for sensitive interfaces in energy networks and (renewable) energy generation. PFISTERER develops, produces, and distributes international solutions in AC and DC technology for voltage levels of up to 1,100 kV. The business areas are divided into Cable Accessories HVAC (HVA, cable fittings for high voltage), Cable Accessories MVAC (MVA, cable fittings for medium voltage), Cable Accessories HVDC (HVD), OHL Insulators and Fittings (OHL, silicone insulators) and Connectors, Safety and Cabinets (COM, connection technology).

#### 1.2 Basis of accounting

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (hereinafter: "IFRS"), as adopted by the European Union in accordance with Regulation No. 1606/2002 of the European Parliament and of the Council on the application of international accounting standards, and the supplementary provisions of the German Commercial Code (hereinafter: "HGB") in accordance with Section 315e (1) and (3) HGB.

Pfisterer Holding SE prepares and publishes its consolidated financial statements in Euro, which is also the functional currency of Pfisterer Holding SE. Unless otherwise stated, the figures have been rounded to the nearest thousand euros (hereinafter: "€ thousand"). Due to rounding, it is possible that individual figures in these consolidated financial statements do not add up exactly to the stated total and that the percentages shown do not exactly reflect the absolute figures to which they relate.

The presentation in the consolidated statement of financial position differentiates between current and non-current assets and liabilities. Assets and liabilities are generally classified as current if they mature within one year. Deferred tax assets and liabilities, as well as assets and provisions for pensions and similar obligations, are presented as non-current items.

The consolidated financial statements have been prepared on a going concern basis.

The consolidated statement of profit or loss is prepared using the cost of sales method.

The consolidated financial statements have been prepared using the historical cost concept, except for certain assets and liabilities that are required to be measured at fair value in accordance with the requirements of the IFRS, these include derivative financial instruments.

The Group's financial year corresponds to the calendar year and covers the period from January 1 to December 31 of each year. The Group reporting date of December 31 corresponds to the reporting date of the parent company and all subsidiaries. The accounting is carried out in accordance with uniform Group accounting policies. Details of the accounting policies can be found in note 2.

## Basis of preparation

### 1.3 First-time adoption of IFRS

The consolidated financial statements for the fiscal year ending December 31, 2024, is the first report of the Group to meet the requirements of IFRS. For the fiscal years up to December 31, 2023, PFISTERER prepared its consolidated financial statements in accordance with the German Commercial Code (HGB). The first IFRS-compliant consolidated statement of financial position was prepared as of January 1, 2023. The effects of the first-time adoption of IFRS on net assets, financial position, and results of operations of PFISTERER as of the transition date are described below.

IFRS 1 allows the application of certain exceptions to the retrospective application of other IFRSs for each first-time adopter of IFRS. PFISTERER applies the following practical expedients:

- From the date of initial application, PFISTERER recognizes a lease liability in accordance with IFRS 16 for all its leases. The lease liability is measured at the present value of the outstanding lease payments, discounted with the Group's incremental borrowing rate. A corresponding right-of-use asset is recognized at cost, which is the sum of the present value of the outstanding lease payments and any lease payments made at or before the commencement date, less any lease incentives received. The Group applies a uniform discount rate for a portfolio of lease agreements with similar characteristics. PFISTERER does not apply the requirements of IFRS 16 to leases with a remaining term of less than twelve months at the date of transition to IFRS or to leases for assets of low value (up to EUR 5,000). The Group excludes initial direct costs when measuring the right to use the asset at the time of transition to IFRS. PFISTERER considers subsequent modifications e.g. when determining the term of the lease if the contract contains options to extend or terminate the lease.
- The Group applies the transitional provisions for revenue from contracts with customers in accordance with IFRS 1.D35, whereby contracts with customers that were fulfilled before the transition date for IFRS are not to be remeasured. A fulfilled contract is a contract for which the Group has transferred all goods and services that have been identified in accordance with the previously applicable accounting principles under HGB.

The cumulative currency translation differences for all foreign business operations as of January 1, 2023, amounted to € 8,678 thousand.

### Consolidated statement of cash flows

For the period from January 1 to December 31, 2023

Changes to cash flow from operating activities resulting from the first-time adoption of IFRS relate primarily to the presentation of payments of interest and principal on lease liabilities, which are presented in the cash flow from financing activities in accordance with IAS 7.17(e).

## Basis of preparation

Notes to the reconciliation of equity as of January 1, 2023, and December 31, 2023, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of financial position and the consolidated statement of cash flows for the period from January 1 to December 31, 2023

### A. Goodwill

In accordance with section 253 (3) sentence 1 HGB, goodwill is to be amortized.

Under IFRS, a cash-generating unit to which goodwill has been allocated must be tested for impairment annually and whenever there is an indication that the unit may be impaired (IAS 36.90).

Therefore, the amortization of goodwill under HGB was suspended for the purposes of the IFRS consolidated financial statements and was assessed for impairment using an impairment test for the relevant reporting dates. On all relevant reporting dates, the impairment test did not result in any impairment and accordingly no adjustment journal entries were recognized.

The carrying amount of goodwill in the consolidated statement of financial position as of December 31, 2023 amounted to € 437 thousand (January 1, 2023: € 437 thousand).

### B. Internally generated intangible assets

Under HGB, the capitalization of internally generated intangible assets is subject to the option under § 248 paragraph 2 HGB, while under IFRS there is an obligation to capitalize, provided the requirements according to IAS 38.57ff. are met. Consequently, at the time of the transition to IFRS on January 1, 2023, internally generated intangible assets amounting to € 1,143 thousand were capitalized, leading to an increase in equity by the same amount. Additionally, during the fiscal year 2023, further internally generated intangible assets amounting to € 2,645 thousand and borrowing costs amounting to € 77 thousand were capitalized.

### C. Leases

According to HGB, all lease payments were recognized as rental expenses in the period in which they were incurred, as there were no finance leases.

In accordance with IFRS 16, for leases, right-of-use assets and corresponding lease liabilities are recognized in the consolidated statement of financial position. As of December 31, 2023, this results in right-of-use assets amounting to € 26,856 thousand (January 1, 2023: € 23,765 thousand), non-current lease liabilities of € 22,678 thousand (January 1, 2023: € 19,243 thousand), and current lease liabilities of € 4,666 thousand (January 1, 2023: € 3,895 thousand).

In the consolidated statement of profit or loss, amortization on the one hand and finance costs on the other increased due to the application of the effective interest method to the lease liabilities. Lease payments recognized under other operating expenses in accordance with previously applied accounting principles, were eliminated accordingly. For further information on the amounts recognized in the consolidated income statement, please refer to note 2.8 and note 2.8.

In the consolidated statement of cash flows, the increased financing costs and the repayment of the lease liability mainly lead to a negative cash flow from financing activities and thus a shift from cash flows from financing activities to cash flows from operating activities.

### D. Inventories

Contrary to HGB, which require a procurement market-oriented valuation of inventories, the valuation of inventories according to IFRS is oriented towards the sales market. Consequently, procurement market-oriented write-downs were reversed during the initial application of IFRS. As a result, the carrying amount of inventories as of December 31, 2023, is € 6,176 thousand (January 1, 2023: € 3,715 thousand).

### E. Financial assets

## Basis of preparation

Investments at credit institutions, which are part of cash and cash equivalents according to HGB, were reclassified to other financial assets during the initial application of IFRS due to their remaining term of more than three months. Restricted bank deposits, which are not immediately available due to contractual restrictions, were also reclassified to other financial assets during the initial application of IFRS.

### F. Employee benefits

For pension obligations, provisions for uncertain liabilities were recognized in accordance with § 249 HGB. Contrary to HGB, non-current employee benefits were recognized at the present value of the defined benefit obligation at the end of the reporting period, taking into account IFRS-compliant valuation parameters.

Furthermore, as part of the initial application of IFRS, indirect obligations were recognized for the first time at two subsidiaries of the Group at the present value of the defined benefit obligation.

### G. Provisions

Provisions recognized according to HGB were classified as accrued liabilities during the initial application of IFRS and presented under other financial liabilities, other non-financial liabilities and trade payables.

Due to subsequent events that provided additional information, the probabilities of occurrence of past events were reassessed. Consequently, selected provisions at two subsidiaries were reversed as of January 1, 2023.

### H. Further adjustments

Employee benefits were classified as a separate item on the balance sheet.

For the revenue recognized according to HGB, income that is not classified as revenue from contracts with customers according to IFRS 15 was reclassified to other income. In this context, the corresponding trade receivables booked according to HGB were classified as other receivables according to IFRS. Related expenses were reclassified from the item cost of sales to the item other expenses.

As part of the preparation of the first IFRS consolidated financial statements, a share-based compensation program was recognized for the first time and was classified as equity-settled.

Further IFRS adjustments arise from financial instruments classified according to IFRS 9.

Additionally, deferred taxes were considered due to the adjustments according to IFRS.

## Basis of preparation

The overall impact of the first-time adoption of IFRS is as follows:

### Reconciliation of the consolidated statement of financial position as of January 1, 2023

€ thousand	Note	HGB 31.12.2022	Reclassifica- tions and remeasure- ments	IFRS 01.01.2023
Assets				
Intangible assets	4.1	2,111	670	2,781
Property, plant and equipment	4.2	33,198	-470	32,728
Right-of-use assets	4.3	0	23,765	23,765
Financial assets	6.2	3,092	0	3,092
Other non-financial assets	4.5	1,528	-810	718
Deferred tax assets	13	5,873	-871	5,002
Non-current assets		45,801	22,284	68,085
Inventories	4.4	51,279	3,715	54,994
Trade receivables	6.1	43,556	789	44,344
Financial assets	6.2	4,401	4,200	8,602
Other non-financial assets	4.5	2,962	0	2,962
Income tax receivables	13	816	0	816
Cash and cash equivalents	6.4	24,097	-4,200	19,897
Current assets		127,112	4,504	131,615
Total assets		172,913	26,787	199,700

## Basis of preparation

€ thousand	Note	HGB 31.12.2022	Reclassifica- tions and remeasure- ments	IFRS 01.01.2023
Equity and liabilities				
Subscribed capital	5.1	14,595	0	14,595
Capital reserves	5.2	10,599	0	10,599
Retained earnings	5.3	-22,486	9,603	-12,883
Other reserves	5.4	8,643	35	8,678
Non-controlling interests	5.5	1,229	0	1,229
Equity		12,580	9,638	22,218
Financial liabilities	6.6	31,437	-790	30,647
Employee benefits	11	29,117	-4,778	24,339
Lease liabilities	4.3	0	19,243	19,243
Other financial liabilities	6.6	25	0	25
Other non-financial liabilities	4.6	19	0	19
Provisions	4.7	59	0	59
Deferred tax liabilities	13	0	2,453	2,453
Non-current liabilities		60,658	16,128	76,785
Trade payables	6.5	29,354	0	29,354
Financial liabilities	6.6	38,573	0	38,573
Employee benefits	11	8,185	-445	7,740
Lease liabilities	4.3	0	3,895	3,895
Contract liabilities	3.1.2	5,966	-2	5,964
Income tax liabilities	13	525	0	525
Other financial liabilities	6.5	5,775	-303	5,472
Other non-financial liabilities	4.6	4,349	-226	4,123
Provisions	4.7	6,949	-1,897	5,051
Current liabilities		99,675	1,022	100,697
Total equity and liabilities		172,913	26,787	199,700



## Basis of preparation

### Reconciliation of the consolidated statement of financial position as of December 31, 2023

€ thousand	Note	HGB 31.12.2023	Reclassifica- tions and remeasure- ments	IFRS 31.12.2023
<b>Assets</b>				
Intangible assets	4.1	3,616	1,983	5,598
Property, plant and equipment	4.2	31,087	-360	30,728
Right-of-use assets	4.3	0	26,856	26,856
Financial assets	6.2	128	0	128
Other non-financial assets	4.5	1,513	-608	905
Deferred tax assets	13	6,730	-856	5,874
<b>Non-current assets</b>		<b>43,074</b>	<b>27,015</b>	<b>70,090</b>
Inventories	4.4	61,674	6,176	67,850
Trade receivables	6.1	50,398	1,235	51,633
Financial assets	6.2	4,629	3,830	8,459
Other non-financial assets	4.5	2,914	0	2,914
Income tax receivables	13	81	-23	58
Cash and cash equivalents	6.4	13,963	-3,830	10,134
<b>Current assets</b>		<b>133,660</b>	<b>7,388</b>	<b>141,048</b>
<b>Total assets</b>		<b>176,734</b>	<b>34,404</b>	<b>211,138</b>

## Basis of preparation

€ thousand	Note	HGB 31.12.2023	Reclassifica- tions and remeasure- ments	IFRS 31.12.2023
Equity and liabilities				
Subscribed capital	5.1	14,595	0	14,595
Capital reserves	5.2	10,599	372	10,971
Retained earnings	5.3	226	12,115	12,341
Other reserves	5.4	6,057	-2,637	3,420
Non-controlling interests	5.5	2,573	-3	2,570
Equity		34,049	9,848	43,897
Financial liabilities	6.6	46,143	-287	45,856
Employee benefits	11	27,817	-2,275	25,542
Lease liabilities	4.3	0	22,678	22,678
Other non-financial liabilities	4.6	846	0	846
Provisions	4.7	59	0	59
Deferred tax liabilities	13	0	3,218	3,218
Non-current liabilities		74,865	23,334	98,199
Trade payables	6.5	17,997	65	18,061
Financial liabilities	6.6	4,678	0	4,678
Employee benefits	11	9,937	-433	9,504
Lease liabilities	4.3	0	4,666	4,666
Contract liabilities	3.1.2	11,078	-273	10,805
Income tax liabilities	13	4,480	0	4,480
Other financial liabilities	6.5	3,814	-142	3,672
Other non-financial liabilities	4.6	5,011	-235	4,776
Provisions	4.7	10,826	-2,427	8,399
Current liabilities		67,820	1,222	69,041
Total equity and liabilities		176,734	34,404	211,138

## Basis of preparation

### Reconciliation of equity

€ thousand	Note	31.12.2023	01.01.2023
Equity HGB		34,049	12,580
IAS 2 - Inventories	4.4	6,391	3,814
IAS 12 - Deferred taxes	13	-3,926	-2,777
IAS 19 - Employee benefits	11	2,851	5,248
IAS 21 - Changes in foreign exchange rates		-171	-552
IAS 23 - Borrowing costs	4.1.4	77	0
IAS 36 - Impairment of assets	4.1.5	144	0
IAS 37 - Provisions	4.7	2,402	2,392
IAS 38 - Intangible assets	4.1	1,763	671
IFRS 2 - Share-based payments	11.2	0	0
IFRS 9 - Expected credit losses	7.2.2	1,064	674
IFRS 9 - Hedge accounting and derivatives	7.1.2	-242	0
IFRS 9 - Effective interest method	6.6	-11	-20
IFRS 15 - Revenue from contracts with customers	3.1	0	0
IFRS 16 - Leases	4.3	-496	188
Equity IFRS		43,897	22,218

### Reconciliation of comprehensive income

kEUR	Note	2023
Consolidated net profit / loss for the year before non-controlling interests (HGB)		23,398
IAS 2 - Inventories	4.4	2,578
IAS 12 - Deferred taxes	13	-1,149
IAS 19 - Employee benefits	11	-2,397
IAS 21 - Changes in foreign exchange rates		-1,548
IAS 23 - Borrowing costs	4.1.4	77
IAS 36 - Impairment of assets	4.1.5	144
IAS 37 - Provisions	4.7	10
IAS 38 - Intangible assets	4.1	1,092
IFRS 2 - Share-based payments	11.2	-372
IFRS 9 - Expected credit losses	7.2.2	391
IFRS 9 - Hedge accounting and derivatives	7.1.2	-242
IFRS 9 - Effective interest method	6.6	9
IFRS 15 - Revenue from contracts with customers	3.1	0
IFRS 16 - Leases	4.3	-684
Total comprehensive income IFRS		21,307

### Reconciliation of consolidated cash flows

The reconciling items between the statement of cash flows according to HGB and IFRS have no net impact on the generated cash flow. Significant changes in the statement of cash flows result from the following items: net profit or loss for the period, depreciation and amortization of non-current assets, change in provisions, change in liabilities, share-based payments, defined benefit plans and repayments of lease liabilities.

## Basis of preparation

### 1.4 Significant estimates and judgements

The preparation of consolidated financial statements requires the use of accounting estimates and judgements which, by definition, will seldom equal the actual results of the reported amounts of assets, liabilities, income and expenses, as well as contingent assets and liabilities. Management also needs to exercise judgement in applying the Group's accounting policies and methods.

All estimates and judgements are continuously reviewed and are based on past experience and other factors, including expectations regarding future events that could financially impact the company, and which are considered appropriate under the given circumstances. Revisions to estimates are recognized prospectively.

#### 1.4.1 Judgements

Information on judgements made in the application of accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements can be found in the following notes:

- Lease term: Determining whether the execution of renewal options is reasonably certain 2.8.

#### 1.4.2 Assumptions and uncertainties in estimation

Information on assumptions and uncertainties in estimation as of the reporting date that could give rise to a significant risk of a material adjustment in the carrying amounts of the reported assets and liabilities in the next financial year can be found in the following notes:

- Impairment test of intangible assets and goodwill: key assumptions applied in calculating the recoverable amount – note 4.1.
- Estimation of the useful life of intangible assets – note 4.1.
- Estimation of whether the requirements for the capitalization of internally generated intangible assets are met – note 2.4.
- Estimation of the useful life of property, plant and equipment – note 4.2.
- Uncertainties in estimation and judgements in connection with the accounting treatment of leases – note 4.3.
- Measurement of impairment losses on trade receivables and financial assets based on expected credit losses: key assumptions used to determine the weighted average loss rate – note 6.1.
- Estimation of the defined benefit obligation: significant actuarial assumptions – note 11.1.
- Share-based payments: Estimation of fair values of the virtual shares granted (including estimation of the date of a possible exit event) – note 11.2.
- Estimation of provisions for warranties – note 4.7.
- Estimation of provisions for restructuring – note 4.7.
- Recognition of deferred tax assets: Estimation of future taxable income and deductible temporary differences and tax loss carryforwards to be utilized – note 13.

