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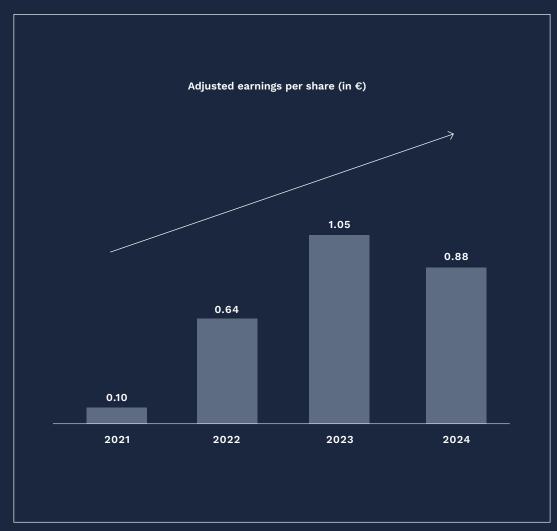
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A BROCKHAUSIS FECHNOLOGIES

Brockhaus Technologies – another successful fiscal year

Revenue	Gross profit	Adjusted EBITDA
€204.3 million	€135.8 million	€65.0million
2023 €186.6 million +9.5%	2023 €118.4 million +14.7%	2023 €62.2 million +4.5%
Employees	Adjusted EBIT	Adjusted Free cash flow before tax
620	€59.7million	€43.4million

Dynamic increase in earnings



For more information on adjusted earnings, see page 96.

Brockhaus Technologies has kept its promise to generate sustainable profitable growth since going public in 2020. And it did so in a challenging economic environment, especially in Germany. This is evident in the strong growth of adjusted earnings per share.

The resilience of our technology group's business model is demonstrated by the sustained solid level of adjusted earnings per share, despite major geopolitical and economic challenges and uncertainties.

Adjusted earnings per share excluding pro forma adjustments increased nearly ninefold.



More on the stock

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Highlights from 2024



Continuing growth in 2024 despite economic challenges

Despite the challenging economic environment, particularly in Germany, Brockhaus Technologies (BKHT) continued its success story in 2024. Amid a difficult economic backdrop, revenue grew by 9.5% compared to the previous year, reaching €204 million. Adjusted EBITDA rose by 4.5% to €65 million, corresponding to an adjusted EBITDA margin of 31.8%. In addition, Bikeleasing's transformation into an internationally expanding multi-benefit platform was initiated with the acquisition of software company Probonio in April and by founding the Bike2Future subsidiary. Free cash flow before tax remained at a consistently high level of €43 million. This is primarily a result of Bikeleasing's highly scalable business model. Cash and cash equivalents were primarily used to further strengthen the balance sheet. For example, an additional €19.1 million in loans from the acquisition of Bikeleasing was repaid early in 2024. With reduced net debt of €46 million and cash and cash equivalents of €48 million, the Group maintains a good financial position. In 2025, sales revenue is expected to grow by 10-15% to €225-235 million, adjusted EBITDA is estimated to reach €50-55 million.



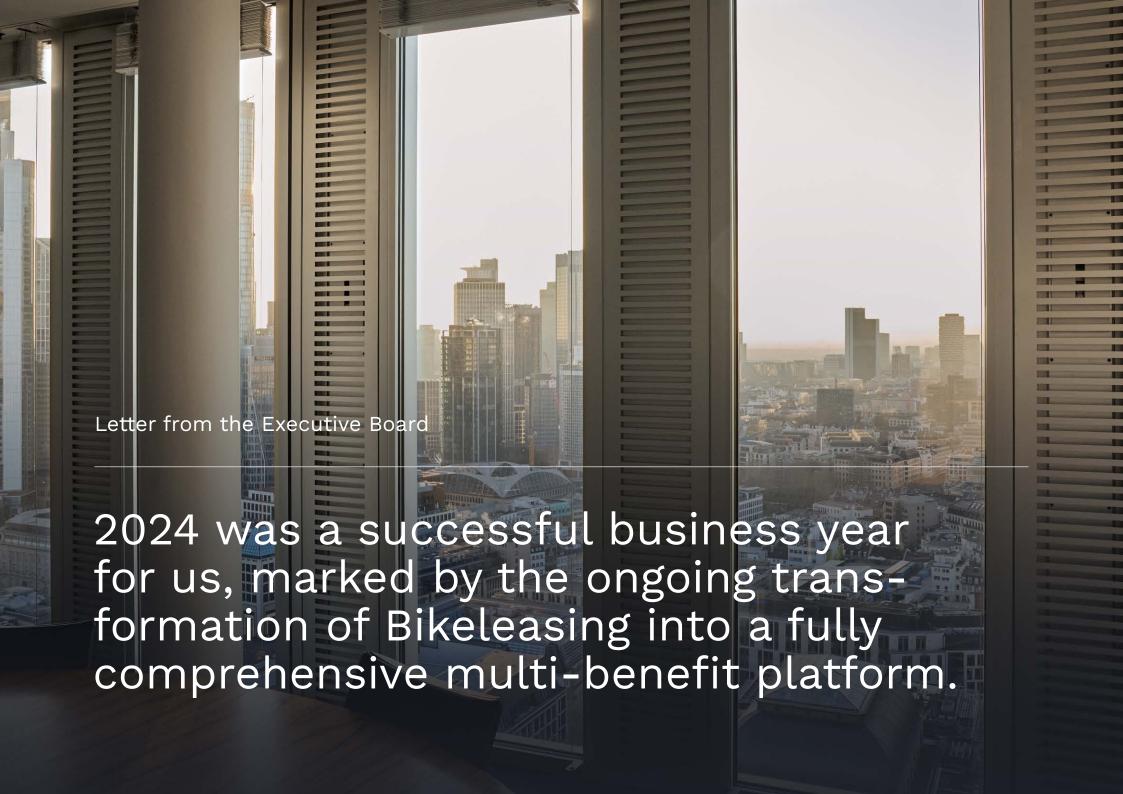
The Benefit & Mobility Platform segment (Bikeleasing and Probonio) continues its growth trajectory