All estimates and judgements are continuously being reviewed and are based on past experience and other factors, including expectations of future events that may affect the company financially, and which are considered appropriate under the circumstances.

## 2 Summary of significant accounting policies

The note comprise a list of significant accounting policies used in the preparation of these consolidated financial statements, unless they have already been presented in the notes above. Unless otherwise stated, these policies were applied consistently to all periods presented. The consolidated financial statements comprise the financial statements of Pfisterer Holding SE and its subsidiaries.

### 2.1 Principles of consolidated and at-equity accounting

#### 2.1.1 Subsidiaries

Pfisterer Holding SE and its domestic and foreign subsidiaries over which the Group has control are fully consolidated in these consolidated financial statements.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Generally, it is assumed that ownership of a majority of the voting rights (direct or indirect) leads to control.

Subsidiaries are fully consolidated from the date on which control transferred to the Group. They are deconsolidated from the date when control ceases.

Inter-company transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated, unless the transaction provides evidence of an impairment of the transferred asset. The accounting policies of all subsidiaries and the parent company have been aligned.

Non-controlling interests the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

#### 2.1.2 Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

#### 2.1.3 Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

Where the Group's share of the losses in an equity-accounted investment equals or exceeds its interest in the entity (including any other long-term interests that are attributable to the economic substance of the net investment), the Group does not recognize any further losses, unless it has incurred legal or constructive obligations or has made payments on behalf of the other entity.

Unrealized gains from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in 2.7.

## 2.2 Foreign currency translation

### 2.2.1 Functional currency and reporting currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency").

### 2.2.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognized in the consolidated statement of profit and loss. They are deferred in equity if they are attributable to the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss on a net basis within 'other gains/(losses)'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities measured at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities, such as equity instruments measured at fair value through profit or loss, are recognized in the consolidated statement of profit or loss as part of the fair value gain or loss, and translation differences on equity instruments measured at fair value through other comprehensive income are recognized in consolidated statement of other comprehensive income.



## Summary of significant accounting policies

### 2.2.3 Subsidiaries

#### Subsidiaries whose functional currency is the respective local currency

The expenses, income, assets and liabilities of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated for each statement of financial position as of the respective reporting date.
- Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognized in statement of other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign operations and of borrowings and other financial instruments designated as hedges of such investments, are recognized in consolidated other comprehensive income. When a foreign operation is sold or when borrowings that form part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss as a component of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

#### Subsidiaries whose functional currency is not the respective local currency

Due to a lack in the financial, economic and organizational independence of two foreign subsidiaries, their functional currency differs from their respective local currency.

As a result, the functional currency of the two subsidiaries in Switzerland and the Czech Republic was changed from Swiss francs (CHF) and Czech korunas (CZK) to EUR.

The currency translation differences recognized until January 1, 2023, remain unchanged at the closing rate in the Group's equity and are only derecognized upon disposal of the subsidiary

As of January 1, 2023, the subsidiaries' monetary items were translated into euros at the closing rate and non-monetary items at the historical rate at the respective acquisition date. The currency effects resulting from the conversion were recognized in retained earnings (so-called IFRS 1 reserve).

For the financial years 2024 and 2023, the respective transactions were translated at the exchange rate on the transaction date.

### 2.2.4 Hyperinflation

In order to determine whether a country should be classified as hyperinflationary, the Group refers to the standards of the International Practices Task Force (IPTF) or other relevant standards. If a country is classified as hyperinflationary, IAS 29 'Hyperinflationary Economies' shall be applied from the start of the relevant reporting period, i.e. from January 1 of the respective year.

Argentina is currently classified as a hyperinflationary economy relevant to the Group. In Argentina, hyperinflation is based on the "IPC Nacional Empalme IPIM" (2017=100) with an index value as of December 31, 2024 of 7,694 (December 31, 2023: 3,533, January 1, 2023: 1.135) and an annual inflation rate of 117 % (2023: 211 %).

The effects of accounting for the inflation of monetary items in the financial position of subsidiaries operating in hyperinflationary economies are recognized in profit or loss and are included in financial income or financial expenses in the consolidated statement of profit or loss.

## Summary of significant accounting policies

The income statements and cash flow statements of companies applying hyperinflation accounting are translated into Euro using the respective closing rates.

### 2.2.5 Exchange rates

The exchange rates of the major foreign currencies for the PFISTERER Group on which the currency translation is based developed as shown in the following table.

	Average exchange rate		Closing rate		
	2024	2023	31.12.2024	31.12.2023	01.01.2023
EUR					
ARS*	1,066.05	892.38	1,066.05	892.38	189.20
CHF	0.95	0.97	0.94	0.93	0.98
CZK	25.11	24.00	25.23	24.72	24.12
GBP	0.85	0.86	0.83	0.87	0.89
USD	1.08	1.08	1.04	1.11	1.07

\*Due to hyperinflation in Argentina and the indexation of the subsidiary's financial statements, the average exchange rate corresponds to the closing rate.

## 2.3 Revenue from contracts with customers

### Performance obligations and methods of revenue recognition

Customers enter into contracts for the production and installation of cable fittings, insulators, and connection technology. PFISTERER technologies are used wherever power grids need to be connected, linked, or extended. From energy generation to transportation and distribution, PFISTERER and its partners are building today's and tomorrow's power grids, making an important contribution to a secure and sustainable energy infrastructure. PFISTERER's solutions contribute to the optimization of power grids in general and in particular to the integration of regeneratively generated, so-called 'renewable energy'. PFISTERER is a world-renowned offshore pioneer with decades of experience in numerous wind farm projects and offers a complete product series of up to 550kV.

Revenue from contracts with customers is recognized when it can be assumed that the corresponding contracts will be fulfilled. The prerequisite for this is that a contract with enforceable rights and obligations exists and that the collection of consideration is probable. PFISTERER takes into account the creditworthiness of the customer and historical data in order to assess the probability of the collection of consideration.

The Group recognizes revenue when control of a good or service is transferred to a customer. Revenue is recognized based on the expected consideration, which corresponds to the consideration specified in the contract. PFISTERER allocates the transaction price to the separate performance obligations based on stand-alone selling prices. Variable consideration exists in the form of discounts, rebates and similar price reductions, which are recognized in the transaction price as a revenue reduction.

PFISTERER recognizes contract liabilities as a separate item in the statement of financial position.

The period between the transfer of control of the promised goods and services and payment by the customer amounts to a maximum of one year, which is why PFISTERER applies the practical expedient under IFRS 15.63 and does not adjust the promised consideration for a financing component. The payment terms for performance obligations under contracts with customers are usually between 30 and 60 days after invoicing.

Management reporting differentiates between the following product groups, which also form the basis for segment reporting:

### Cable Accessories HVAC (HVA)

The HVA product segment includes a wide range of cable fittings, such as cable termination, cable joints and connections for transformers and switchgear, including pluggable bushings, pluggable surge arresters and the

## Summary of significant accounting policies

CONNEX cable connector system. These solutions cover voltage levels from 72.5 kV to 550 kV (high to extra-high voltage). All components subjected a type and routine testing in accordance with international standards.

### Cable Accessories MVAC (MVA)

In addition to the main product line MV-CONNEX, which covers the voltage level from 12 kV to 52 kV and provides solutions for connecting transformers or joining cables, the MVA segment includes a variety of system solutions and accessories that complement the product range.

### Cable Accessories HVDC (HVD)

The HVD product segment includes cable accessories for high-voltage direct current transmission, in particular one-piece slip-on joints, outdoor cable terminations and plug-in connections for transformers and switchgear. The solutions cover voltage levels up to 525 kV (high and extra-high voltage). All components are type and unit tested in accordance with various international standards.

### Overhead Lines Insulators and Fittings (OHL)

For the OHL product segment, PFISTERER offers products, solutions and services that cover “everything between the pylon and the conductor”. The solutions offered are an essential component for mechanically and reliably attaching the high-voltage lines to the grounded pylons while also electrically insulating them. The products and solutions also ensure that the valuable and sensitive conductors of the overhead line are well secured and protected from harmful vibrations. PFISTERER has over a century of experience in overhead line products and technologies, as well as over forty years of experience with silicone composite insulators, across various voltage classes up to UHV (ultra-high voltage), AC and DC.

### Connectors, Safety and Cabinets (COM)

In the COM product segment, PFISTERER Group offers bolted connection solutions for conductors up to 4,000 mm<sup>2</sup> depending on the voltage level (from low to extra-high voltage), as well as branch and connection systems for low-voltage cables using insulation piercing contact systems. The portfolio is complemented by products that are needed for the safety of people and equipment, as well as low-voltage distribution cabinets.

## Summary of significant accounting policies

The following two performance obligations are reflected in these product groups:

Product group	Identified performance obligations	Revenue recognition
HVA	Manufacturing of products	point in time
	Rendering of services	over time in accordance with IFRS 15.35(a)
MVA	Manufacturing of products	point in time
	Rendering of services	over time in accordance with IFRS 15.35(a)
HVD	Manufacturing of products	point in time
	Rendering of services	over time in accordance with IFRS 15.35(a)
OHL	Manufacturing of products	point in time
	Rendering of services	over time in accordance with IFRS 15.35(a)
COM	Manufacturing of products	point in time
	Rendering of services	over time in accordance with IFRS 15.35(a)

### Product manufacturing

The production and delivery of the Group's various product groups is carried out as part of the performance obligation. Revenue from product manufacturing is recognized at a point in time as soon as the individual goods have been delivered, i.e. control has been transferred to the customer. In general, the incoterm "Ex-works (EXW)" is agreed.

### Services

PFISTERER provides various services to its customers in connection with product manufacturing. Revenue from the provision of services is recognized over time as the services are provided. Revenue from services is recognized over time as the services are provided, applying the practical expedients in IFRS 15.B16.

## 2.4 Intangible assets and goodwill

### 2.4.1 Goodwill

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequent if events or changes in circumstances indicate that it might be impaired. It is recognized at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

For the purpose of impairment testing, goodwill is allocated to cash-generating units. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

## Summary of significant accounting policies

### 2.4.2 Internally generated intangible assets

Research expenditures are recognized as an expense in the consolidated statement of profit or loss as it is incurred.

Development costs are capitalized only if they can be reliably measured, the respective product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete the development and to use or sell the internally generated intangible asset. Other development costs are recognized in the consolidated statement of profit or loss as soon as they are incurred. Capitalized development costs are measured at acquisition or production cost less accumulated amortization and accumulated impairment losses at segment level.

### 2.4.3 Purchased intangible assets

Purchased intangible assets are recognized at cost. Trademarks, licenses and customer contracts acquired as part of a business combination are recognized at their fair value at the time of acquisition. These intangible assets have a limited useful life and are subsequently recognized at cost, less accumulated amortization and impairments.

### 2.4.4 Amortization

Intangible assets are amortized on a straight-line basis over their estimated useful lives. Low-value intangible assets with acquisition costs of up to EUR 800 are fully written off in their year of acquisition. The amortization is recognized in the consolidated statement of profit or loss. Goodwill is not subject to scheduled amortization.

The estimated useful lives are:

- Patents and licenses: 3 -10 years,
- Internally generated intangible assets: 5 years,
- Purchased intangible assets: 3 - 5 years,

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if necessary.

## 2.5 Property, plant and equipment

### 2.5.1 Measurement

Property, plant and equipment are measured at historical cost, less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost might include reclassifications from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. The carrying amount of any component that is recognized as a separate asset is derecognized when it is replaced. All other repair and maintenance expenses are recognized as expenses in the period in which they are incurred.

### 2.5.2 Depreciation

Depreciation is carried out on a straight-line basis. The difference between the acquisition or production costs or revalued amounts and the residual values is allocated on a straight-line basis over the following expected useful lives:

## Summary of significant accounting policies

- Buildings: 10-60 years,
- Technical equipment and machinery: 6-15 years,
- Improvements to property: 10-15 years,
- Operating and office equipment: 3-10 years.

The residual values and useful lives of the assets are reviewed at the end of each reporting period and adjusted if necessary.

The carrying amount of an asset is written down immediately to its realizable amount if the carrying amount of the asset is greater than its realizable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. They are recognized in profit or loss. When disposing of revalued assets, the Group's policy is to reclassify the amounts included in the revaluation reserve for these assets to retained earnings.

### 2.6 Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to the grants and that the grants will be received.

Government grants are recognized in the consolidated statement of profit or loss on a systematic basis over the periods in which the Group recognizes the related expenses that are intended to compensate for the government grants. Specifically, government grants whose main condition is the purchase, construction or other acquisition of non-current assets are recognized as deferred income in the consolidated statement of financial position and are recognized in the consolidated statement of profit or loss over the term of the corresponding asset on a systematic and rational basis.

Government grants that are received to compensate for expenses or losses already incurred or to provide immediate financial support without any future associated expenses are recognized in the consolidated statement of profit or loss in the period in which the corresponding claim arises.

### 2.7 Impairment of assets

Goodwill and internally generated intangible assets under development are not subject to amortization, but are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment as soon as events or changes in circumstances indicate that the carrying amount may no longer be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. The value in use is determined by discounting expected future cash flows from continued use at a risk-adjusted interest rate. The future cash flows are determined on the basis of the long-term planning approved by management and applicable at the time of the impairment test.

If it is not possible to estimate the recoverable amount for an individual asset, the assets are grouped into cash-generating units. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Non-financial assets other than goodwill for which an impairment loss has been recognized are reviewed for possible reversals of the impairment at the end of each reporting period.

### 2.8 Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys a right to use an asset (or assets) of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:



## Summary of significant accounting policies

- The contract involves the use of an identified asset. This can be established explicitly or implicitly and should be physically separable or represent substantially all of the capacity of a physically separable asset. If the supplier has a material substitution right, the asset is not identified as a lease,
- The Group has the right to obtain substantially all of the economic benefits from using the asset throughout the period of use, and
- The Group has the right to direct the use of the asset. The Group has this right if it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset when:
  - the Group has the right to operate the asset; or
  - the Group has designed the asset in such a way that it determines the manner and purpose of its use in advance.

When entering into or reassessing a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component based on their relative stand-alone prices. For leases of vehicles where the Group is the lessee, the Group has elected not to separate non-lease and lease components and instead account for each lease component and any associated non-lease components as a single lease component.

### 2.8.1 The Pfisterer Group as lessee

The Group recognizes a right-of-use asset and a lease liability on the commencement date of the lease. The right-of-use asset is initially measured at cost. This is calculated based on the initial amount of the lease liability, adjusted for any lease payments before or on the commencement date of the lease, plus any initial direct costs incurred and an estimate of the costs for dismantling, removing or restoring the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is amortized on a straight-line basis from the commencement date either until the end of its useful life – or should this occur earlier – until the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as the useful life of property, plant and equipment. In addition, the right-of-use asset is regularly reduced by any impairment in value and adjusted accordingly when the lease liability is remeasured.

At the commencement date, the lease liability is measured at the present value of the outstanding lease payments, discounted at the interest rate implicit in the lease, or, if that rate cannot be readily determined, at the entity's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease payments to be considered when measuring the lease liability are composed as follows:

- fixed payments,
- variable lease payments that depend on an index or interest rate and whose initial valuation is made based on the index or interest rate as of the commencement date,
- amounts expected to be payable by the lessee under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, lease payments for an optional extension period if the Group is reasonably certain to exercise the extension option.

Penalties for terminating a lease if the lease term reflects the Group exercising the relevant termination option.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its

## Summary of significant accounting policies

assessment of whether it will exercise a purchase, extension or termination option if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognized in the consolidated statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is measured at amortized cost using the effective interest method. A remeasurement is made when there is a change in future lease payments due to a change in an index or a rate, or when there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or when there is a change in the Group's estimate of whether it will exercise a purchase, extension or termination option. In case of a remeasurement of the lease liability, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognized in the consolidated statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group measures the lease liability at an unchanged interest rate if there is a change in the amount payable under the residual value guarantee, future payments adjust for changes in market rates or for changes in an index or rate, or payments cease to be variable. An adjusted interest rate results in changes to future lease payments as a result of an adjustment of variable interest rates, adjustments to the lease term, or if the assessment of a purchase option changes.

The Group presents right-of-use assets and lease liabilities as separate line items in the consolidated statement of financial position.

### 2.8.2 Short-term leases and leases of low-value assets

The Group has elected not to recognize rights of use and lease liabilities for leases involving low-value assets and for short-term leases, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the term of the lease.

## 2.9 Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realizable value. Cost comprises direct material and production costs as well as appropriate portions of variable and fixed overheads, whereby the latter costs are determined based on normal capacity. Cost includes the reclassification of gains or losses from qualified cash flow hedges in connection with the acquisition of raw materials from equity but not borrowing costs. Costs of purchased inventories are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

## 2.10 Financial assets

### 2.10.1 Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either at fair value through other comprehensive income or at fair value through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recognized either in profit or loss or in other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made irrevocable election at the time of initial recognition to present subsequent changes in fair value in other comprehensive income.

## Summary of significant accounting policies

The Group reclassifies debt instruments only when its business model for managing those assets changes.

### 2.10.2 Recognition and derecognition

A regular purchase or sale of financial assets is recognized on the trade date, i.e. the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

### 2.10.3 Measurement

At initial recognition, the Group measures financial assets at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs on financial assets at fair value through profit or loss are recognized as an expense in the consolidated statement of income.

#### Debt instruments

The subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into three measurement categories:

- AC: Assets that are held to collect the contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gains or losses arising on derecognition are recognized directly in the consolidated statement of profit or loss and presented in income/(expenses) together with foreign exchange gains and losses.
- FVtOCI: Assets that held for collection of contractual cash flows and for selling the financial assets, and for which the cash flows represent only interest and principal payments, are measured at fair value through other comprehensive income. Movements in the carrying amount are recognized in other comprehensive income, with the exception of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in the consolidated statement of profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to the consolidated statement of profit or loss and recognized in other income/(expenses). Interest income from these financial assets is included in finance income using the effective interest method. Foreign exchange gains and losses are presented in other income/(expenses), and impairment expenses are presented as a separate line item in the consolidated statement of profit or loss.
- FVtPL: Assets that do not meet the criteria for the amortized cost or FVtOCI are measured at fair value through profit or loss (FVtPL). Gains or losses on a debt instrument that is subsequently measured at FVtPL are recognized in the consolidated statement of profit or loss and presented net within other income/(expenses) in the period in which it arises.

#### Equity instruments

The Group subsequently measures all equity instruments held at fair value. Where management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to consolidated statement of profit and loss following the derecognition of the investment. Dividends from such instruments continue to be recognized in the consolidated statement of profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the consolidated statement of profit or loss in other income/(expenses). Impairment losses (and reversals of impairment losses) on equity instruments at fair value through other comprehensive income are not recognized separately from other changes in fair value.

## Summary of significant accounting policies

At all reporting dates, the Group only held debt instruments whose subsequent measurement is based on amortized cost (AC). There are no equity instruments.

### 2.10.4 Loss allowances

The Group assesses the expected credit losses associated with debt instruments measured at amortized cost or at fair value through other comprehensive income on a forward-looking basis. The impairment method depends on whether there is a significant increase in credit risk.

Impairments on trade receivables are always valued at the amount of the credit loss to be expected over their lifetime. The Group assumes that the credit risk of a financial asset has increased significantly if it is more than 120 days past due.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, according to which lifetime expected credit losses are recognized from initial recognition of the receivables.

### 2.10.5 Trade receivables

Trade receivables are to be recognized initially at the amount of the unconditional consideration. Subsequently, trade receivables are measured at amortized cost using the effective interest method, less loss allowances.

In addition, the PFISTERER Group participates in factoring programs in which trade receivables are sold. The del credere risk is transferred to the factor. In the factoring described above, essentially all opportunities and risks of the receivables are transferred to the financial services provider. Consequently, the receivables are derecognized at the time of sale. For further information on the accounting treatment of trade receivables in the Group, see note 6.1 and for a description of the Group's impairment principles, see note 2.10.4.

### 2.10.6 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, demand deposits, other highly liquid short-term investments with original maturities of three months or less that are readily convertible to cash, and which are subject to an insignificant risk of changes in value.

Cash and cash equivalents are initially recognized at nominal value. They are subsequently measured at amortized cost.

For the purposes of presentation in the cash flow statement, cash and cash equivalents comprise the cash and cash equivalents defined above less bank overdrafts, which are repayable on demand and form an integral part of the Group's cash management. Those bank overdrafts are shown as current financial liabilities in the statement of financial position.

## 2.11 Trade payables and other financial liabilities

These amounts represent liabilities for goods and services provided to the Group prior the end of the financial year which are unpaid. Trade and other payables are recognized as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

## 2.12 Derivatives and hedging transactions

Derivatives are initially recognized at fair value on the date when a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting of subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, on the nature of the item being hedged. The Group designates certain derivatives as either:

- Hedges of the fair value of recognized assets or liabilities or firm commitments (fair value hedges),

## Summary of significant accounting policies

- Hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- Hedges of a net investment in a foreign operatin (net investment hedges).

At inception date of the hedging relationship, the Group documents the economic relationship between the hedging instruments and the hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of the hedged items. The Group documents its risk management objectives and strategies for undertaking its hedge transactions.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in note 6.7. Movements in the hedging reserve in shareholders' equity is shown in note 5.5.

At all reporting dates, the Group only held cash flow hedges.

### Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognized immediately in statement of profit and loss within other income/(expenses).

Where option contracts are used to hedge anticipated transactions, the Group only designates the intrinsic value of the options as the hedging instrument.

Gains or losses on the effective portion of the change in the intrinsic value of the options are recognized in the cash flow hedge reserve within equity. Changes in the time value of the options that relate to the hedged item ('aligned time value') are recognized within other comprehensive income in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in the fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognized in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item (aligned forward element) is recognized within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity might designate the full change in the fair value of the forward contract (including the forward points) as the hedging instrument. In such cases, the gains or losses on the effective portion of the change in the fair value of the entire forward contract are recognized in the cash flow hedge reserve within equity.

Cumulative amounts recognized in equity are reclassified in the periods in which the hedged item affects profit or loss. They are accounted for as follows:

- Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the option contracts or the deferred forward points, if any, are included in the initial cost of the asset. The deferred amounts are ultimately recognized in the consolidated statement of profit or loss if the hedged item affects profit or loss (for example through cost of sales).
- Der Gewinn oder Verlust aus dem wirksamen Teil der Zinsswaps, die variabel verzinsliche Kreditaufnahmen absichern, wird im Posten Finanzierungsaufwendungen in der Konzern-Gewinn- und Verlustrechnung in der Periode ausgewiesen, in der der Zinsaufwand für die gesicherten Kreditaufnahmen anfällt.
- The gain or loss relating to the effective portion of interest rate swaps, hedging variable interest rate borrowings, is recognized in the consolidated statement of profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such

## Summary of significant accounting policies

as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

### 2.13 Financial liabilities

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan credit facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are derecognized when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability which has been extinguished or transferred to another party, and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated income statement as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the reporting period.

### 2.14 Provisions

Provisions for archiving, onerous contracts, warranties, legal claims and other provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Provisions are not recognized for future operating losses.

Where there are number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small.

Provisions are measured at present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

### 2.15 Equity

Subscribed capital, the capital reserve, retained earnings and other reserves are classified as equity.

### 2.16 Current and deferred taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The actual income tax expense is determined on the basis of the tax laws enacted or substantively enacted at the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations and it considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balance based on either the most likely

## Summary of significant accounting policies

amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax are also not recognized if they arise from the initial recognition of an asset or liability in a transaction that is other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to use those temporary differences and losses.

Deferred tax assets and liabilities are not recognized for temporary differences between the carrying amount and tax base of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred balances relate to the same tax authority. Current tax assets and tax liabilities are offset where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the consolidated statement of profit or loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity.

## 2.17 Employee benefits

### 2.17.1 Short-term employee benefits

Liabilities for wages, salaries and bonuses, including non-monetary benefits, annual leave and for accumulated sick leave that is expected to be settled fully within 12 months after the end of the period in which the employees rendered the related services, are recognized in respect of employees' services up to the end of the reporting period, and they are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are recognized as current employee benefit obligations in the consolidated statement of financial position.

### 2.17.2 Post-employee benefits

The Group operates various post-employment plans, including both defined benefit and defined contribution pension plans.

#### Pension obligations

The liability or asset recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no sufficient liquid market in such bonds, the market rates on government bonds are used.



## Summary of significant accounting policies

The net interest expense is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This expense is included in employee benefit expense in the consolidated statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the consolidated statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the consolidated statement of profit or loss as past service costs.

### Defined contribution obligations

For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

### 2.17.3 Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee voluntarily terminates the employment relationship in return for a severance payment. The group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

### 2.18 Shared-based payments

The fair value at the grant date of share-based payment agreements to employees is recognized as an expense with a corresponding increase in equity over the period in which the employees acquire an unrestricted entitlement to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the relevant service conditions and non-market performance conditions are expected to be satisfied, so that the amount ultimately recognized as an expense is based on the number of awards that satisfy the relevant service conditions and non-market performance conditions at the end of the vesting period. For share-based payment awards with non-vesting conditions, the fair value is determined on the grant date taking these conditions into account; no adjustment is made for differences between expected and actual results.

## Summary of significant accounting policies

### 2.19 New standards and amendments

#### 2.19.1 Application of new standards and interpretations

The following standards and interpretations apply for the first time in 2023, but had no impact or no material impact on the consolidated financial statements for Pfisterer Holding SE:

Standards/Interpretations/Amendments	
<b>IAS 1</b>	Non-current liabilities with covenants - Amendments to IAS 1
<b>IAS 1</b>	Classification of liabilities as current or non-current - Amendments to IAS 1
<b>IAS 7 and IFRS 7</b>	Supplier finance arrangements - Amendments to IAS 7 and IFRS 7
<b>IFRS 16</b>	Lease liability in a sale and leaseback transaction - Amendments to IFRS 16

#### 2.19.2 New standards and interpretations not yet adopted

The following standards and interpretations published by the IASB are not yet mandatory, as the date of first-time adoption has not yet been reached; the PFISTERER Group is not applying them early.

Standards/Interpretations/Amendments		Date of incorporation into EU law	Date of initial application requested
IAS 21	Lack of exchangeability - Amendments to IAS 21	November 12, 2024	January 1, 2025
IFRS 7 and IFRS 9	Classification and measurement of financial instruments - Amendments to IFRS 7 and IFRS 9	Pending	January 1, 2026
Div.	Annual improvements to IFRS accounting standards - Volume 11	Pending	January 1, 2026
IFRS 18	Presentation and disclosure in financial statements	Pending	January 1, 2027
IFRS 19	Subsidiaries without public accountability: Disclosures	Pending	January 1, 2027
IAS 28 and IFRS 10	Sale or contribution of assets between an investor and its associate or joint venture - Amendments to IAS 28 and IFRS 10	Pending	Pending

### 3 Notes to the consolidated statement of profit or loss

#### 3.1 Revenue from contracts with customers

##### 3.1.1 Classification of revenue from contracts with customers

PFISTERER reports and breaks down revenue from contracts with customers based on the primary geographical markets as well as on primary product and service groups. These are broken down in the following tables.

##### Primary geographical markets

€ thousand	2024	2023
Europe and Africa	221,557	199,411
North and South America	66,898	43,149
Middle East and India	56,091	57,182
Asia-Pacific	38,570	34,399
Total	383,116	334,140

##### Primary product and service groups

€ thousand	2024	2023
HVA - Cable Accessories HVAC	144,809	112,692
MVA - Cable Accessories MVAC	48,711	34,168
HVD - Cable Accessories HVDC	0	0
COM - Connectors, Safety and Cabinets	102,700	92,597
OHL - OHL Insulators and Fittings	86,897	94,684
Total	383,116	334,140

In the financial year 2024, revenues from product manufacturing in the amount of € 376,447 thousand (2023: € 309,926 thousand) were recognized at a point in time. Revenues from maintenance contracts and other services in the amount of € 6,669 thousand (2023: € 24,215 thousand) were recognized over-time in the financial year 2024.

PFISTERER received incoming orders of EUR 423.2 million in the past financial year, resulting in an order backlog of EUR 234.9 million as at December 31, 2024 (December 31, 2023: EUR 194.1 million), essentially taking into account the revenue for the financial year.

##### 3.1.2 Contract liabilities

PFISTERER recognizes contract liabilities as separate line items in its consolidated statement of financial position. The following table provides information on trade receivables and contract liabilities from contracts with customers:

€ thousand	31.12.2024	31.12.2023	01.01.2023
Trade receivables	53,356	51,633	44,344
Contract liabilities	9,232	10,805	5,964

Contract liabilities mainly include advance payments received from customers for whom PFISTERER has not yet fulfilled any performance obligations. All of the Group's contracts within the scope of IFRS 15 have a term of no more than one year, so the disclosure of the transaction price allocated to the remaining performance obligations does not apply. In the financial year 2024, € 7,963 thousand (2023: € 4,269 thousand) were recognized as revenue that was included in the balance of contract liabilities at the beginning of the period.

## Notes to the consolidated statement of profit or loss

The contract liabilities have developed as follows:

kEUR	Contract liabilities	
	2024	2023
January 1	10,805	5,964
thereof recognized as revenue in the period	-7,963	-4,269
Additions	6,392	9,187
Impairments	-2	-77
December 31	9,232	10,805
Current	9,232	10,805
Non-current	0	0

### 3.2 Income and expenses

#### 3.2.1 Cost of sales

Cost of sales comprise the following items:

kEUR	2024	2023
Cost of materials	167,853	151,845
Personnel expenses	38,807	33,789
Depreciation and amortization	7,512	6,778
Maintenance costs	2,386	2,239
Other costs of sales	14,673	10,732
Total	231,231	205,382

Other costs of sales include, among other items, costs for contract workers of € 1,905 thousand (2023: € 1,675 thousand), outward freight and shipping costs of € 595 thousand (2023: € 524 thousand) and travel expenses of € 646 thousand (2023: € 489 thousand).

## Notes to the consolidated statement of profit or loss

### 3.2.2 Selling expenses

Selling expenses comprise the following items:

€ thousand	2024	2023
Cost of materials	3,343	3,036
Personnel expenses	24,549	22,653
Depreciation and amortization	1,572	1,089
Outward freight	5,355	5,386
Warranty expenses	2,977	3,951
Travel expenses	2,256	1,722
Sales commissions	2,001	2,255
Consulting fees	1,934	1,232
Advertising and marketing costs	1,813	947
Incidental cost for money	823	558
Maintenance costs	429	192
Others	7,124	6,986
Total	54,177	50,006

Other selling expenses include, among other things, costs for agency workers of € 396 thousand (2023: € 394 thousand).

### 3.2.3 Research and development costs

Research and development costs include the following items:

€ thousand	2024	2023
Cost of materials	1,351	1,073
Personnel expenses	12,971	12,425
Depreciation and amortization	913	533
Travel expenses	660	521
Maintenance costs	275	246
Consulting fees	811	200
Others	4,314	3,011
Total	21,295	18,010

Other research and development costs include, among other things, travel expenses of € 212 thousand (2023: € 199 thousand).

### 3.2.4 Administrative costs

Administrative costs include the following items:

€ thousand	2024	2023
Cost of materials	2,743	2,283
Personnel expenses	19,546	15,448
Consulting fees	9,128	4,210
Others	1,961	3,072
Total	33,378	25,013

Other administrative costs include, among other things, travel expenses of € 704 thousand (2023: € 385 thousand).

## Notes to the consolidated statement of profit or loss

### 3.2.5 Other income

Other income includes the following items:

kEUR	2024	2023
Exchange rate gains	9,988	10,102
Income from the elimination of defined benefit obligations	6,850	0
Insurance proceeds from fire event	2,450	0
Government grants	142	0
Other	5,685	4,637
Total	25,115	14,739

Further other income includes the elimination of pension obligations of the subsidiary Lapp Insulators Redwitz B.V., Amsterdam, Netherlands, of € 6,850 thousand (2023: € 0 thousand), which was deconsolidated during the financial year 2024. This income is offset by personnel expenses from the payment regarding the PSV agreement in the amount of € 1,600 thousand (2023: € 0 thousand), which were recognized in other expenses.

In addition, insurance income of € 2,450 thousand (2023: € 0 thousand) and government grants under the research allowance act (FZulG) of € 142 thousand (2023: € 0 thousand) were recognized. See chapter 2.6 for further information on the significant account policies for government grants. The government grants under the research allowance act were deducted off-balance from the taxable income.

### 3.2.6 Other expenses

Other expenses include the following items:

€ thousand	2024	2023
Exchange rate losses	11,934	8,429
Personnel expense due to PSV agreement	1,600	0
Personnel expense due to restructuring	3,844	0
Further other expenses	2,465	577
Total	19,843	9,006

Due to the fire in Wunsiedel and the associated restructuring measures, a provision for restructuring was recognized in the financial year 2024 and the associated personnel expenses were recognized within further other expenses.

Additionally, further other expenses include impairment losses on inventories of € 833 thousand (2023: € 0 thousand), loss mitigation costs of € 916 thousand (2023: € 0 thousand), and impairment losses on property, plant and equipment of € 215 thousand (2023: € 0 thousand).

## Notes to the consolidated statement of profit or loss

### 3.2.7 Financial result

Financial result includes the following items:

€ thousand	2024	2023
Financial income		
Other interest and similar income	361	276
Financial income	361	276
Financial expenses		
Interest expense due to banks	-2,329	-4,370
Interest expense on provisions	-190	-377
Interest expense on factoring	-652	-1,750
Interest expense on leases	-1,161	-1,073
Others	347	-1,019
Financial expenses	-3,984	-8,589
Financial result	-3,624	-8,313



## 4 Non-financial assets and liabilities

### 4.1 Intangible assets

#### 4.1.1 Acquisition and production costs

kEUR	Internally generated intellectual property rights and similar rights	Purchased intellectual property rights and similar rights	Goodwill	Advance payments	Total
January 1, 2023	1,994	8,064	437	0	10,495
Additions	2,722	68	0	344	3,134
Disposals	0	-4,143	0	0	-4,143
Reclassifications	0	288	0	-288	0
Exchange differences	0	12	0	0	12
December 31, 2023	4,716	4,290	437	56	9,498
January 1, 2024	4,716	4,290	437	56	9,498
Additions	2,553	32	0	183	2,767
Disposals	0	-2,860	0	-45	-2,905
Exchange differences	0	-3	0	0	-3
December 31, 2024	7,268	1,459	437	193	9,357

#### 4.1.2 Amortization and impairment losses

€ thousand	Internally generated intellectual property rights and similar rights	Purchased intellectual property rights and similar rights	Goodwill	Advance payments	Total
January 1, 2023	0	-7,713	0	0	-7,713
Additions	-50	-283	0	0	-333
Disposals	0	4,141	0	0	4,141
Exchange differences	0	5	0	0	5
December 31, 2023	-50	-3,850	0	0	-3,900
January 1, 2024	-50	-3,850	0	0	-3,900
Additions	-79	-263	0	0	-342
Disposals	0	2,860	0	0	2,860
Exchange differences	0	3	0	0	3
December 31, 2024	-129	-1,250	0	0	-1,379

## Non-financial assets and liabilities

### 4.1.3 Carrying amounts

€ thousand	Internally generated intellectual property rights and similar rights	Purchased intellectual property rights and similar rights	Goodwill	Advance payments	Total
January 1, 2023	1,994	350	437	0	2,781
December 31, 2023	4,666	440	437	56	5,598
December 31, 2024	7,139	209	437	193	7,978

### 4.1.4 Capitalization of borrowing costs

As of December 31, 2024, borrowing costs of € 153 thousand (December 31, 2023: € 77 thousand) were capitalized as acquisition or production costs. The applicable financing cost rate is 3.15 % (December 31, 2023: 2.92 %).