2024 was another successful fiscal year for Bikeleasing, with revenue of €173 million (+18.0%) and adjusted EBIT-DA of €67 million (+15.5%). This was largely a result of the ongoing switch of existing customers to a variable leasing factor in order to be able to offer corporate customers transparent and fair prices at all times, depending on the interest rate environment. The outlook remains promising thanks to the approximately 72,000 connected corporate customers (+20.8%) with around 3.7 million employees (+12.2%). The weak consumer climate in Germany continued to deteriorate with the economic slowdown, which led to a noticeable decline in new orders, particularly in the second half of 2024. In the future, Bikeleasing is expected to benefit from broader market penetration and internationalization of the business, among other factors. The acquisition of Probonio will also greatly expand the range of services for corporate customers, enabling companies to offer additional wage-optimized extended benefits in the future. Bikeleasing and Probonio have jointly improved their presence in new customer business, setting themselves apart from the competition.



Security Technologies segment (IHSE) expands position in the defense market by meeting new security standards

IHSE generated revenue of €32 million (-21.5%) and adjusted EBITDA of €3 million (-73.9%) in 2024, which was clearly below the previous year's level. This is due to typical fluctuations in the project business and the largest single order in the company's history, which was won in 2023 in the Americas region and, with a volume of over €8 million, affects comparability with the previous year. In addition, deliveries postponed by customers at the end of 2024 led to a significant revenue and earnings shortfall in the fourth quarter. Business in the Americas region declined by 68% year-over-year, while performance in the EMEA region remained largely stable. In APAC, revenue showed strong growth of +69%. The order backlog was primarily driven by projects secured by IHSE thanks to its new compliance with standards for highly security-critical environments. IHSE therefore remains well positioned and should continue to benefit in the coming years from the global trend towards increased digitalization, growing connectivity and the need for protection against the growing number of cyberattacks worldwide.





Dear shareholders,

Despite the recent sharp downturn in the economic and consumer business climate, particularly at the end of 2024, we achieved another consecutive year of solid organic growth with high profitability. Revenue growth amounted to 9.5% with a continued high adjusted EBITDA margin of 31.8%. Free cash flow before taxes remained at a high level of €43 million, primarily attributable to the highly scalable Bikeleasing business model. Adjusted earnings per share remain solid at €0.88 in a challenging economic environment, particularly in Germany. The Group's net debt in relation to adjusted EBITDA for the last twelve months was significantly reduced from 0.87x to 0.70x in 2024. Despite a challenging environment, we performed well in 2024 and were able to live up to our commitment to take technology champions to the next level of growth.

Our two subsidiaries, Bikeleasing and IHSE, remain well positioned with their forward-looking business models. Despite economic challenges in 2024, which also impacted the digital brokerage business for company bike leasing, Bikeleasing achieved strong revenue growth. We also successfully expanded our business model and value creation through the acquisition of software company Probonio. It marks a strategically important step for our evolution into a fully integrative multi-benefit platform. This allows us to offer our more than 72,000 corporate customers not only leasing options for company bikes, but also a range of other employee benefits from a single source. These compensation alternatives represent a valuable support for companies in today's challenging economic times. IHSE guarantees secure data transmission at a high performance level thanks to its powerful and reliable technology and benefits from growing demand by meeting new security standards for highly critical environments. Our subsidiary's KVM technology is increasingly utilized in mission-critical areas, particularly in the defense sector and to protect against cybercrime.