### 4.1.5 Assessing intangible assets not yet in use for impairment

The carrying amount of internally generated intangible assets as of December 31, 2024 amounted to € 7,139 thousand (December 31, 2023: € 4,666 thousand; January 1, 2023: € 1,994 thousand), whose development was partially incomplete.

Until the development is completed, these assets are not amortized on a scheduled basis but are reviewed annually or when an impairment indicator is present. The PFISTERER Group continuously monitors the development of potential risks that could affect the future use or exploitation of the intangible asset. These include technological, economic, and regulatory risks.

An impairment is recognized if the recoverable amount (value in use) of an asset is less than its carrying amount. The impairment tests as of December 31, 2024, December 31, 2023, and January 1, 2023, did not result in any impairment requirements.

### 4.1.6 Impairment test of goodwill

The carrying amount of goodwill as of December 31, 2024, amounted to € 437 thousand (December 31, 2023: € 437 thousand; January 1, 2023: € 437 thousand).

The Group performs annual impairment testing of goodwill. For the financial years 2024 and 2023, the recoverable amount of the cash-generating units was determined based on value in use calculations which require the use of assumptions. The test is carried out on the level of the cash-generating units HVA and COM.

The calculations use cash flow projections for a period of six years, based on the financial budgets approved by management covering a six-year period. Cash flows beyond the six-year period are extrapolated using a constant annual growth rate of 1%.

The pre-tax discount rate used for the cash flow projections in the impairment test in the cash-generating unit HVA for the financial year 2024 as of December 31, 2024, is 10,22% (December 31, 2023: 10,36%; January 1, 2023: 9,41%). For the cash-generating unit COM, the pre-tax discount rate used for the cash flow projections as of December 31, 2024, is 10,18% (December 31, 2023: 10,56%; January 1, 2023: 9,52%).

The Group applies a post-tax discount rate of 7,84% (December 31, 2023: 8,02%; January 1, 2023: 7,20%), which is based on the historical industry-weighted average cost of capital, with a possible debt leverage of 26,89% (December 31, 2023: 23,58%; January 1, 2023: 25,42%) and a market risk premium of 6,75% (December 31, 2023: 7,00%; January 1, 2023: 7,00%). The recoverable amount determined in this way is higher than the carrying amount of the cash-generating unit, so that it was not necessary to recognize an impairment loss.

## Non-financial assets and liabilities

Other key assumptions include revenue and earnings before interest, taxes, depreciation and amortization (EBITDA).

Revenue is an indication for the Group's growth and is based on past experience and management's expectations regarding market development.

Earnings before interest, taxes, depreciation and amortization (EBITDA) represent the indicator for the Group's operating performance.

The Group has conducted a sensitivity analysis of the impairment test by varying key assumptions used in determining recoverable amounts. In the cash-generating unit HVA, the recoverable amount exceeds the carrying amount by approximately € 491,802 thousand (December 31, 2023: € 198,309 thousand; January 1, 2023: € 132,682 thousand). In the cash-generating unit COM, the recoverable amount exceeds the carrying amount by approximately € 243,669 thousand (December 31, 2023: € 21,652 thousand; January 1, 2023: € 35,608 thousand).

## 4.2 Property, plant and equipment

### 4.2.1 Acquisition and manufacturing costs

€ thousand	Land and buildings	Technical equipment and machinery	Other equipment and machinery	Advance payments and assets under construction	Total
January 1, 2023	30,826	52,981	38,056	1,943	123,807
Additions	298	1,003	1,610	2,351	5,262
Disposals	-678	-10,173	-5,648	-1,199	-17,698
Reclassifications	104	205	300	-609	0
Exchange differences	-117	-441	-127	-14	-698
December 31, 2023	30,433	43,576	34,192	2,473	110,673
January 1, 2024	30,433	43,576	34,192	2,473	110,673
Additions	425	2,452	3,862	7,690	14,428
Disposals	-117	-1,496	-3,890	-216	-5,720
Reclassifications	27	925	969	-1,921	0
Change in the scope of consolidation	0	-106	0	0	-106
Exchange differences	118	174	-158	185	319
December 31, 2024	30,886	45,523	34,974	8,210	119,594

## 4.2.2 Depreciation and impairment losses

€ thousand	Land and buildings	Technical equipment and machinery	Other equipment and machinery	Advance payments and assets under construction	Total
January 1, 2023	-16,741	-41,633	-32,705	0	-91,079
Additions	-918	-2,645	-2,257	-3	-5,822
Disposals	666	10,170	5,684	0	16,520
Reclassifications	6	-6	0	0	0
Exchange differences	-14	333	117	0	436
December 31, 2023	-17,002	-33,780	-29,161	-3	-79,945
January 1, 2024	-17,002	-33,780	-29,161	-3	-79,945
Additions	-1,029	-2,802	-2,219	0	-6,050
Disposals	88	1,275	3,585	0	4,949
Reclassifications	0	201	-201	0	0
Change in the scope of consolidation	0	106	-0	0	106
Exchange differences	-40	14	193	0	167
Impairment losses	0	57	152	0	209
December 31, 2024	-17,982	-34,929	-27,651	-3	-80,565

The impairment losses recognized relate to assets damaged in the fire incident.

In the financial year 2024, the Group received a compensation of € 2,450 thousand (2023: € 0 thousand) from an insurance company for the fire damage suffered by several items of property, plant and equipment, and recognized this compensation under other income in the consolidated statement of profit or loss.

## 4.2.3 Carrying amounts

€ thousand	Land and buildings	Technical equipment and machinery	Other equipment and machinery	Advance payments and assets under construction	Total
January 1, 2023	14,085	11,349	5,351	1,943	32,728
December 31, 2023	13,431	9,796	5,031	2,470	30,728
December 31, 2024	12,904	10,594	7,323	8,207	39,029

## Non-financial assets and liabilities

### 4.3 Leases

#### 4.3.1 Right-of-use assets

##### Acquisition and production costs – right-of-use assets

€ thousand	Land and build- dings	Equipment and machinery	Vehicles	Total
January 1, 2023	18,591	3,841	1,333	23,765
Additions	5,144	2,102	857	8,103
Disposals	-126	-112	-11	-249
Reclassifications	0	0	0	0
Exchange differences	-718	0	2	-715
December 31, 2023	22,892	5,831	2,181	30,904
January 1, 2024	22,892	5,831	2,181	30,904
Additions	3,871	273	1,329	5,473
Disposals	-1,515	-144	-358	-2,018
Reclassifications	0	0	0	0
Exchange differences	10	0	-6	4
December 31, 2024	25,256	5,960	3,147	34,363

##### Amortization – right-of-use assets

€ thousand	Land and build- dings	Equipment and machinery	Vehicles	Total
January 1, 2023	0	0	0	0
Additions	-2,067	-1,376	-691	-4,135
Disposals	47	36	6	89
Reclassifications	0	0	0	0
Exchange differences	-1	0	-2	-2
December 31, 2023	-2,021	-1,340	-687	-4,048
January 1, 2024	-2,021	-1,340	-687	-4,048
Additions	-3,370	-1,430	-999	-5,800
Disposals	259	144	321	724
Reclassifications	0	0	0	0
Exchange differences	-7	0	0	-7
December 31, 2024	-5,139	-2,625	-1,365	-9,129

##### Carrying amounts – right-of-use assets

€ thousand	Land and build- dings	Equipment and machinery	Vehicles	Total
January 1, 2023	18,591	3,841	1,333	23,765
December 31, 2023	20,871	4,491	1,494	26,856
December 31, 2024	20,117	3,334	1,782	25,233

##### Lease liabilities

Lease liabilities include the following positions:

## Non-financial assets and liabilities

€ thousand	31.12.2024	31.12.2023	01.01.2023
Non-current lease liabilities	19,280	22,678	19,243
Current lease liabilities	7,246	4,666	3,895
Total	26,525	27,344	23,138

### 4.3.2 Amounts recognized in the consolidated statement of profit or loss

The consolidated statement of profit or loss comprises, in addition to the aforementioned amortization, the following amounts in connection with leases:

€ thousand	2024	2023
Interest expenses	-1,161	-1,073
Expenses for short-term leases	-1,144	-772
Expenses for leases of low-value assets	-496	-505
Total	-1,641	-1,277

In the financial year 2024, total cash outflows for leases, including practical expedients, amounted to € 7,785 thousand (2023: € 6,429 thousand).

Future cash outflows for leases entered into by the Group which have not yet started amounted to € 218 thousand (2023: € 5,408 thousand). This amount results mainly from a long lease term of a contract that has not yet started as of the reporting date.

### 4.3.3 Lease activities of the Group and their treatment in the consolidated financial statements

The Group leases various office buildings, vehicles, and operating and office equipment. The lease agreements for office buildings typically have a duration of one to ten years. There is an option to extend the lease agreement for a further four to 14 years. As soon as PFISTERER considers the exercise of an extension option to be sufficiently certain, this option is already taken into account in the calculation of the respective lease liability.

Contracts may include both lease and non-lease components. With the exception of the asset classes “land and buildings” and “technical equipment and machinery”, the Group has decided to combine the lease and all associated non-lease components and to account for them as a single lease component.

Lease payments are discounted at the interest rate implicit in the lease, provided that the latter can be readily determined. Otherwise – and this is usually the case in the Group – the lessee's incremental borrowing rate of interest is used for discounting, i.e. the interest rate that the respective lessee would have to pay if it had to borrow funds to acquire an asset of a comparable value in a comparable economic environment, with a comparable term, comparable security, and comparable conditions.

When determining the incremental borrowing rate, the Group takes into account a variety of factors, such as the company's credit rating, the economic environment, the currency (EUR), and the term of the leases.

The Group is exposed to potential future increases in variable lease payments that may result from a change in an index. These potential changes in lease payments are not reflected in the lease liability until they take effect. As soon as changes in an index affect the lease payments, the lease liability is adjusted against the right of use.

Lease payments are divided into principal and interest payments. The interest portion is recognized in profit or loss over the lease term to produce a constant periodic interest rate on the remaining balance of the liability for each period.

Payments for short-term leases of all asset classes and leases based on low-value assets are recognized as expenses in the consolidated statement of profit or loss on a straight-line basis. Short-term leases are leases with

## Non-financial assets and liabilities

a term of up to 12 months without a purchase option. Low-value assets include IT equipment and smaller office furniture.

### 4.3.4 Extension and termination options

Several of the Group's property leases contain renewal and termination options. The existing renewal and termination options can only be exercised by the Group and not by the respective lessor.

Critical estimates in determining the lease term:

In determining the lease term, management considers all facts and circumstances that provide an economic incentive to exercise extension options or not to exercise termination options. Changes in the lease term resulting from the exercise of renewal or termination options are only included in the contract term if renewal or non-exercise of a termination option is reasonably certain. In the context of real estate leases, the following considerations apply when determining the lease term:

- If the Group incurs significant costs in relation to terminating the lease, such as relocation costs, when it exercises a termination option or does not exercise an extension option, it is generally considered reasonably certain that the Group will not terminate or extend the contract.
- If leasehold improvements have been made that have a significant residual value, it is generally considered reasonably certain that the Group will extend or not terminate the contract.

The assessment of extension options is reviewed at each reporting date and when a significant event or a significant change in circumstances occurs. A reassessment of the original assessment is made when a significant event or a significant change in circumstances occurs that could influence the previous assessment, provided that this is within the control of the lessee. There were no such adjustments made to the terms of the contracts in the current reporting period.



#### 4.4 Inventories

€ thousand	31.12.2024	31.12.2023	01.01.2023
Raw materials, consumables and supplies	28,988	22,308	16,747
Unfinished goods and services	19,052	15,901	13,085
Finished goods	33,802	28,716	24,299
Advance payments made	1,128	925	862
<b>Total</b>	<b>82,969</b>	<b>67,850</b>	<b>54,994</b>

The cost of individual inventory items is determined using the standard cost method, the first-in, first-out (FIFO) method, or the weighted average cost method. Quantity discounts and cash discounts are taken into account in estimating the cost of inventories if it is probable that they will be utilized.

#### Amounts recognized in the consolidated statement of profit or loss

In the financial year 2024, cost of sales included costs of inventories recognized as an expense of € 153,573 thousand (2023: € 137,250 thousand).

Caused by the fire in Wunsiedel, Germany, in the financial year 2024, impairment losses on inventories in an amount of € 833 thousand (2023: € 0 thousand have been recognized in other expenses).

Impairment losses on inventories recognized as an expense In the financial year 2024 amounted to € 2,208 thousand (2023: € 2,246 thousand).

In the financial year 2024, reversals of previously recognized impairment losses on inventories amounted to € 2,007 thousand (2023: € 97 thousand).

#### 4.5 Other non-financial assets

€ thousand	31.12.2024	31.12.2023	01.01.2023
Claims from value added tax	3,732	2,770	2,963
Prepaid expenses	803	572	281
Other assets	407	478	436
<b>Total</b>	<b>4,942</b>	<b>3,819</b>	<b>3,680</b>

Current	4,028	2,914	2,962
Non-current	914	905	718

## Non-financial assets and liabilities

### 4.6 Other non-financial liabilities

€ thousand	31.12.2024	31.12.2023	01.01.2023
Liabilities from value-added tax	366	409	471
Liabilities from other taxes	2,369	2,380	1,479
Liabilities from payroll and church taxes	629	639	573
Liabilities relating to social security	699	368	438
Liabilities to fiscal authorities	20	11	67
Deferred income	13	17	31
Government grants	786	0	0
Other liabilities	1,668	1,799	1,081
<b>Total</b>	<b>6,551</b>	<b>5,622</b>	<b>4,142</b>
Current	5,746	4,776	4,123
Non-current	804	846	19

Other non-financial liabilities include government grants under the German Research Grants Act (FZUIG) and do not include any unfulfilled conditions or other contingencies. See note **2.6** for further information on the accounting policies.

### 4.7 Provisions

€ thousand	Provisions for one- rous contracts	Provisions for gu- arantee and war- ranty	Provisions for restructuring	Other provisi- ons	Total
January 1, 2023	226	3,931	0	953	5,110
Additions	593	4,080	0	436	5,110
Reversal	0	-223	0	-24	-247
Utilization	-388	-826	0	-135	-1,349
Exchange diffe- rences	0	-71	0	-95	-166
<b>December 31, 2023</b>	<b>431</b>	<b>6,892</b>	<b>0</b>	<b>1,136</b>	<b>8,458</b>
Non-current	0	0	0	59	59
Current	431	6,892	0	1,077	8,399

## Non-financial assets and liabilities

€ thousand	Provisions for onerous contracts	Provisions for guarantee and warranty	Provisions for restructuring	Other provisions	Total
January 1, 2024	431	6,892	0	1,136	8,458
Additions	9	4,330	3,668	1,899	9,905
Reversal	0	-1,100	0	-211	-1,311
Utilization	-243	-201	0	-1,163	-1,607
Exchange differences	0	88	0	-2	86
December 31, 2024	196	10,009	3,668	1,659	15,532

Non-current	0	0	0	59	59
Current	196	10,009	3,668	1,600	15,473

### Provisions for onerous contracts

Current obligations arising in connection with onerous amounts are recognized as provisions. The existence of an onerous contract is assumed if the Group is a party to a contract under which the unavoidable costs of fulfilling the contract are expected to exceed the economic benefits resulting from the contract.

### Provisions for guarantee and warranty

For products sold that are still under guarantee at the end of the reporting period, a provision is recognized in the amount estimated by management to be utilized. These claims are expected to be settled in the next financial year.

### Provisions for restructuring

In the financial year 2024, the Group recognized a provision for restructuring of a part of a subsidiary as a result of the fire in Wunsiedel, Germany. This provision includes consulting costs, costs for contract terminations, and employee termination benefits. The estimated costs are based on the terms of the corresponding contracts. PFISTERER expects the completion of restructuring procedures in the financial year 2025.

### Other provisions

Other provisions consist primarily of provisions for litigation and archiving.

## 5 Equity

Equity attributable to the owners of Pfisterer Holding SE includes the following items:

€ thousand	31.12.2024	31.12.2023	01.01.2023
Share capital	14,595	14,595	14,595
Capital reserves	15,427	10,971	10,599
Retained earnings	44,524	12,341	-12,883
Other reserves	4,162	3,420	8,678
Total	78,709	41,328	20,989

### 5.1 Subscribed capital

The subscribed capital of Pfisterer Holding SE as of December 31, 2024 amounted to € 14,595 thousand (December 31, 2023: € 14,595 thousand; January 1, 2023: € 14,595 thousand) and is divided into 14.595.238 bearer shares with a par value of EUR 1,00 each.