Despite the continuing challenging economic environment, solid organic revenue growth of +10% to +15% to between €225 million and €235 million is expected for the 2025 fiscal year. Against the backdrop of investments in the long-term growth of Bikeleasing and the continuing challenges in the bicycle market, the Group expects adjusted EBITDA for the 2025 fiscal year to be in the range of €50 million to €55 million.

In financial terms, the Group is well positioned for the future with low net debt and a high liquidity cushion. This leaves further room for inorganic growth opportunities, which must meet our high acquisition criteria and are continuously evaluated. In addition to further company acquisitions, we continue to view our own shares as an attractive investment with strong potential for value appreciation. The potential of our shares is highlighted by the current valuation from our analysts, who estimate an average price potential of €42.25 per share. This reflects a significant discrepancy compared to the current market valuation of our shares. We consistently examine all options thoroughly and with an open mind to ensure we act in the best interests of our shareholders.

On March 21, 2025, the Executive Board decided to postpone the publication of the consolidated and annual financial statements for fiscal year 2024, originally scheduled for March 28, 2025. This was due to an investigation into a specific business transaction at a foreign subsidiary of IHSE (Security Technologies segment), because of which not all audit procedures could be completed in due time. The incident was resolved in consultation with the auditor KPMG. The internal investigations revealed that there are indications of an inaccurate revenue entry made in 2024 at a foreign subsidiary of IHSE in an amount of around €2.2 million. At IHSE, misconduct by individuals with management responsibility was identified. These individuals were relieved of their duties. In addition, IHSE has restructured its management. The managing director and CEO as well as the commercial director have left the company. Frank Breitenfelder has been responsible for the company's financial, operational and administrative activities in his role as commercial Managing Director since April 2025. He is supported by Dr. Enno Littmann, the former long-standing Managing Director and CEO, who will be responsible for sales and technology. The relevant revenue had already been excluded from the preliminary earnings figures published on March 7, 2025. A date for the 2024 Annual General Meeting will be announced shortly.

For 2024, we would like to extend our sincere thanks to all employees of our Group for the results we have achieved together. We would also like to thank our Supervisory Board for its constructive support and you, our shareholders, for your trust.

Marco Brockhaus Dr. Marcel Wilhelm

+9.5%

Revenue

€65 million

Adjusted EBITDA

31.8%

Adjusted EBITDA margin

0.88€

Adjusted earnings per share



"Our business model works even in difficult times, as demonstrated by our profitable growth in 2024."

Marco Brockhaus Chief Executive Officer

Interview with the Executive Board

Brockhaus Technologies performed well in the 2024 fiscal year, recording growth in sales revenue while maintaining high profitability. In this interview, Marco Brockhaus and Dr. Marcel Wilhelm, both members of the technology group's Executive Board, discuss how the company achieved this, despite the geopolitically turbulent and economically challenging environment. They also provide an update on the corporate and growth strategy, and discuss the management's plans for 2025 and beyond. The interview also explores why shares of Brockhaus Technologies should actually have a much higher valuation.

Mr. Brockhaus, your motto for 2023 was: We deliver what we promise. Have you kept your word?

Marco Brockhaus: This has actually been the motto since the founding of our company and our initial listing on July 14, 2020. At the beginning of 2022, we announced that we had achieved our medium-term growth targets just 18 months after the IPO. Our growth grew dynamically in 2022 and 2023. When we sold our stake in Palas at the end of 2022, we were able to earn a net profit of €48.9 million. In fiscal year 2024, we achieved further growth, boosting Group revenue by 9.5% to €204 million. Adjusted EBITDA amounted to €65 million with a margin of 31.8% and we did this in very challenging economic times.



But you are not saying that you don't notice any effects from the economic slowdown in Germany?

Dr. Marcel Wilhelm: It would be presumptuous to claim that we are immune to such influences. Unfortunately, however, we fell short of our forecast. New business at Bikeleasing was more heavily impacted than in previous years by credit rating downgrades of certain corporate customers due to the economic situation and significant retail discounts. That means an unusually high number of inquiries for new contracts from existing customers had

to be rejected so that we could ensure the continued high quality of the receivables portfolio. In spite of this, Bikeleasing achieved good results in 2024. The secret of our success is based on our business model and strategy to acquire high-margin, high-growth technology and innovation champions with B2B business models from the SME sector. We aim for our subsidiaries to achieve an EBITDA margin of at least 30% and organic revenue growth of 20% per year with low capital intensity. And it should be possible for them to reach the next profitable growth stage with our support – Bikeleasing is concrete proof of this.

We know that Bikeleasing achieved strong results in 2024, both in terms of revenue and earnings, but what about the number of new bikes brokered?