### 5.2 Capital reserves

The respective balance of capital reserves, changes caused by share-based payment transactions, and the development of capital reserves in the financial years are shown in the consolidated statement of changes in equity.

As of December 31, 2024, capital reserves include an increase in equity from share-based payment transactions in an amount of € 4,828 thousand (December 31, 2023: € 372 thousand, January 1, 2023: € 0 thousand).

### 5.3 Retained earnings

The respective balance of retained earnings as of the reporting dates and the development of retained earnings during the financial years is presented in the consolidated statement of changes in equity.

The effects of the first-time adoption of IFRS in 2023 were recognized in retained earnings.

### 5.4 Other reserves

#### Foreign currency conversion

Exchange differences arising on the translation of a controlled foreign operation are recognized in other comprehensive income, as described in note 2.2, and accumulated in a separate reserve in equity. The cumulative amount is reclassified to the consolidated statement of profit or loss when the net investment is disposed of.

As of December 31, 2024, other reserves include exchange differences from the translation of foreign currency operations in the amount of € 7,594 thousand (December 31, 2023: € 5,208 thousand; January 1, 2023: € 8,678 thousand).

#### Actuarial gains and losses

Gains and losses arising from remeasurements of defined benefit pension plans, as well as amounts included in net interest on the net liability (net asset) arising from adjustments made from experience and changes in actuarial assumptions, are recognized in other comprehensive income in the period in which they arise. The accumulated remeasurements are recognized in the consolidated statement of changes in equity and in the consolidated statement of financial position under other reserves.

As of December 31, 2024, other reserves include actuarial gains (losses) of € -3,243 thousand (December 31, 2023: € -1,616 thousand; January 1, 2023: € 0 thousand).

## Equity

### Hedging transactions

The portion of the accumulated net changes in the fair value of hedging instruments used to hedge cash flows until they are subsequently recognized in the consolidated statement of profit or loss is reported in other comprehensive income and accumulated in a separate reserve in equity.

As of December 31, 2024, other reserves include negative cumulative net changes in fair value after taxes of € -189 thousand (December 31, 2023: € -172 thousand; January 1, 2023: € 0 thousand).

For further information on hedging transactions, please refer to note 7.1.2.

### 5.5 Non-controlling interests

Non-controlling interests represent the share of a subsidiary's equity not held directly by the parent company.

As of December 31, 2024, PFISTERER Group held a majority interest of 55% in Pfisterer S.A., Buenos Aires, Argentina (December 31, 2023: 55%, January 1, 2023: 55%). The remaining 45% are non-controlling interests from the Group's perspective. For further information, please refer to note 10.1.

As of December 31, 2024, equity attributable to non-controlling interests amounted to € 4,987 thousand (December 31, 2023: € 2,570 thousand, January 1, 2023: € 1,229 thousand).

The result of the period attributable to non-controlling interests amounted to € 1,581 thousand in the financial year 2024 (2023: € 684 thousand).

For the financial year 2024, comprehensive income attributable to non-controlling interests amounted to € 2,418 thousand (2023: € 1,341 thousand).

## 6 Financial assets and financial liabilities

For information on the accounting policies, please refer to notes 2.10, 2.10.4, 2.10.5, 2.10.6, 2.11 and 2.13.

This note provides information about the Group's financial instruments, including:

- an overview of all financial instruments held by the Group,
- detailed information about each type of financial instrument,
- information about determining the fair value of the instruments, including related judgements and estimation uncertainty involved.

The Group holds the following financial instruments:

### Financial assets at amortized cost

€ thousand	31.12.2024	31.12.2023	01.01.2023
Trade receivables	53,356	51,633	44,344
Factoring receivables	1,600	1,726	2,125
Other financial assets	4,774	3,032	5,368
Cash and cash equivalents	12,494	10,134	19,897
<b>Total</b>	<b>72,223</b>	<b>66,524</b>	<b>71,735</b>
Non-current	154	128	3,092
Current	72,070	66,396	68,643

### Financial liabilities at amortized cost

kEUR	31.12.2024	31.12.2023	01.01.2023
Trade payables	28,145	18,061	29,354
Financial liabilities	33,483	50,534	69,221
Lease liabilities	26,525	27,344	23,138
Contract liabilities	9,232	10,805	5,964
Other financial liabilities	4,942	3,672	5,498
<b>Total</b>	<b>102,328</b>	<b>110,416</b>	<b>133,174</b>
Non-current	19,704	68,534	49,915
Current	82,624	41,883	83,258

The Group's exposure to various risks associated with financial instruments is discussed in note 7. As of the reporting date, the maximum exposure risk is the carrying amount of each class of financial assets mentioned above.

### 6.1 Trade receivables

€ thousand	31.12.2024	31.12.2023	01.01.2023
Receivables from contracts with customers	62,417	64,541	60,018
Loss allowance	-1,071	-1,363	-2,243
Factoring	-7,990	-11,545	-13,430
<b>Total</b>	<b>53,356</b>	<b>51,633</b>	<b>44,344</b>

## Financial assets and financial liabilities

### 6.1.1 Classification as trade receivables

Trade receivables are amounts due from customers for goods sold and services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore classified as current. Trade receivables are initially recognized at the amount of consideration that is unconditional. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided in note 2.10.4. In the financial year 2023, PFISTERER entered into factoring agreements for the sale of trade receivables. The receivables resulting from the sale are to be measured at fair value. Details of the Group's factoring program are provided in note 7.2.

### 6.1.2 Fair values of trade receivables

Due to the short-term nature of trade receivables, their carrying amount corresponds to their fair value.

### 6.1.3 Impairments and risk exposure

Information about the impairment of trade receivables and the Group's exposure to credit risk and foreign currency risk can be found in note 7.2.

## 6.2 Other financial assets at amortized cost

### 6.2.1 Classification of financial assets measured at amortized cost

The Group measures financial assets at amortized costs only if both of the following conditions are met:

- the financial asset is held within a business model whose objective it is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

kEUR	31.12.2024	31.12.2023	01.01.2023
Receivables with a remaining term > 1 year	23	0	2,969
Factoring receivables	1,600	1,726	2,125
Restricted cash deposits	1,339	3,507	4,200
Cash and investments at banks	1,123	323	0
Insurance compensation	1,950	0	0
Receivables from social security institutions	0	178	249
Entitlements from reinsurance policies	131	125	119
Receivables from scrap sales	0	0	240
Security deposits	1	31	44
Suppliers with debit balances	174	148	134
Lendings/Loans	0	3	3
Other receivables	2,496	2,546	1,609
Total	8,836	8,588	11,693

Current	8,682	8,459	8,602
Non-current	154	128	3,092

### 6.2.2 Fair values of other financial assets at amortized cost

Due to the short-term nature of other financial assets, their carrying amount corresponds to the fair value.



### 6.2.3 Impairment and risk exposure

Note 7.2 sets out information on the impairment of financial assets and the Group's exposure to credit risk.

### 6.3 Financial assets at fair value through profit or loss

Pfisterer measured the following financial assets at fair value through profit or loss:

kEUR	31.12.2024	31.12.2023	01.01.2023
Trade receivables from factoring	1,600	1,726	2,125
Total	1,600	1,726	2,125
Current	1,600	1,726	2,125
Non-current	0	0	0

As of December 31, 2024, the Group has trade receivables from factoring of € 1,600 thousand (December 31, 2023: € 1,726 thousand, January 1, 2023: € 2,125 thousand) from sales of receivables which have not yet been paid.

### 6.4 Cash and cash equivalents

kEUR	31.12.2024	31.12.2023	01.01.2023
Bank deposits	12,494	10,134	19,897
Cash at hand	0	0	0
Total	12,494	10,134	19,897
Current	12,494	10,134	19,897
Non-current	0	0	0

The fair value of cash and cash equivalents corresponds to the carrying amount shown as of the respective reporting dates.

Cash and cash equivalents are reconciled to the fund of financial resources presented in the statement of cash flows at the end of the fiscal year as follows:

kEUR	31.12.2024	31.12.2023	01.01.2023
Cash and cash equivalents	12,494	10,134	19,897
Operating credit line	-2,308	-3,820	-37,197
Financial resources in the statement of cash flows	10,186	6,314	-17,300

### 6.5 Trade payables and other financial liabilities

kEUR	31.12.2024	31.12.2023	01.01.2023
Trade payables	28,145	18,061	29,354
Current	28,145	18,061	29,354
Non-current	0	0	0

## Financial assets and financial liabilities

kEUR	31.12.2024	31.12.2023	01.01.2023
Outstanding invoices	1,594	1,600	2,907
Liabilities for audit fees	908	513	427
Liabilities for legal and consulting fees	932	730	1,024
Customers with a credit balance	1,098	393	198
Further other financial liabilities	411	435	942
<b>Total</b>	<b>4,942</b>	<b>3,672</b>	<b>5,498</b>
Current	4,942	3,672	5,472
Non-current	0	0	25

Trade payables are unsecured and typically settled within 30 to 60 days of recognition.

Further other financial liabilities mainly include liabilities for sales promotions of € 411 thousand (December 31, 2023: € 435 thousand; January 1, 2023: € 917 thousand).

Given their short-term nature, the fair value of trade payables corresponds to their carrying amount.

## 6.6 Financial liabilities

Financial liabilities comprise the following items:

kEUR	31.12.2024	31.12.2023	01.01.2023
Loans from banks	30,908	46,472	32,023
Money market loans	0	103	33,786
Financial instruments (hedging transactions)	267	242	0
Overdraft facility	2,308	3,716	3,411
<b>Total</b>	<b>33,483</b>	<b>50,534</b>	<b>69,221</b>
Current	33,059	4,678	38,573
Non-current	424	45,856	30,647

As of December 31, 2024, outstanding loans from credit institutions primarily include a syndicated loan agreement with Landesbank Baden-Württemberg. The consortium consists of Commerzbank AG, UniCredit Bank AG, HSBC-Trinkaus & Burkhardt GmbH and Kreissparkasse Heidenheim. The syndicated loan amounted to € 90.000 thousand in total and consists of two tranches. The tranches are divided into a term loan (facility A) of € 30.000 thousand and a revolving credit facility (facility B) of € 60.000 thousand. Of facility B, € 15.000 thousand are classified as a guarantee line and € 25.000 thousand as a mixed line.

The syndicated loan agreement runs until December 2025. Facility A bears interest at a variable rate of 3.50% plus 3M-EURIBOR or 6M-EURIBOR. Pfisterer Holding SE is the borrower.

The amount drawn of € 30,892 thousand is secured by a joint and several liability of the guarantors (Pfisterer Holding SE, Pfisterer Kontaktsysteme GmbH, Pfisterer Insulators Wunsiedel GmbH, Pfisterer Switzerland AG, Pfisterer s.r.o. und Pfisterer North America Inc.) with their total assets. The assignment of claims for land charges of Pfisterer Kontaktsysteme GmbH and the pledging of domestic accounts of the borrower as well as the guarantors at the participating banks serve as further collaterals. These collaterals were provided in February 2023.

The contract contains a requirement to comply with certain financial covenants. In the event of non-compliance, the interest rate subsidy for the lender increases. Please refer to note 8.4 for information on the covenants.

## 6.7 Financial instruments measured at fair value

### 6.7.1 Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of financial instruments that are recognized and measured at fair value in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of these levels can be found in the table below.

As of January 1, 2023							
	Category	Carrying amount	Amortized costs	Fair value through other comprehensive income	At fair value through profit or loss	Fair value	Level
€ thousand							
Assets							
Cash and cash equivalents	FAAC	19,897	19,897			n/a	
Trade receivables	FAAC	44,344	44,344			n/a	
Trade receivables from factoring	FAAC	2,125	2,125			n/a	
Other financial assets	FAAC	9,568	9,568			n/a	
Liabilities							
Trade payables	FLAC	29,354	29,354			n/a	
Financial liabilities	FLAC	69,221	69,221			71,842	2
Other financial liabilities	FLAC	5,498	5,498			n/a	

As of December 31, 2023							
	Category	Carrying amount	Amortized costs	Fair value through other comprehensive income	At fair value through profit or loss	Fair value	Level
€ thousand							
Assets							
Cash and cash equivalents	FAAC	10,134	10,134			n/a	
Trade receivables	FAAC	51,633	51,633			n/a	
Trade receivables from factoring	FAAC	1,726	1,726			n/a	
Other financial assets	FAAC	6,862	6,862			n/a	
Liabilities							
Trade payables	FLAC	18,061	18,061			n/a	
Financial liabilities	FLAC	50,292	50,292			50,575	2
Financial instruments (hedging transactions)	FLFVtOCI	242	n/a	94		94	2
Other financial liabilities	FLAC	3,672	3,672			n/a	

## Financial assets and financial liabilities

As of December 31, 2024							
	Category	Carrying amount	Amortized costs	Fair value through other comprehensive income	At fair value through profit or loss	Fair value	Level
€ thousand							
<b>Assets</b>							
Cash and cash equivalents	FAAC	12,494	12,494			n/a	
Trade receivables	FAAC	53,356	53,356			n/a	
Trade receivables from factoring	FAAC	1,600	1,600			n/a	
Other financial assets	FAAC	7,236	7,236			n/a	
<b>Liabilities</b>							
Trade payables	FLAC	28,145	28,145			n/a	
Financial liabilities	FLAC	33,217	33,217			33,873	2
Financial instruments (hedging transactions)	FLFVtOCI	267	n/a	267		267	2
Other financial liabilities	FLAC	4,942	4,942			n/a	

During the financial year, there were no reclassifications of recurring fair value measurements between Level 1 and Level 2 or between Level 2 and Level 3.

According to the Group's accounting policies, reclassifications within and from one level to another in the fair value hierarchy are performed at the end of the reporting period only.

**Level 1:** The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group corresponds to the current bid price and takes into account the market's assumption of changes in the economic environment, such as rising interest rates and inflation, as well as changes due to ESG risks. These instruments are categorized as level 1 instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market (such as OTC derivatives) is determined using valuation techniques that maximize the use of observable market data and minimize the use of entity-specific estimates. If all significant inputs required to fair value are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is unobservable, the instrument is classified as a level 3 instrument. This is the case for unlisted equity securities and for instruments where the ESG risk results in a significant unobservable adjustment.

### 6.7.2 Net gains and losses

The following table presents the allocation of net gains and losses by financial instrument category under IFRS 9 for the reporting periods presented:

	Measure-ment cate-gory of IFRS 9	2024	2023
kEUR			
Financial assets at amortized costs	FAAC	-649	-1,357
Financial liabilities at amortized costs	FLAC	-3,247	-6,551
Recognized in the consolidated statement of profit or loss		-3,896	-7,908

The net result of the category FAAC mainly includes impairment losses on trade receivables and income from the reversal of specific valuation allowances.

The net result of the category FLAC mainly includes current interest expenses for loans from banks.

### 6.7.3 Valuation techniques used to determine fair value

In particular, the following valuation techniques are used to measure financial instruments:

- the use of quoted market prices or dealer quotes for similar instruments;
- for zero-cost interest rate collars: the present value of the estimated future cash flows based on observable yield curves; and
- for other financial instruments: discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2, except for unlisted equity securities and certain derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

## 7 Financial risk management

The following section outlines the Group's position with regard to financial risks and how these risks and the Group's net assets, financial position, and results of operations may affect it in the future. Information on profits and losses in the current year has been included, where relevant, in order to clarify certain relationships.

Risk	Exposure arising from	Measurement
Market risk – Foreign currency	Financial assets and liabilities not denominated in EUR	Sensitivity analysis
Market risk – Interest rate	Non-current borrowings at variable interest rates	Sensitivity analysis
Default risk	Cash and cash equivalents, derivative financial instruments, and debt securities	Ageing analysis, credit rating
Liquidity risk	Loans and other liabilities	Rolling cash flow forecasts

The Group's risk management is predominantly controlled by a central treasury department under policies approved by the management board. The Group treasury department identifies, evaluates, and hedges financial risks in close cooperation with the Group's operating units. Financial risks include market risk (foreign currency risk and interest rate risk), credit risk, and liquidity risk.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognizing interest expense at a fixed rate for the hedged floating-rate loans and inventory at the fixed foreign currency rate for the hedged purchases.

### 7.1 Market risk

#### 7.1.1 Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risks, particularly with respect to the Argentine peso (ARS), the Swiss franc (CHF), the Czech crown (CZK), the British pound (GBP), and the US dollar (USD). Foreign exchange risks arise from future transactions and recognized financial instruments denominated in a currency other than the functional currency of the Group company concerned.

## Financial risk management

The Group's currency situation at the end of the reporting period is outlined below:

01.01.2023

€ thousand	EUR	ARS	CHF	CZK	GBP	USD
Cash and cash equivalents	15,874	288	2,485	188	690	3,601
Trade receivables	26,750	497	770	1	1,127	12,403
Financial liabilities	-68,936	0	0	0	0	0
Trade payables	-19,636	-971	-5,145	-653	-47	-2,058
Net risk in the balance sheet	-45,948	-186	-1,890	-463	1,770	13,945

31.12.2023

€ thousand	EUR	ARS	CHF	CZK	GBP	USD
Cash and cash equivalents	4,253	2,898	4,606	89	794	37
Trade receivables	29,556	1,199	17,816	931	742	1
Financial liabilities	-50,366	0	-0	0	0	-0
Trade payables	-11,197	-3,220	-1,479	-794	-30	-746
Net risk in the balance sheet	-27,754	877	20,943	225	1,505	-709

31.12.2024

€ thousand	EUR	ARS	CHF	CZK	GBP	USD
Cash and cash equivalents	5,642	611	1,434	261	1,168	0
Trade receivables	35,598	2,019	2,241	2	932	0
Financial liabilities	-33,483	0	0	0	0	0
Trade payables	-14,657	969	-7,550	-900	-250	0
Net risk in the balance sheet	-6,900	3,599	-3,876	-637	1,850	0

## Financial risk management

The following significant exchange rates were applied:

	Average exchange rate		Closing rate		
	2024	2023	31.12.2024	31.12.2023	01.01.2023
EUR					
ARS*	1,066.05	892.38	1,066.05	892.38	189.20
CHF	0.95	0.97	0.94	0.93	0.98
CZK	25.11	24.00	25.23	24.72	24.12
GBP	0.85	0.86	0.83	0.87	0.89
USD	1.08	1.08	1.04	1.11	1.07

\*Due to hyperinflation in Argentina and the indexation of the subsidiary's financial statements, the average exchange rate corresponds to the closing rate.

Currency risks are analyzed by conducting a sensitivity analysis for certain foreign currencies. The currencies ARS, CHF, CZK, GBP, and USD are analyzed separately. The following hypothetical effect on earnings arises from the currency sensitivities:

	Appreciation by 10%		Devaluation by 10%	
	2024	2023	2024	2023
kEUR				
EUR to ARS	-151	60	185	-49
EUR to CHF	352	97	-431	-80
EUR to CZK	58	-72	-71	59
EUR to GBP	-168	167	206	-137
EUR to USD	-1,133	2,328	1,385	-1,904
	-1,042	2,581	1,274	-2,112

### 7.1.2 Interest rate risk

Interest rate risk is the risk that the fair value of future payments of financial instruments will fluctuate due to changes in market interest rates. The Group's main interest rate risk relates to long-term borrowings at variable rates (EURIBOR), which expose the Group to cash flow interest rate risk. The Group uses zero-cost interest rate collars to hedge the 3-month EURIBOR for two years until December 2025, and for the consolidated financial statements as of December 31, 2024.

The borrowings are measured at amortized cost. The former are regularly contractually adjusted to market interest rates (see below) and are also exposed to future changes in market interest rates to this extent.

The extent of the Group's interest rate risk from borrowings and the contractual repricing dates at the end of the reporting period are as follows:

kEUR	31.12.2024	31.12.2023	01.01.2023
Variable interest rate loans	29,766	44,555	62,710
% of total loans	88.90%	88.17%	90.59%

A breakdown of maturities is provided in note 7.3 below. The percentage of total borrowings shows the proportion of floating-rate borrowings relative to the total amount of borrowings.

### Sensitivity

Profit or loss is sensitive to higher/lower interest income from variable-rate borrowings resulting from changes in interest rates.



## Financial risk management

€ thousand	2024	2023
Interest rates – Increase of 100 basis points	-664	-294
Interest rates – Increase of 50 basis points	-516	-103
Interest rates – Decrease of 100 basis points	-74	294
Interest rates – Decrease of 50 basis points	-221	191

### Derivative financial instruments

kEUR	31.12.2024	31.12.2023	01.01.2023
Derivatives designated as hedging instruments			
Interest rate hedging agreement – held to hedge interest payments	267	242	0
Total	267	242	0

### Classification of derivatives

Derivatives are used only for economic hedging purposes and not as speculative investments. However, if derivatives do not meet the criteria for hedge accounting, they are classified as “held for trading” for accounting purposes and are recognized at fair value through profit or loss.

The fair value of hedging derivatives is classified entirely as a non-current asset or liability if the residual term of the hedged item is more than 12 months. It is classified as a current asset or liability if the residual term of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liabilities.

### Measurement at fair value

For information on the methods and assumptions used to determine the fair value of derivatives, please refer to note 6.7.3.

### Hedging transactions

The PFISTERER Group uses derivative financial instruments to hedge interest rate risks as part of a syndicated loan agreement. Zero-cost interest rate collars are used to hedge interest payments. These interest rate hedging agreements serve to limit the variable interest payments while also minimizing the risk of an unwanted interest rate increase. The interest rate hedging agreements run from 2023 to 2025 and thus cover the entire period of interest payments on the syndicated loan. These derivative financial instruments are designated as hedging instruments for hedge accounting purposes.

The stated carrying amounts correspond to the fair values. Depending on the carrying amounts on the reporting date, derivative financial instruments are recognized in the statement of financial position under non-current financial liabilities or assets. The derivative financial instruments existing on the reporting date have a remaining term of one year (December 31, 2023: two years).

The key data of the designated interest rate hedges, such as volume, currency, reference interest rate, and maturities, match those of the hedged item, therefore it can be assumed that they are highly effective. Effectiveness is demonstrated prospectively using the critical terms match method. Retrospective effectiveness measurement is carried out using the hypothetical derivative method.

The effects of interest rate hedging transactions as of December 31 are as follows:

## Financial risk management

kEUR	31.12.2024	31.12.2023	01.01.2023
Carrying amount of the hedging instruments	267	242	0
Change in the fair value of the hedging instruments	25	242	0
Change in the fair value of the hedged transaction	-25	-242	0
Nominal amount	30,000	30,000	n/a
Due date	22.12.2025	22.12.2025	n/a
Hedging level	100%	100%	n/a
Cash flow hedge reserve as of January 1	242	0	0
Change in value during the reporting period recognized in other comprehensive income	25	242	0
Cash flow hedge reserve as of December 31	267	242	0

## 7.2 Credit risk

Credit risk is the risk of financial loss if a customer or counterparty of a financial instrument fails to meet its contractual obligations. Credit risks arise from cash and cash equivalents, as well as from receivables from contracts with customers that are measured at amortized cost.

The carrying amounts of the financial assets reflect the probable credit risk.

### 7.2.1 Risk management

The credit risk for financial assets is managed at Group level.

The Group limits the credit risk by setting risk limits for individual business partners or groups of business partners. Credit risks are monitored continuously and reviewed annually, or more frequently if necessary. Risk management assesses the customer's credit quality, taking into account their financial position, past experience, and other factors.

The risk of default with respect to doubtful debts for which legal action is unavoidable or with respect to overdue receivables is monitored centrally on an ongoing basis in close coordination with the operating divisions.

PFISTERER Group participates in a factoring program with its subsidiaries Pfisterer Kontaktsysteme GmbH, Winterbach, Germany, Pfisterer Insulators GmbH, Wunsiedel, Germany, Pfisterer Switzerland AG, Küsnacht am Rigi, Switzerland, and Pfisterer SAS, Rixheim, France, in which trade receivables are sold to financial service providers.

The del credere risk is transferred to the factor. Thus, there is no significant risk of default.

In the factoring agreement described above, all opportunities and risks associated with the receivables are transferred to the financial services provider. Consequently, the receivables are derecognized at the time of the sale.

As of December 31, 2024, PFISTERER recognizes receivables from the factor of € 1,600 thousand (December 31, 2023: € 1,726 thousand, January 1, 2023: € 2,125 thousand). These consist primarily of payments not yet received for trade receivables from customers that have already been sold.

## Financial risk management

### 7.2.2 Impairment of financial assets

The Group holds the following financial assets subject to the expected credit loss model:

- Trade receivables.

Cash and cash equivalents are also subject to the impairment requirements of IFRS 9, however, the impairment identified was immaterial.

#### Trade receivables

The Group applies the simplified approach under IFRS 9 to measure expected credit losses; accordingly, lifetime expected credit losses are used for all trade receivables.

To measure expected credit losses, trade receivables were grouped together on the basis of shared credit risk characteristics and days past due.

The expected loss rates are based on the payment profiles of sales over a 12-month period prior to the relevant reporting dates and the corresponding historical defaults during that period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors that affect customers' ability to settle their trade payables. The Group has identified gross domestic product and unemployment rates of the countries in which it sells products and services as the most relevant factors and adjusts historical loss experience for expected changes in these factors.

On this basis, the impairment loss on trade receivables as of January 1, 2023, December 31, 2023, and December 31, 2024, was determined as follows:

kEUR	Overdue (in days)						Total
January 1, 2023	Current	1-30	31-60	61-90	91-120	>120	
Expected loss ratio	0.3%	1.3%	2.1%	3.4%	4.8%	74.2%	
Gross carrying amount – trade receivables	35,751	4,075	2,237	1,083	797	2,646	46,588
Loss allowance	100	52	48	37	38	1,968	2,243

kEUR	Overdue (in days)						Total
December 31, 2023	Current	1-30	31-60	61-90	91-120	>120	
Expected loss ratio	0.1%	0.6%	1.2%	2.1%	3.1%	91.5%	
Gross carrying amount – trade receivables	44,770	4,230	1,547	705	360	1,385	52,996
Loss allowance	38	24	19	15	11	1,256	1,363

kEUR	Overdue (in days)						Total
December 31, 2024	Current	1-30	31-60	31-90	91-120	>120	
Expected loss ratio	0.0%	0.2%	0.3%	0.6%	0.7%	71.4%	
Gross carrying amount – trade receivables	43,566	4,636	2,958	394	1,436	1,437	54,426
Loss allowance	15	8	9	2	10	1,026	1,071

## Financial risk management

The closing balance of the loss allowances for trade receivables as of December 31 reconciles to the opening loss allowance as follows:

	Trade receivables	
	2024	2023
KEUR		
As of January 1	1,363	2,243
Increase/decrease in the allowance for credit losses recognized in the income statement	-162	-428
Receivables written off during the year as uncollectable	-130	-453
Loss allowance as of December 31	1,071	1,363

Trade receivables are written off where there is no reasonable expectation of recovery. Indications that there is no reasonable expectation of recovery include, amongst others, the failure of debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due and the legal department's individual assessment that the debtor is at risk of default.

Impairment losses on trade receivables are recognized as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

### Significant estimates and judgments

The loss allowances for financial assets are based on assumptions about credit risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period. The key assumptions and inputs used are disclosed in the tables above.

## 7.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities as contractually agreed.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, as well as the availability of funding through an adequate amount of committed credit facilities to meet its obligations when they come due and to be able to close market positions. Due to the dynamic nature of the underlying business activities, the treasury function ensures the Group's financial flexibility by maintaining the availability of promised credit lines.

Management monitors the Group's liquidity reserves on the basis of expected cash flows using rolling forecasts. For this purpose, the Group monitors the amount of expected incoming payments from trade receivables together with the expected outgoing payments from trade payables and other liabilities. This is generally done locally in the Group's operating subsidiaries in accordance with the methods and limits established by the Group. In addition, cash pooling is used for internal liquidity settlement.

In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these and monitoring statement of financial position liquidity ratios against internal and external regulatory requirements.

At the end of the reporting period, the Group held bank deposits of € 12,494 thousand (December 31, 2023: € 10,134 thousand, January 1, 2023: € 19,897 thousand).

### Maturities of financial liabilities

The tables below analyze the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

## Financial risk management

- all non-derivative financial liabilities, and
- net- and gross-settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

01.01.2023	Contractual cash flows				Carrying amount
€ thousand	up to 1 year	1-5 years	> 5 years	Total	
Financial liabilities					
Loans from banks	38,820	40,021	0	78,842	69,221
Zero-cost-interest rate collar	0	0	0	0	0
Lease liabilities	5,156	13,313	10,114	28,583	23,138
Trade payables	29,354	0	0	29,354	29,354
Contract liabilities	5,964	0	0	5,964	5,964
Other financial liabilities	5,472	25	0	5,498	5,498
<b>Total</b>	<b>84,767</b>	<b>53,359</b>	<b>10,114</b>	<b>148,240</b>	<b>133,174</b>

31.12.2023	Contractual cash flows				Carrying amount
€ thousand	up to 1 year	1-5 years	> 5 years	Total	
Financial liabilities					
Loans from banks	21,370	32,709	0	54,079	50,292
Zero-cost-interest rate collar	0	242	0	242	242
Lease liabilities	6,025	16,463	9,500	31,988	27,344
Trade payables	18,061	0	0	18,061	18,061
Contract liabilities	10,805	0	0	10,805	10,805
Other financial liabilities	3,672	0	0	3,672	3,672
<b>Total</b>	<b>59,934</b>	<b>49,414</b>	<b>9,500</b>	<b>118,847</b>	<b>110,416</b>

31.12.2024	Contractual cash flows				Carrying amount
€ thousand	up to 1 year	1-5 years	> 5 years	Total	
Financial liabilities					
Loans from banks	33,438	332	0	33,769	33,217
Zero-cost-interest rate collar	267	0	0	267	267
Lease liabilities	6,449	15,753	8,722	30,924	26,525
Trade payables	28,145	0	0	28,145	28,145
Contract liabilities	9,232	0	0	9,232	9,232
Other financial liabilities	4,942	0	0	4,942	4,942
<b>Total</b>	<b>82,473</b>	<b>16,084</b>	<b>8,722</b>	<b>107,279</b>	<b>102,328</b>

The inflows (outflows) shown in the table above represent the undiscounted cash flows associated with derivative financial liabilities that are held for risk management purposes and would normally not be settled before their contractual maturity. The presentation shows the net cash flows of derivatives with a net cash settlement and the gross cash inflows and outflows of derivatives with a simultaneous gross cash settlement.

As stated in note 8.4, the Group has a bank loan as of December 31, 2024, that contains covenants. A future breach of the agreed covenants may result in the loan becoming repayable earlier than shown in the table. In accordance with the agreement, the Group systematically monitors the covenants and, if necessary, takes appropriate actions to avoid their potential breach to ensure compliance with the loan agreement.

The interest payments for variable-rate loans and bonds in the table above reflect the market conditions for forward interest rates at the end of the financial year. These may change with variations in market interest rates.

## **Financial risk management**

Except for these financial liabilities, the cash flows included in the maturity analysis are not expected to be received significantly earlier or in a significantly different amount.

## 8 Capital management

### 8.1 Risk management

The Group's capital management objectives include ensuring the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. In addition, the Group seeks to maintain an optimal capital structure to reduce the cost of capital. The Management Board seeks to strike a balance between the increase in returns that could be achieved with a higher debt ratio and the advantages of a stable capital base.

The Group's capital structure consists of equity and net debt. Equity includes issued capital, capital reserves, retained earnings, other reserves and non-controlling interests (see note 5). Net debt includes all liabilities (as stated in the statement of financial position) less cash and cash equivalents.

The Group monitors capital using the net debt to equity ratio. The Group aims to achieve a ratio of less than 2.0. Net debt is defined as the sum of financial liabilities including other financial liabilities, lease liabilities and long-term employee benefits less cash and cash equivalents.

In addition, the Group monitors capital based on the equity ratio. The long-term goal is to achieve a ratio of more than 30%.

The ratio of net debt to equity and the equity ratio on the reporting date are as follows:

kEUR	31.12.2024	31.12.2023	01.01.2023
Non-current financial liabilities	424	45,856	30,647
+ Current financial liabilities	33,059	4,678	38,573
+ Lease liabilities	26,525	27,344	23,138
- Cash and cash equivalents	-12,494	-10,134	-19,897
Net financial debt	47,515	67,744	72,461
- Long-term employee benefits	18,656	25,542	24,339
Net debt	66,170	93,286	96,800
Equity	83,696	43,897	22,218
Net debt-to-equity ratio	0.79	2.13	4.36

kEUR	31.12.2024	31.12.2023	01.01.2023
Equity	83,696	43,897	22,218
Balance sheet total	242,670	211,138	199,700
Equity ratio	34%	21%	11%

### 8.2 Covenants

Under the terms of the syndicated loan agreement with a carrying amount of € 30,630 thousand (December 31, 2023: € 48,170 thousand; January 1, 2023: € 66,101 thousand) the Group is required to comply with the following financial covenants at the end of each quarter, that are determined on the basis of the consolidated financial statements according to German Commercial Code (HGB):

- the leverage ratio (Net financial liabilities in relation to normalized EBITDA) may not fall below a ratio of 3.5:1 until December 31, 2023, and a ratio of 3.00:1 after December 31, 2023, and
- the equity ratio may not fall below 16.5% in the financial year 2024 and 21.0% in the financial year 2025.

Net financial liabilities are the sum of all financial liabilities of the Group with the exception of liabilities for derivative transactions entered to hedge against or take advantage of interest rate or price fluctuations, less cash

## Capital management

and cash equivalents. The Group complied with these requirements during the reporting period. There are no indications that the company may have difficulty complying with the covenants at its next review on March 31, 2025, and June 30, 2025.

The PFISTERER Group has evaluated the termination of the syndicated loan agreement and the associated repayment of facility A in December 2025 to be a low risk due to the forecasted business development and the current discussions with the leading lenders.

### 8.3 Dividends

For the financial year 2024, the board will propose to the annual general meeting a dividend of EUR 0.80 (2023: EUR 0) per dividend-bearing share. Based on a number of 14,595,238 qualifying ordinary shares (2023: 14,595,238) the following dividends will be paid, which have not yet been recognized in the consolidated financial statements:

kEUR	2024	2023
EUR 0,80 per qualifying ordinary share (2023: EUR 0,00)	11,676	0
Total	11,676	0

### 8.4 Earnings per share

Pfisterer Holding SE is a European stock corporation, that allocates shares of the company to its shareholders.

Basic and diluted earnings per share (EPS) are calculated based on the result of the period attributable to owners of Pfisterer Holding SE.

Basic earnings per share are calculated by dividing the result of the period attributable to shareholders of the parent entity by the weighted average number of shares outstanding during the reporting period.

The options from the share-based payment program described in note 11.2 were not included in the calculation of diluted earnings per share, as the options are serviced from existing shares and therefore do not result in an increase in the number of shares.