Marco Brockhaus: In 2024, Bikeleasing benefited in particular through the switch of existing customers to a variable leasing factor in order to be able to offer corporate customers transparent and fair prices at all times, depending on the interest rate environment. As a result, revenue increased by 18.0% to €173 million and adjusted EBITDA by 15.5% to €67 million. This was achieved despite the fact that demand for company bikes was impacted in 2024 by weather conditions, general consumer restraint and, as explained by Dr. Wilhelm, the rejection of new business due to credit rating downgrades. However, interest in company bike leasing remains strong as an attractive financing option

72,000

companies are part of the digital Bikeleasing platform

due to statutory tax advantages. This is reflected in the continued strong growth in new bike leasing customers, which grew by 20.8% to around 72,000 companies, with a total of around

3.7 million employees. In addition, the acquisition of Probonio in spring 2024 has given us a broader base. We can now offer our corporate customers additional wage-optimized extended employee benefits along with company bike leasing, ranging from non-cash benefits, meal allowances and company fitness. Probonio offers one of the largest partner networks for this with over 100 providers, such as supermarkets, health and beauty stores or gas stations.

For a relatively young company, you have set a high bar.

Dr. Marcel Wilhelm: It may seem so at first glance, but we are still well positioned strategically. For example, the software company we acquired in April 2024, Probonio, is expected to help us evolve our Bikeleasing business model into a multi-benefits platform. Using a specially developed app, employers can now offer their employees more than ten different benefits, ranging from non-cash benefits, meal allowances, company fitness and integration of bike leasing providers. In today's challenging economic times, companies find that appealing as a compensation alternative. Probonio is now fully integrated into Bikeleasing, so we will be able to present these services to our approximately 72,000 corporate customers beginning in 2025. Together, Bikeleasing and Probonio perform better in the new customer business, which allows them to significantly stand out from the competition.

At IHSE, revenue increased as expected in the second half of 2024. What contributed to this?

Dr. Marcel Wilhelm: IHSE is and will remain well positioned for the long term thanks to its leading technological position in the KVM sector. We are benefiting from the global trend towards growing digitalization and connectivity, and the increasing need to protect against cyberattacks. Our solutions for highly secure, reduced-latency, and loss-free data transmission, often handling large volumes of data in mission-critical applications, are essential across numerous industries. This applies to global air traffic control, industrial automation and the broadcasting sector. Revenue in 2024 was down on the previous year at €32 million, despite a significant increase in revenue in the second half of the year. This was primarily attributable to typical fluctuations in the project business and an exceptionally strong comparative period, when the company secured the largest single order in its history in the Americas, with a volume

of over €8 million. In addition, deliveries postponed by customers at the end of 2024 led to a significant revenue and earnings shortfall in the fourth quarter. There was a high order backlog, as IHSE secured projects in particular by meeting new security standards in the defense sector for highly security-critical environments, which gives us an optimistic outlook for the future.

So both subsidiaries give you confidence for 2025 – what does this mean for the technology group as a whole?

Marco Brockhaus: Despite the challenging economic environment, particularly in Germany, we expect organic revenue growth to continue in fiscal year 2025 with strong profitability. However, in light of the earnings figures for 2024, we are no longer holding to the medium-term outlook issued in June 2023 for fiscal year 2025. We are aiming for organic sales revenue growth of 10 to 15% to between €225 million and €235 million and an adjusted EBITDA of €50 million to €55 million. Due to the recently initiated transformation of Germany's second-largest bicycle-leasing provider, Bikeleasing, from a single-product to a multi-benefit provider, the personnel and other operating expenses are expected to significantly increase in fiscal year 2025 The increased expenses are primarily attributable to strategic

growth initiatives, in particular the rollout of the Probonio digital multi-benefit platform and the development of the Bike2Future marketing platform for used bicycles, which

710-15%

Sales revenue to increase by 10 to 15% organically in 2025

was established in 2024. In terms of external growth, we are always looking, but under no pressure to invest. We continue to be highly selective when it comes to potential acquisitions, our goal being to build a leading technology group in Germany.



"In addition to acquisitions, we continue to prioritize a low level of debt."

Dr. Marcel WilhelmChief Operating Officer

It is true that the balance sheet is even stronger and free cash flow is almost at a record level. How do you plan to use your financial resources?

Dr. Marcel Wilhelm: As in previous years, in 2025 we will continue to invest such that we create value growth for our shareholders. There will be a diversified investment portfolio depending on the opportunities and size of potential acquisitions. Thanks to our current net debt of just €46 million, cash and cash equivalents of €48 million and available, undiluted financing capacity of around €115 million, we have sufficient resources to act flexibly.

In addition to acquisitions, we continue to prioritize a low level of debt. Our own shares remain an attractive investment for us with strong potential for value appreciation.

Your investors can be happy about a high free cash flow and a strong financial position, but when do you think they will be truly excited about your stock?

Marco Brockhaus: Despite the improvement in key operating figures, our share price remains disappointing. We are confident that our long-term strategy will pay off and and that investors will be excited about our technology group. Our business model is crisis-tested and stable. We continue to consequently implement our growth strategy and pursue the goal of creating sustainable value. The ongoing dialog with investors and analysts remains a central topic for us in order to ensure transparency and strengthen the trust in our Group. Even though the current share price does not adequately reflect our operating performance, we see a potential for long-term investors.

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Mr. Brockhaus, Dr. Wilhelm, thank you very much for the interview.

Members of the Supervisory Board



Dr. Othmar Belker <u>Chai</u>rman **Michael Schuster** Deputy Chairman

Martin Bestmann Member

Dr. Nathalie Krebs Member **Prof. Dr. Christoph Hütten**Member

Matthias Memminger Member

Report of the Supervisory Board

The Supervisory Board of Brockhaus Technologies AG, Frankfurt am Main, ("Company" or "BKHT", together with its subsidiaries "Brockhaus Technologies" or the "Group") oversaw the activities of the Company's Executive Board in accordance with the requirements of the German Stock Corporation Act and the Articles of Association of BKHT and provided advice and support to the Executive Board during the fiscal year from January 1, 2024, to December 31, 2024.

The Executive Board reported regularly to the Supervisory Board on the business development of the Group. Particular focus areas were the operating performance of the subsidiaries and measures for the strategic enhancement of business activities, in particular add-on acquisitions. The business performance of Bikeleasing, IHSE and the Group, as well as the economic and political risks to the course of business were at the center of the Supervisory Board meetings. Changes in revenue, earnings, balance sheet items and cash flows were presented and explained in detail, with a comparison with the budget and the previous year. The Supervisory Board was directly involved in all key decisions, in particular on issues of strategy and planning and in the review of strategic options. The evaluation, realization and integration of add-on acquisitions were also performed with the early involvement of the Supervisory Board.

The Company's Articles of Association specify that the Supervisory Board should hold at least two meetings per calendar half-year. In the 2024 financial year, this minimum number of meetings was again significantly exceeded and numerous other informal verbal and telephone meetings were held. The Chairman of the Supervisory Board was in regular personal and telephone contact with the members of the Executive Board and was pro-

actively and comprehensively informed about all important business transactions. If necessary, the Chairman of the Supervisory Board kept the other members of the Supervisory Board informed between meetings.

The Executive Board provided detailed information on the course of business at the regular Supervisory Board meetings. The regular meetings usually have an agenda that is identical in parts and structures the discussion on key economic issues and potential risks. Regular topics were the current economic situation of the operating segments and Group, the current impacts and future risks of the economic development, a regularly assessed risk report, the opportunities and risks of the search processes for new acquisition targets and developments in the field of investor relations. The share price development and options for its improvement were periodically discussed. Fundamental issues at the meetings were the annual and consolidated financial statements of BKHT for fiscal year 2024, the quarterly financial statements for fiscal year 2024, the half-yearly report as of June 30, 2024, preparation for and evaluation of the Annual General Meeting on June 20, 2024, cost trends at the Company and the subsidiaries, personnel development in the Group, the implementation of the Group's employee stock option program and discussion and approval of the internal rules of procedure and declarations of compliance.

Another fixed feature of the regular Supervisory Board meetings was an examination of the relevant risks and support for the development of a formal internal control system at the Company and the subsidiaries. The status of internal auditing was also reported. In the course of the discussions relating to risk, the Supervisory Board was in all cases able to obtain a clear picture, in par-

ticular about whether and which risks could adversely affect the Company's results of operations, net assets and financial position. In addition, the Supervisory Board and the Executive Board regularly discussed the Company's long-term strategic alignment. Among other things, the latest economic figures of the Company, the subsidiaries and the Group, including changes in cash flows and, where expedient, in balance sheet items, were presented and discussed.

The composition of the Supervisory Board did not change in fiscal year 2024.

In fiscal year 2024, the Supervisory Board held seven meetings, all of which were held in presence (with partial video participation). Unless specified otherwise below, the Supervisory Board meetings were attended by all Supervisory Board members in office. Dr. Krebs was excused from the meeting on June 20, 2024. Mr. Memminger was excused from the meeting on November 29, 2024.

In fiscal year 2025 to date, nine meetings of the Supervisory Board were held. All current members of the Supervisory Board attended the meetings.

Furthermore, in fiscal year 2024 the Supervisory Board passed two resolutions in writing on the topics of the declaration for 2024 by Brockhaus Technologies AG's Executive Board and Supervisory Board under section 161 of the AktG on the German Corporate Governance Code, the skills matrix of the Supervisory Board, the appropriation of the result for 2023 and the dividend policy. In fiscal year 2025, the Supervisory Board passed another resolution in writing to approve the consulting contract between Mr. Martin Bestmann and IHSE GmbH.

At its meeting on June 16, 2021, the Supervisory Board formed an Executive and Nomination Committee and an Audit Committee. The Audit Committee met nine times in fiscal year 2024 and five times in fiscal year 2025. The Executive and Nomination Committee met once in fiscal year 2024 and twice in fiscal year 2025.