Within the financial year 2024, an average number of 14,595,238 qualifying shares was outstanding (2023: 14,595,238). Basic earnings per share and diluted earnings per share are presented in the following table:

	2024	2023
Result for the period attributable to owners of the parent company (€ thousand)	32,183	25,225
Weighted average number of ordinary shares outstanding (basic) (kpcs)	14,595	14,595
Earnings per share (basic) (EUR)	2.21	1.73
Weighted average number of ordinary shares outstanding (diluted) (kpcs)	14,595	14,595
Earnings per share (diluted) (EUR)	2.21	1.73



## **Contingent liabilities**

### **9 Contingent liabilities**

As of December 31, 2024, December 31, 2023, and January 1, 2023, PFISTERER Group has no significant contingent liabilities.

## 10 Interests in other entities

### 10.1 Subsidiaries

The subsidiaries of the parent company that are fully consolidated in these consolidated financial statements are listed below

Name	Location	Equity share <sup>1</sup>		
		31.12.2024	31.12.2023	01.01.2023
Pfisterer Kontaktsysteme GmbH	Winterbach, Germany	100%	100%	100%
Pfisterer Insulators Wunsiedel GmbH	Wunsiedel, Germany	100%	100%	100%
Pfisterer Switzerland AG	Küssnacht am Rigi, Switzerland	100%	100%	100%
Pfisterer Sp. z o.o.	Plochocin, Poland	100%	100%	100%
Pfisterer S.r.l.	Novate Milanese, Italy	100%	100%	100%
Pfisterer S. A.	Buenos Aires, Argentina	55%	55%	55%
Pfisterer Ltda.	Sao Paulo, Brazil	100%	100%	100%
Pfisterer SAS	Rixheim, France	100%	100%	100%
Pfisterer Power Connection Systems (Beijing) Co., Ltd.	Beijing, China	100%	100%	100%
Pfisterer North America Inc.	Rochester (NY), USA	100%	100%	100%
Pfisterer Czech s.r.o.	Kadan, Czech Republic	100%	100%	100%
LIW Composite GmbH <sup>2</sup>	Wunsiedel, Germany	0%	100%	100%
Lapp Insulators Redwitz B.V. <sup>3</sup>	Amsterdam, Netherlands	0%	100%	100%
Quattro Gi S.r.l. <sup>4</sup>	Novate Milanese, Italy	100%	100%	100%
Ceramic International B.V.	Amsterdam, Netherlands	100%	100%	100%
Pfisterer Middle East FZCO	Dubai, United Arab Emirates	100%	100%	100%
Pfisterer España S.L.U.	Barcelona, Spain	100%	100%	100%
Pfisterer CSU UK Ltd.	Sheffield, United Kingdom	100%	100%	100%
Pfisterer Saudi Arabia Ltd. <sup>5</sup>	Riyadh, Saudi Arabia	100%	0%	0%

<sup>1</sup>The list includes all subsidiaries that make use of the exemption from disclosure obligations in accordance with § 264b HGB.

<sup>2</sup>On December 10, 2024, the shares in the entity were sold and the entity was deconsolidated.

<sup>3</sup>The shares are held by Ceramic International B.V., Amsterdam, Netherlands.

On December 24, 2024, the entity was dissolved and deconsolidated.

<sup>4</sup>The shares are held by PFISTERER S.r.l., Novate Milanese, Italy.

<sup>5</sup>The entity was founded on July 29, 2024.

Additionally, the Group holds 100% of the shares in the two subsidiaries OOO Pfisterer RUS and OOO Pfisterer Vostok. Both subsidiaries were already deconsolidated in the financial year 2019. However, due to restrictions based on the Russia-Ukraine conflict, a complete liquidation has not yet been possible.

On December 10, 2024, PFISTERER completed the sale of LIW Composite GmbH, Wunsiedel, Germany, and deconsolidated the company on the same date.

On December 27, 2024, Lapp Insulators Redwitz B.V., Amsterdam, Netherlands, was liquidated and PFISTERER deconsolidated the company on the same date.

The deconsolidation of the two companies resulted in a gain of € 383 thousand, which is recognized as other income in the consolidated income statement. This result only affected the OHL segment.

## Interests in other entities

### Summarized financial information on subsidiaries

The following summarizes financial information about the subsidiary Pfisterer S.A., Buenos Aires, Argentina, which has non-controlling interests that are material to the Group. The disclosed financial information represents values prior to intra-group eliminations:

### Summarized statement of financial position

kEUR	31.12.2024	31.12.2023	01.01.2023
Current assets	15,222	8,243	7,605
Current liabilities	4,945	5,011	4,326
Current net assets	10,277	3,232	3,278
Non-current assets	1,263	1,176	1,473
Non-current liabilities	53	34	303
Non-current net assets	1,209	1,143	1,776
Net assets	11,487	4,375	5,054

### Summarized statement of comprehensive income

kEUR	2024	2023
Revenue from contracts with customers	25,883	12,951
Result for the period	3,520	1,519
Other comprehensive income	1,859	1,461
Comprehensive income	5,379	2,980
Comprehensive income attributable to non-controlling interests	2,418	1,341
Dividends paid to non-controlling interests	0	0

### Summarized statement of cash flows

kEUR	2024	2023
Cash flow from operating activities	-2,648	-1,244
Cash flow from investing activities	112	9
Cash flow from financing activities	0	-1
Net increase / decrease in financial resources	-2,536	-1,236

## 10.2 Investments in associates

The Group's associates as of December 31, 2024, are listed below. The entity listed below has share capital consisting solely of ordinary shares, which are held directly by the Group.

## Interests in other entities

Name	Location	Equity share			Measurement method
		31.12.2024	31.12.2023	01.01.2023	
Pfisterer Algérie Spa	Birtouata, Algeria	45%*	45%*	45%*	Equity-method

\*The shares are held by PFISTERER SAS, Illzach, France.

## Summarized financial information on associated companies

Given its immaterial impact on these consolidated financial statements, Pfisterer Holding SE has not disclosed summarized financial information for this associated company. The company's net assets (total assets less liabilities) amounted to less than € 1 thousand.

## 11 Employee benefits

### 11.1 Defined benefit obligations

Defined benefit pension plans exist in place at the Group companies in Germany, France, Italy and Switzerland. In France and Italy, these constitute one-off payments upon retirement. In Germany and Switzerland, pension payments are made on a monthly basis. The amount of the benefits depends on the remuneration and seniority of the eligible employees. PFISTERER has commissioned an actuarial report to assess the economic substance of the retirement benefits for the defined benefit pension plans. These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Most of the benefits are paid out from funds managed in trust. However, there are also unfunded plans in which the Group pays the pensions directly to the beneficiaries when they are due. The plan assets held by the funds and the agreements between the Group and the trustees are subject to the respective national regulatory requirements and procedures. The administration of the plans – including investment decisions and the determination of contributions to the plans – lies within the joint responsibility of the Group and a board of trustees. The board of trustees consists of representatives of the Group and plan participants, as specified in the plan.

In addition, the Group operates several defined contribution plans. The legal obligation of the Group for these plans is limited to these contributions. Expenses recognized in the current reporting period for these contributions amounted to € 4,912 thousand (2023: € 4,188 thousand).

## Employee benefits

### Changes in net defined benefit obligations

The following table shows the reconciliation of the opening and closing balance for the net defined benefit obligations and its key components:

kEUR	Defined benefit obligation	Fair value of plan assets	Net debt (net assets)	Defined benefit obligation	Fair value of plan assets	Net debt (net assets)
Change in net defined benefit obligation						
	2024			2023		
As of January 1	48,649	-24,332	24,316	45,275	-22,596	22,679
Recognized in (profit) or loss	0	0	0	0	0	0
Current service cost	844	0	844	806	0	806
Past service cost	31	0	31	0	0	0
Interest expense/Interest income	830	-384	446	1,372	-499	874
Administrative costs	605	0	605	542	0	542
	0	0	0	0	0	0
Recognized in other comprehensive income	0	0	0	0	0	0
Actuarial loss/gain from:	0	0	0	0	0	0
Demographic assumptions	0	0	0	0	0	0
Financial assumptions	2,487	0	2,487	3,493	0	3,493
Experience adjustment	659	0	659	644	0	644
Return on plan assets excluding interest income	0	-1,190	-1,190	0	-2,036	-2,036
Net exchange differences	-26	0	-26	118	0	118
	0	0	0	0	0	0
Others	0	0	0	0	0	0
Payments made under the plan	0	1,005	1,005	0	2,017	2,017
Contributions paid by the employer	-2,346	-769	-3,115	-3,603	-676	-4,279
Contributions paid by the employee	-59	-605	-664	0	-542	-542
Transfer from a subsidiary to a third party						
Deconsolidation	-875	0	-875	0	0	0
As of December 31	50,798	-26,274	24,524	48,649	-24,332	24,316

## Employee benefits

### Expected contributions

The following contributions are expected as part of defined benefit obligations:

in kEUR	2024	2023
Within the next 12 months	4,508	4,152
Between 2 and 5 years	12,108	13,245
Between 5 and 10 years	12,725	13,817
Total	29,341	31,214

### Actuarial assumptions

The following actuarial assumptions are used as the basis for calculating the defined benefit obligation.

in %	31.12.2024	31.12.2023	01.01.2023
Discount rate	2.86%	3.33%	3.98%
Inflation rate	0.33%	0.19%	0.16%
Future wage or salary increases	1.44%	1.81%	1.81%
Social contributions	0.00%	0.00%	0.00%

The weighted average duration of the defined benefit plans is 11 years (31 December 2023: 12 years).

### Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is as follows:

In %	Change in the defined benefit obligation			
	Increase in assumption	31.12.2024	31.12.2023	01.01.2023
Discount rate	0.25%	-352	-614	-547
Future wage or salary growth rate	0.25%	6	12	7
Future pension growth rate	0.25%	331	552	436
Future mortality	1 year	809	1,047	919

In %	Change in the defined benefit obligation			
	Decrease in assumption	31.12.2024	31.12.2023	01.01.2023
Discount rate	0.25%	497	642	580
Future wage or salary growth rate	0.25%	-27	-12	-107
Future pension growth rate	0.25%	-355	-539	-413
Future mortality	1 year	-540	-1,048	-1,274

The above sensitivity analyses are based on the change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the statement of financial position.

## 11.2 Share-based payment agreements

### 11.2.1 Description of the share-based payment agreements

As part of an option program, Pfisterer Holding SE grants selected beneficiary employees options which, if exercised, entitle them to receive shares in the company..

The options granted under the program are subject to a seniority requirement in order to become vested. Participation in the option program remains at the discretion of the management board and supervisory board. None of the participating employees are contractually obliged to participate in the program or guaranteed to receive benefits under the option program.

The options do not vest immediately at grant but rather become exercisable based on service period requirements and the occurrence of specified exercise events.

The options are granted free of charge and do not include dividend or voting rights. Each option can be exercised up to 30 days after the corresponding vesting period has expired. The strike price of the options is fixed at EUR 3.

The following table shows an overview of the options granted under the plan:

	2024		2023	
	Average exercise price per share option (in EUR)	Quantity of options	Average exercise price per share option (in EUR)	Quantity of options
As of January 1	0	798,595	0	0
Granted during the financial year	3.00	136,189	3.00	798,595
Exercised during the financial year	0	0	0.00	0
Forfeited in the financial year	0	81,070	0.00	0
As of December 31	3.00	853,714	3.00	798,595
Vested as of December 31	0	0	3.00	0
Exercisable as of December 31	0	0	0.00	0

No options expired in the financial year 2023. In the fiscal year 2024, 59,070 options expired due to the termination of the employment contracts of beneficiary employees.



## Employee benefits

The stock options outstanding at year end have the following expiration dates and exercise prices:

	Grant date	Expiration date	Fair value (in EUR)	Stock options 31.12.2024	Stock options 31.12.2023
	30/11/2023	31/07/2025	11.36	358,762.50	399,297.50
	30/11/2023	31/07/2026	11.43	179,381.25	199,648.75
	30/11/2023	31/07/2027	11.48	179,381.25	199,648.75
	01/07/2024	31/07/2025	11.28	68,094.50	0.00
	01/07/2024	31/07/2026	11.35	34,047.25	0.00
	01/07/2024	31/07/2027	11.49	34,047.25	0.00
Total				853,714.00	798,595.00
Average remaining term (in years)				1.25	2.26

The portion of the capital reserve attributable to share-based payments is € 4,828 thousand as of December 31, 2024 (December 31, 2023: € 372 thousand; January 1, 2023: € 0 thousand).

### 11.2.2 Determination of fair values

The fair value of the options granted in the financial year 2023 amounted to EUR 11.36 per option for the first tranche, EUR 11.43 for the second tranche and EUR 11.48 for the third tranche at the grant date.

For the financial year 2024, the fair value of the options granted amounted to EUR 11.28 per option for the first tranche, EUR 11.35 for the second tranche and EUR 11.49 for the third tranche at the grant date.

The fair values at grant date are determined using a Monte Carlo simulation. The Monte Carlo model is based on the strike price, the goodwill at grant date, the term of the options, the expected dividends, the risk-free interest rate and the expected volatility. The expected volatility was determined on the basis of the remaining terms of the individual tranches using a peer group.

The following parameters were used to determine the fair values at grant date and the valuation dates of the appreciation rights.

	2024	2023
Strike price (in EUR):	3.00	3.00
Date of grant:	01/07/2024	30/11/2023
Expiration date:		
Tranche 1	31/07/2025	31/07/2025
Tranche 2	31/07/2026	31/07/2026
Tranche 3	31/07/2027	31/07/2027
Expected volatility:		
Tranche 1	29%	32%
Tranche 2	36%	36%
Tranche 3	50%	35%
Risk-free interest rate:		
Tranche 1	3.26%	3.31%
Tranche 2	2.92%	2.96%
Tranche 3	2.71%	2.75%
Expected dividends:	0.00%	0.00%

## Employee benefits

### 11.3 Expenses for employee benefits

Expenses for employee benefits include the following items:

€ thousand	2024	2023
Wages and salaries	76,492	70,538
Social insurance contributions	9,352	6,308
Expenses from defined benefit pension plans	1,926	2,222
Expenses from defined contribution pension plans	4,912	4,188
Termination benefits	3,970	621
Share-based payments	4,456	372
Other employee benefits	209	66
Total	101,317	84,315

Other employee benefits primarily comprise obligations for holiday pay, overtime compensation, and similar personnel-related expenses.

## 12 Notes to the consolidated statement of cash flows

### 12.1 Non-cash effective investing and financing activities

Non-cash effective investing and financing activities reported in other notes are:

- Additions to right-of-use assets – note 4.3.

### 12.2 Liabilities from financing activities

€ thousand	Lease liabilities	Loans from credit institutions	Total
Balance sheet as of January 1, 2023	23,138	69,221	92,358
Cash effective	-5,241	-23,035	-28,276
Proceeds	0	15,785	15,785
Repayment	-4,181	-34,569	-38,750
Interest paid	-1,060	-4,251	-5,311
Non-cash effective	9,448	4,107	13,555
New leases	8,079	0	8,079
Interest expense	1,060	4,331	5,391
Reclassification	0	0	0
Exchange differences	309	-224	85
Balance sheet as of December 31, 2023	27,344	50,292	77,636

€ thousand	Lease liabilities	Loans from credit institutions	Total
Balance sheet as of January 1, 2024	27,344	50,292	77,636
Cash effective	-7,446	-19,373	-26,819
Proceeds	0	16	16
Repayment	-6,290	-17,007	-23,297
Interest paid	-1,157	-2,381	-3,538
Non-cash effective	6,628	2,298	8,925
New leases	5,438	0	5,438
Interest expense	1,157	2,298	3,455
Reclassification	0	0	0
Exchange differences	33	0	33
Balance sheet as of December 31, 2024	26,525	33,217	59,743

## 13 Income taxes

### 13.1 Taxes recognized in the consolidated statement of profit or loss

kEUR	2024	2023
Current taxes	-13,698	-6,777
Taxes for the current year	-15,081	-5,370
Taxes for previous years	1,382	-1,407
Deferred taxes	3,133	-596
Deferred tax income	5,262	2,328
Deferred tax expense	-2,129	-2,924
Income tax expense (income)	-10,566	-7,373

In Germany, the average trade tax rate is 13,17 % (December 31, 2023: 12,25 %). Including corporate income tax (15 % plus a solidarity surcharge of 5,5 %), the total tax burden in Germany is approximately 29,00 % (December 31, 2023: 28,08 %).

Profits, losses, and temporary differences of the foreign subsidiaries are taxed at the applicable tax rates in the respective country of domicile. These rates range from 5% and 29%.