Further education and training required for discharging their duties, for example on changes in the legal environment, sustainability reporting and on new technologies, are taken by the members of the Supervisory Board under their own responsibility, with the Company's support where requested. In various meetings, the Supervisory Board also reviewed the efficiency of its work and debated improvement suggestions by its members. In addition, an anonymized self-evaluation of the Supervisory Board's work by all members of the Supervisory Board was carried out in December 2024.

At the meetings held in fiscal year 2024 and the nine meetings held in fiscal year 2025 to date, the Supervisory Board dealt with the following topics:

Supervisory Board meeting on January 24, 2024

The Supervisory Board debated the status of the preparation of the financial reporting and consolidated financial reporting for the past fiscal year and the current performance of the Group's operating companies. The budget for fiscal year 2024 was discussed and, following a discussion of the assumptions made and of the planning risks, the Supervisory Board noted with approval the draft budget presented for 2024. The Supervisory Board debated the current risk report and the enhancement of risk identification. Various topics for the 2024 Annual General Meeting were discussed for the first time. The Supervisory Board deliberated various acquisition topics. Internally, the Supervisory Board members discussed the updates to their skills profiles and the available results of the self-evaluation from December 2023 on how effectively the Supervisory Board and its committees fulfilled their tasks.

Overview of attendance at meetings of the Supervisory Board and committees

_	Supervisory Board	Audit Committee	Executive and Nomination Committee	Total
Dr. Othmar Belker	7 (100%)	9 (100%)	1 (100%)	17 (100%)
Michael Schuster	7 (100%)	-	1 (100%)	8 (100%)
Martin Bestmann	7 (100%)	9 (100%)	-	16 (100%)
Dr. Christoph Hütten	7 (100%)	9 (100%)	-	16 (100%)
Dr. Nathalie Krebs	6 (85.7%)	-	1 (100%)	7 (87.5%)
Matthias Memminger	6 (85.7%)	-	-	6 (85.7%)

All members of the Supervisory Board are to be considered independent as defined by the German Corporate Governance Code.

Supervisory Board meeting on March 15, 2024

The Supervisory Board debated the Group's economic situation and the opportunities and risks for its future development. The risk report for fiscal year 2023 was discussed in detail and noted with approval. A further focus of the meeting was the current status of the preparation of the annual and consolidated financial statements and the combined management report of fiscal vear 2023 and its audit by the KPMG auditors. In this context the Supervisory Board deliberated the appropriation of the result for fiscal year 2023. The future dividend policy was also discussed. The Supervisory Board debated and resolved the 2023 remuneration report. Moreover, the Supervisory Board addressed corporate governance topics (status and development of the Corporate Sustainability Reporting Directive (CSRD) and further development of corporate practices) and finalized an updated corporate governance statement. The

ESG responsibilities were specified in the Executive Board's Executive Organization Chart and allocated to the Executive and Nomination Committee within the Supervisory Board. Among the possible acquisition candidates Probonio GmbH was identified and assessed as being particularly promising.

Resolutions in writing on March 19, 2024

The Supervisory Board resolved the proposal for the appropriation of the result for fiscal year 2023 and the future dividend policy subject to an unchanged final approval of the result for fiscal year 2023.

Supervisory Board meeting on March 27, 2024

The Supervisory Board debated and approved the Company's financial reporting and consolidated financial reporting and adopted the report of the Supervisory Board for fiscal year 2023.

The independent auditor reported on the conduct of the audit, the focus points of the audit and the audit results relating to the 2023 annual financial statements in accordance with German GAAP of Brockhaus Technologies BKHT, the IFRS consolidated financial statements and the combined management report for the fiscal year 2023 prepared in accordance with the requirements of German GAAP. The independent auditor issued unqualified audit opinions for the annual financial statements, the consolidated financial statements and the combined management report. Following its own detailed examination of the accounting documents and the independent auditor's reports, the Supervisory Board approved the annual financial statements, the consolidated financial statements and the combined management report and approved the appropriation of the annual result for 2023. The annual financial statements are thereby adopted. The Supervisory Board finalized the target for the remuneration of the Executive Board members for the year 2024.

Supervisory Board meeting on April 24, 2024

The Executive Board reported on the successful acquisition of shares in Probonio GmbH on April 11, 2024. The Supervisory Board debated and resolved the invitation to the 2024 Annual General Meeting. It includes a proposal for the appointment of KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, as auditor of the financial reporting and consolidated financial reporting for fiscal year 2024 along with the proposal of a first-time dividend payment. The Supervisory Board deliberated and approved the ESOP plan (2024 stock option plan of Brockhaus Technologies AG), which contained some minor changes. The Supervisory Board debated and finalized the target total remuneration of the Executive Board members for fiscal year 2024 in accordance with the remuneration structure that was approved by the Annual General Meeting on June 16, 2021. The Supervisory Board made minor adjustments to the contracts of members of the Executive Board in response to a proposal by the Executive and Nomination Committee. The Supervisory Board updated its rules of procedure. They formally stipulate that the length of service of the

individual members of the Supervisory Board must not exceed twelve years in order to ensure the independence of Supervisory Board members. At this meeting and subsequent meetings the Supervisory Board periodically discussed measures to increase the share's inherent value.

Supervisory Board meeting on June 20, 2024

Following the Annual General Meeting, the Executive Board and Supervisory Board analyzed the voting results from the 2024 Annual General Meeting. The Annual General Meeting approved all proposed resolutions by a large majority of the votes represented. The remuneration report for fiscal year 2023 was also approved at the Annual General Meeting with an approval rate of 76.34%. In fiscal year 2024, the Group's very good operating performance, once again, did not result in a significant increase in the share's stock market valuation. The Executive Board and Supervisory Board therefore reviewed strategic options for explaining and increasing the value of the shares for shareholders. The Executive Board will allot stock options to managers once the Contingent Capital 2024 resolved by the Annual General Meeting has been entered in the commercial register. The Supervisory Board noted the allotment of these stock options with approval. In addition, the Supervisory Board discussed the economic development of the Group and ongoing acquisition processes.

Supervisory Board meeting on September 11, 2024

The demand trend on the German market for company bicycles after the spring was unsatisfactory. This also affects Bikeleasing although the company was able to more than offset this market weakness by switching to a variable leasing factor and improving the marketing of existing bicycles after the end of their lease terms. The weaker summer business compared with the previous year was affected, in particular, by the notably rainy weather in 2024 and the current weakness of the economy and consequent greater reluctance of consumers to spend. The future growth prospects are characterized by the number of new corporate customer acquisitions and the associated rise in employees connected to the platform. Both key performance

indicators continued to rise compared to the previous year. The supply situation on the M&A market showed itself substantially improved after the summer break. The Supervisory Board debated a variety of M&A opportunities.

Supervisory Board meeting on November 29, 2024

Alongside the current performance of the business, the pro-rata target achievement of the full-year forecast for 2024 was debated. Despite the difficult macroeconomic situation at both domestic and international level, which prompted many German companies to lower their targets for 2024, Brockhaus Technologies is still expected to reach its full-year forecast. The first phase of the Probonio integration was successfully completed. At the regular thematic focus on Investor Relations, the challenges currently facing small caps on the stock market were discussed. Various corporate governance topics were debated in depth at the meeting. The Supervisory Board deliberated the work of the Supervisory Board and its committees (strategic tasks, training measures, independence, skills profile, skills matrix) and revised the diversity concept. It also prepared a self-evaluation of the Supervisory Board's work. In view of the likely non-implementation of the CSRD legislation on sustainability reporting, the Supervisory Board noted with approval the proposal presented by the Executive Board and Audit Committee to only complete tasks that can be used in 2025. The decision is dependent on the possible implementation of a legislative procedure by the end of 2024. The Supervisory Board prepared an updated declaration of conformity in relation to corporate governance, which was resolved in writing in December. The Supervisory Board and Executive Board coordinated the meeting dates and thematic focuses for fiscal year 2025.

Resolutions in writing on December 27, 2024

The Supervisory Board resolved approving the adoption of the declaration for 2024 by Brockhaus Technologies AG's Executive Board and Supervisory Board under section 161 of the AktG on the German Corporate Governance Code and the confirmation of the skills matrix with some minor additions.

Supervisory Board meeting on January 29, 2025

The Supervisory Board debated the current risk report and analyzed the Company's risk-bearing capacity as well as the latest performance of the Group's operating companies in the fourth quarter of 2024. The Executive Board informed the Supervisory Board about the status of the ongoing strategic measures at Bikeleasing (roll-out of dealer commission, financing measures, and expansion of the benefit portfolio) and about appointments to C level positions. To incentivize the C level of Bikeleasing, a management equity program is to be developed that will subsequently be discussed along with the employee participation program prepared. In addition, the Executive Board reported on strategic topics as well as IHSE's performance (order backlog and product launches). The Supervisory Board discussed in detail the budget proposed for fiscal year 2025, in particular with regard to economic risks in Germany and the level of positive growth assumptions. The Supervisory Board found the growth assumptions included in the draft budget presented very optimistic and subject to high risk, given the current economic situation and development. The Supervisory Board therefore decided to consider a revised budget at a second meeting. In addition, strategic considerations and current acquisition projects as well as the Audit Committee's report on the status of the preparation of the annual and consolidated financial statements and the combined management report for fiscal year 2024 and its audit by the auditors of KPMG were discussed at this meeting. In view of the non-implementation of the CSRD legislation on sustainability reporting, no legal obligation arose for sustainability reporting. The Company will not publish a sustainability report. The call for bids for the audit will be issued at a later point in fiscal year 2025, when there is greater legal certainty. It was also reported that the externally appointed internal auditor presented his 2024 internal audit findings at the meeting of the Audit Committee held on November 29, 2024 and agreed the audit plan for 2025 with the committee.