### 13.2 Taxes recognized in other comprehensive income

kEUR	2024			2023		
	Before taxes	Tax income (expense)	After taxes	Before taxes	Tax income (expense)	After taxes
Items that may be reclassified to profit or loss						
Financial instruments for hedging cash flows - FLFVtOCI	-25	8	-17	-242	70	-172
<b>Total</b>	<b>-25</b>	<b>8</b>	<b>-17</b>	<b>-242</b>	<b>70</b>	<b>-172</b>
Items that will not be reclassified to profit or loss						
Remeasurements of net defined benefit obligation	-1,975	348	-1,627	-2,101	485	-1,616
<b>Total</b>	<b>-1,975</b>	<b>348</b>	<b>-1,627</b>	<b>-2,101</b>	<b>485</b>	<b>-1,616</b>

## Income taxes

### 13.3 Reconciliation of the effective tax rate

€ thousand	2024	2023
Earnings before income taxes	44,330	33,281
Tax rate of the parent company: 29% (previous year: 28.08%)		
Expected tax expense (income) for the period	-12,856	-9,345
Discrepancies due to different tax rates	-2,180	-1,260
Impact of tax rate changes (+/-)	0	-679
Differing foreign tax rates (+/-)	-2,180	-389
Deviations due to different trade tax rates (+/-)	0	0
Deferred taxes from allocations	0	-192
Tax effects of amounts that are not deductible in calculating taxable income	5,295	2,684
Impairment of goodwill from capital consolidation (+)	0	0
Tax-free investment income and capital gains (-)	-3,909	-2,371
Non-tax-deductible expenses (+)	5,043	4,377
Expenses from share options in accordance with IFRS 2 (+)	1,292	104
Adjustment due to profit and loss transfer agreement (+/-)	5,370	1,146
Tax-free dividends (-)	0	0
Other tax-free effects (-)	-2,501	-572
Recognition and measurement of deferred tax assets	1,403	1,564
Impairment of recognized deferred tax assets (+)	99	0
Non-recognition of deferred tax assets (+)	0	0
Non-capitalized deferred taxes on losses carried forward (+/-)	1,938	0
Recognition of previously unrecognized deductible temporary differences (+)/write-off of previously recognized deductible temporary differences (-)	0	2,185
Utilized tax loss carryforwards for which no deferred taxes have been recognized (+/-)	-634	-622
Previously recognized tax losses carried forward that are not recoverable (+/-)	0	0
Write-up / subsequent recognition of deferred taxes (-)	0	0
Group accounting-related effects	684	-295
Aperiodic effects	-2,728	-337
Current and deferred taxes for previous years (+/-)	1	0
Corporation tax increase / reduction due to distributions (-)	0	0
Non-deductible withholding tax or taxes (+)	0	0
In the event of distribution / sale of consol. / at equity companies	0	0
Tax refunds (-)	-950	0
Other aperiodic tax expenses/income (+/-)	-1,779	-337
Other effects	-184	-383
Income tax expense (income)	-10,566	-7,373

## Income taxes

### 13.4 Tax loss carryforwards

The unrecognized tax loss carryforwards are subject to expiration as follows:

€ thousand	2024		2023	
	Amount	Expiration	Amount	Expiration
Germany				
thereof corporation tax	4,770	non-expiring	30,528	non-expiring
thereof trade tax	4,523	non-expiring	30,310	non-expiring
USA	2,342	non-expiring		
UAE	389	31.12.2029		
Saudi-Arabia	131	31.12.2029		
Switzerland			4,781	31.12.2028
Argentina			742	31.12.2028

## Income taxes

### 13.5 Changes in deferred taxes in the consolidated statement of financial position during the year

€ thousand	As of January 1	Recognized in the statement of profit or loss	Recognized in other comprehensive income	Recognized directly in equity	Acquired through business combination	As of December 31, 2023		
						Deferred tax receivables	Deferred tax liabilities	Net
Intangible assets	-173	-1,052	-0	0	0	35	-1,260	-1,225
Property, plant and equipment	665	170	-4	0	0	2,004	-1,173	830
Right-of-use assets	-5,012	-795	358	0	0	0	-5,449	-5,449
Inventories	858	812	-132	0	0	3,420	-1,882	1,538
Financial assets	36	-0	0	0	0	36	0	36
Trade receivables	-70	-27	-28	0	0	130	-255	-124
Other non-financial assets	54	16	2	0	0	90	-18	73
Financial liabilities	-57	61	70	0	0	73	0	73
Employee benefits	435	-62	549	0	0	2,857	-1,934	923
Lease liabilities	4,573	382	-0	0	0	4,954	0	4,954
Trade payables	-1	1	-35	0	0	0	-35	-35
Other non-financial liabilities	141	-229	66	0	0	78	-100	-22
Provisions	258	343	-144	0	0	1,187	-731	456
Reserve for exchange differences	0	-77	0	0	0	64	-140	-77
Tax losses carried forward	843	-138	0	0	0	705	0	705
Tax receivables (liabilities) before offsetting	2,549	-596	703	0	0	15,634	-12,978	2,656
Tax offsetting	0	0	0	0	0	-9,760	9,760	0
Tax receivables (liabilities) after offsetting	2,549	-596	703	0	0	5,874	-3,218	2,656

## Income taxes

€ thousand	As of January 1	Recognized in the profit and loss statement	Recognized in other comprehensive income	Recognized directly in equity	Acquired through business combination	As of December 31, 2024		
						Deferred tax receivables	Deferred tax liabilities	Net
Intangible assets	-1,225	298	0	0	0	37	-964	-927
Property, plant and equipment	830	-125	18	0	0	1,824	-1,102	723
Right-of-use assets	-5,449	329	-10	0	0	0	-5,130	-5,130
Inventories	1,538	448	-58	0	0	3,951	-2,022	1,929
Financial assets	36	-95	0	0	0	42	-101	-59
Trade receivables	-124	33	-1	0	0	214	-306	-92
Other non-financial assets	73	-75	-1	0	0	110	-113	-3
Financial liabilities	73	-2	-9	0	0	80	0	80
Employee benefits	923	515	216	0	0	2,857	-1,156	1,701
Lease liabilities	4,954	-177	-1	0	0	4,777	0	4,777
Trade payables	-35	6	4	0	0	6	-31	-24
Other non-financial liabilities	-22	-97	100	0	0	174	-193	-19
Provisions	456	1,453	3	0	0	2,163	-250	1,913
Reserve for exchange differences	-77	80	0	0	0	103	-100	3
Special reserves	0	-127	0	0	0	0	-127	-127
Tax losses carried forward	705	667	-0	0	0	1,372	0	1,372
Tax receivables (liabilities) before offsetting	2,656	3,133	261	0	0	17,710	-11,595	6,115
Tax offsetting	0	0	0	0	0	-10,875	10,875	0
Tax receivables (liabilities) after offsetting	2,656	3,133	261	0	0	6,835	-719	6,115



## 14 Related party transactions

### 14.1 Ultimate controlling party

Based on a share of voting rights of 69,45% as of December 31, 2024 (December 31, 2023: 72,14%, January 1, 2023: 72,14%) Karl-Heinz Pfisterer directly controls Pfisterer Holding SE as the parent company of the Group.

With a share of voting rights of 25,82% as of December 31, 2024 (December 31, 2023: 25,82%, January 1, 2023: 25,82%) Anna Dorothee Stängel directly exercises significant influence over Pfisterer Holding SE.

### 14.2 Key management personnel compensation

Key management personnel include the Executive Board and Supervisory Board of Pfisterer Holding SE (for details on board composition, please refer to note 16.4 and note 16.5). The compensation of key management personnel includes the following items:

	Johannes Linden		Dr. Konstantin Kurfiss		Supervisory Board	
kEUR	2024	2023	2024	2023	2024	2023
Current remuneration	418	415	438	438	334	320
Short-term variable remuneration	450	220	383	383	0	0
Long-term variable remuneration	0	0	45	45	0	0
Granted and owned	868	635	866	866	334	320
Share-based payment	495	42	495	42	0	0
Granted	495	42	495	42	0	0

The supplementary services include non-monetary benefits such as leasing fees for company vehicles, including a fuel card.

The short-term variable remuneration of the two members of the Executive Board for the 2024 financial year is based on a target achievement level of 150% (2023: 150%) due to the positive developments.

Share-based payment includes the share of the share-based payment program described in note 11.2 attributable to the two members of the Executive Board.

### 14.3 Related party transactions

The following related party transactions occurred during the reporting periods presented:

€ thousand	2024	2023
Leases to owners of the parent company	22	18
Benefits from defined benefit plans to owners of the parent company	71	71
Total	93	89

## Related party transactions

### 14.4 Outstanding balances from transactions with related parties

The following transactions with related parties were outstanding on the relevant reporting dates:

kEUR	31.12.2024	31.12.2023	01.01.2023
Long-term employee benefits	712	745	652
Total	712	745	652

Long-term employee benefits include obligations from defined benefit plans to shareholders of the parent company resulting from a previous employment relationship within the PFISTERER Group.

## 15 Segment reporting

### 15.1 Identification of the CODM

Operating segments are reported consistently with the internal reporting provided to the Group's Chief Operation Decision Maker (CODM).

The management board and supervisory board have been identified as the CODM of PFISTERER Group, assessing the Group's net assets, financial position, results of operations, and making strategic decisions.

### 15.2 Basis for segmentation

The CODM evaluates performances from both product and geographic segment perspectives.

From a product perspective, the following five reportable operating segments were identified: HVA, MVA, HVD, COM and OHL. Please refer to note 2.3 for a description of the individual segments.

From a geographical point of view, the following regions can be derived from the recipient clients' countries and are divided into the following four segments: America, Europe and Africa, Middle East and India, and Asia-Pacific.

### 15.3 Segment reporting by product groups

Information regarding the results of each reportable segment at the product group level is presented below. Segment profit (loss) before tax is used to assess profitability as the CODM believes this is the most relevant information in assessing the results of certain segments related to other entities that operate within these industries. Transfer prices between segments are set at arm's-length.

Fiscal year 2024

€ thousand	HVA	MVA	HVD	COM	OHL	Total
Revenue from contracts with customers	144,809	48,711	0	102,700	86,897	383,116
Cost of goods sold	-78,878	-31,968	0	-59,067	-61,317	-231,231
Marketing and distribution costs	-22,637	-5,725	0	-10,126	-15,688	-54,177
Research and development costs	-9,449	-2,931	-1,089	-3,347	-4,479	-21,295
Administrative costs	-12,492	-3,436	0	-9,435	-8,015	-33,378
Other income	6,062	722	144	2,499	15,690	25,115
Other expenses	-5,982	-242	0	-3,446	-10,173	-19,843
Impairment gains (losses) on financial assets	41	37	0	11	-442	-354
Operating result	21,472	5,167	-945	19,788	2,471	47,954
Depreciation and amortization	-5,590	-1,661	-20	-1,846	-3,074	-12,192
EBITDA	27,062	6,828	-925	21,634	5,545	60,145

## Segment reporting

Fiscal year 2023

€ thousand	HVA	MVA	HVD	COM	OHL	Total
Revenue from contracts with customers	112,692	34,168	0	92,597	94,684	334,140
Cost of goods sold	-65,993	-20,845	0	-53,534	-65,010	-205,382
Marketing and distribution costs	-20,229	-4,568	0	-9,101	-16,108	-50,006
Research and development costs	-8,168	-2,321	-594	-2,889	-4,037	-18,010
Administrative costs	-8,656	-2,532	0	-7,166	-6,659	-25,013
Other income	5,548	763	0	2,730	5,698	14,739
Other expenses	-4,016	256	-7	-914	-4,325	-9,006
Impairment gains (losses) on financial assets	169	-46	0	-157	165	132
Operating result	11,347	4,874	-601	21,567	4,407	41,594

Depreciation and amortization	-4,308	-1,527	-13	-2,031	-2,414	-10,292
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EBITDA	15,654	6,401	-587	23,597	6,821	51,886
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### 15.4 Segment reporting by geographic regions

Information regarding the results of each reportable segment based on geographical regions is presented below. Transfer prices between segments are set at arm's length.

Fiscal year 2024

€ thousand	North and South America	Europe and Africa	Middle East and India	Asia-Pacific	Total
Revenue from contracts with customers	66,898	221,557	56,091	38,570	383,116
Cost of goods sold	-38,424	-132,322	-37,218	-23,266	-231,231
Marketing and distribution costs	-7,361	-32,143	-9,451	-5,222	-54,177
Research and development costs	-1,280	-13,212	-4,200	-2,603	-21,295
Administrative costs	-6,788	-18,432	-4,892	-3,266	-33,378
Other income	1,508	16,703	4,615	2,289	25,115
Other expenses	-5,570	-7,323	-3,670	-3,280	-19,843
Impairment gains (losses) on financial assets	-56	-411	67	45	-354
Operating result	8,927	34,416	1,343	3,268	47,954

Depreciation and amortization	-1,550	-7,713	-1,557	-1,372	-12,192
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EBITDA	10,476	42,130	2,899	4,640	60,145
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## Segment reporting

Fiscal year 2023

€ thousand	North and South Ame- rica	Europe and Africa	Middle East and India	Asia-Pacific	Total
Revenue from contracts with customers	43,149	199,411	57,182	34,399	334,140
Cost of goods sold	-25,097	-116,053	-42,418	-21,815	-205,382
Marketing and distribution costs	-6,461	-29,990	-8,933	-4,622	-50,006
Research and development costs	-1,146	-11,390	-3,560	-1,914	-18,010
Administrative costs	-4,019	-15,062	-3,736	-2,196	-25,013
Other income	3,793	5,693	3,760	1,493	14,739
Other expenses	-3,045	-1,125	-2,938	-1,898	-9,006
Impairment gains (losses) on financial assets	-70	64	29	109	132
Operating result	7,104	31,547	-614	3,557	41,594
Depreciation and amortization	-982	-7,259	-994	-1,057	-10,292
EBITDA	8,087	38,806	379	4,614	51,886

## 16 Mandatory and additional disclosures in accordance with the German Commercial Code (HGB)

### 16.1 Number of employees

During the fiscal year from January 1 to December 31, 2024, the Group employed an average of 1,200 employees (2023: 1,118). The following table presents the breakdown between salaried and wage employees:

Average	2024	2023
Salaried employees	581	543
Wage employees	619	575
Total	1,200	1,118

As at December 31, 2024, the Group had 1,239 employees (December 31, 2023: 1,130; January 1, 2023: 1,050). The following table presents the breakdown between salaried and wage employees:

Absolute	31.12.2024	31.12.2023	01.01.2023
Salaried employees	604	546	529
Wage employees	635	584	521
Total	1,239	1,130	1,050

### 16.2 Auditor fees

The following fees for the services provided by auditors have been recognized as expenses:

€ thousand	2024	2023
Audit services	1,195	851
Tax advisory services	522	212
Other attestation services	0	0
Other services	0	71
Total	1,716	1,134

### 16.3 Preparation and disclosure exemptions

As fully consolidated subsidiaries of Pfisterer Holding SE, the following affiliated German companies have utilized the exemption under Section 264 (3) HGB, thereby waiving their obligations to prepare separate notes and management reports:

- Pfisterer Kontaktsysteme GmbH, Winterbach.

### 16.4 Members of the management board

The management board consists of the following members:

Name	Profession
Johannes Linden	Board member for finance, production and administration / Spokesman
Dr. Konstantin Kurfiss	Board member for technology and sales

The profession of the members of the management board is identical to their positions on the Board.

Mandatory and additional disclosures in accordance with the German Commercial Code (HGB)

## 16.5 Members of the supervisory board

The supervisory board consists of the following members:

Name	Profession
Prof. Dr. Wolfgang Blättchen	Chairman of the supervisory board / Managing director of Blättchen Financial Advisory GmbH
Erich Schefold	Deputy chairman of the supervisory board / Economist
Prof. Dr. Petra Denk	Member of the supervisory board / Managing director of the institut for Systemische Energieberatung GmbH
Matthias Benz	Member of the supervisory board / Chairman of the management board of Zeppelin GmbH
Dr. Stefan Seipl	Member of the supervisory board / Managing director of seipl consult GmbH

## 16.6 Others

These consolidated financial statements represent both the maximum and minimum consolidation scope of the Group and will be duly published in the companies register.

## 17 Events after the reporting date

In the general meeting on January 31, 2025, the articles of association were amended. During the meeting, authorized capital of € 7,298 thousand and conditional capital of € 6,379 thousand were created.

Advanced discussions are ongoing with key lenders to expand necessary guarantee facilities, reflecting positive business growth. Additionally, negotiations to secure a development bank loan are nearing finalization. This extension option is already contemplated under the existing syndicated loan agreement.



Approval of the consolidated financial statements

## **18 Approval of the consolidated financial statements**

These IFRS consolidated financial statements were approved and released for publication by management on March 28, 2025.

Winterbach, March 28, 2025

Johannes Linden

Dr. Konstantin Kurfiss

**Note: This is a convenience translation of the German original. Solely the original text in German is authoritative.**

## INDEPENDENT AUDITOR'S REPORT

To Pfisterer Holding SE, Winterbach

### AUDIT OPINIONS

We have audited the consolidated financial statements of Pfisterer Holding SE, Winterbach, 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, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1. January 2024 to 31. December 2024, and notes to the consolidated financial statements, including material accounting policy information.

In addition, we have audited the group management report of **Fehler! Verweisquelle konnte nicht gefunden werden.** for the financial year from 1. **Fehler! Verweisquelle konnte nicht gefunden werden.**2024 to 31. December 2024.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereafter “IFRS Accounting Standards”) as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] 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 2024 to 31. December 2024, and
- the accompanying group management report as a whole provides an appropriate 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 contents of the parts of the group management report listed in section “OTHER INFORMATION”.*

Pursuant to § 322 (3) sentence 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 THE AUDIT OPINIONS**

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB 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 entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

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.

## **RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT**

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e (1) HGB and that the consolidated financial statements in compliance with these requirements give a true and fair view of the assets, liabilities, financial position and financial performance of the group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i. e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the group’s ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, unless there is an intention to liquidate the group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the 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, the executive directors are 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 Supervisory Board 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 § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- 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 audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls or these arrangements and measures.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report, or if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the group in compliance with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e (1) HGB.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming the audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain 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 executive directors in the group management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

Frankfurt am Main, 28. March 2025

BDO AG  
Wirtschaftsprüfungsgesellschaft

*Signed by Dr. Faßhauer*  
Wirtschaftsprüfer  
(German Public Auditor)

*Signed by Sigmann*  
Wirtschaftsprüfer  
(German Public Auditor)

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