Resolutions in writing on February 10, 2025

The Supervisory Board resolved to approve the consulting contract between Mr. Martin Bestmann and IHSE GmbH as of February 8, 2025.

Supervisory Board meeting on March 3, 2025

The Chairman of the Audit Committee informed the Supervisory Board of a specific business transaction at the level of a foreign subsidiary of IHSE. It was resolved to engage a specialized law firm to ascertain the facts.

Supervisory Board meeting on March 13, 2025

The law firm engaged by the Supervisory Board to clarify the business transaction at the level of a foreign subsidiary of IHSE reported on the preliminary work results of the internal investigation. The Supervisory Board deliberated the appropriation of the result for fiscal year 2024. The future dividend policy was also discussed. The Chairman of the Audit Committee reported on the status of the audit of the annual and consolidated financial statements for fiscal year 2024. The Supervisory Board debated and resolved the 2024 remuneration report. The Executive Board reported on current macroeconomic risks as well as the Group's key operating figures. The Supervisory Board discussed the adjustments to the 2025 budget with the Executive Board and analyzed the work done in the area of investor relations.

Supervisory Board meeting on March 27, 2025

The Supervisory Board discussed with the auditor the significant outstanding audit evidence that had been communicated by the auditor and what level of documentation it had reached. Subsequently, the object of investigation was discussed and redefined with the law firm engaged to conduct the internal investigation. Furthermore, the Supervisory Board considered the next steps in the revision of the remuneration system for the Executive Board.

Supervisory Board meeting on April 7, 2025

The Supervisory Board resolved to engage a prominent audit firm to support and guide the Company and the Supervisory Board during the preparation of the annual and consolidated financial statements. The Executive Board was informed of this without undue delay.

Supervisory Board meeting on April 29, 2025

The Supervisory Board debated the latest status of the audit of the annual and consolidated financial statements as well as alternative timelines up to issuing the audit opinion and holding the Annual General Meeting. The Supervisory Board then discussed the legal, economic and capital market risks arising from the internal investigation as well as the Group's key operating figures for the first quarter of 2025. The meeting also focused on current acquisition projects, the status of the ongoing strategic measures and initiatives, as well as C level personnel changes at Bikeleasing. The law firm engaged by the Supervisory Board reported on the findings of the internal investigations, which would very probably give rise to a direct disclosure obligation; this was followed by a discussion by the Executive Board and the Supervisory Board of the information and assessments presented by the law firm. The Supervisory Board then approved the original and expanded consulting contract between Mr. Martin Bestmann and his company, Pole Position Software GmbH, with IHSE. Other subjects of debate included current investor relations matters as well as further adjustments to the remuneration system for the Executive Board.

Supervisory Board meeting on May 22, 2025

The status of the internal investigation was reported on and the findings were discussed. The subsequent process in the formal communication with the auditor regarding the conclusion of the internal investigation and the preparation of an updated schedule for the annual and consolidated financial statements were also reviewed. In addition, the Executive Board reported on the current performance of Bikeleasing.

Supervisory Board meeting on June 25, 2025

The Supervisory Board discussed the final internal investigation report, the resulting consequences for personnel at IHSE, some of which have already been implemented, as well as the reconfiguration of IHSE's management team. This was followed by a debate of the current status of the audit of the 2024 annual and consolidated annual financial statements as well as the revised schedule up to issuing an audit opinion. The Supervisory Board analyzed the current performance of the Group's operating companies as of the end of May 2025. The main priorities here were price trends and the roll-out of dealer commission at Bikeleasing as well as a number of different operating KPIs at IHSE. The meeting also focused on financing measures in the Group, current investor relations matters, as well as preparations for the 2025 Annual General Meeting.

Supervisory Board meeting on August 5, 2025

The Supervisory Board discussed and approved the company's accounting and consolidated accounting and adopted the Supervisory Board's report.

The auditor reported on the course of the audit, the focal points of the audit and the audit results relating to the annual financial statements 2024 of the AG in accordance with German GAAP, the consolidated financial statements in accordance with IFRS and the combined management report in accordance with German GAAP for the 2024 financial year. The auditor issued unqualified audit opinions on the annual financial statements, the consolidated financial statements and the combined management report. Following its own detailed examination of the accounting documents and the auditor's reports, the Supervisory Board approved the annual financial statements, the consolidated financial statements and the combined management report. The annual financial statements are thus adopted.

The work of the Audit Committee

The Audit Committee held a total of nine meetings in fiscal year 2024, of which six were held in presence and three virtually. So far in fiscal year 2025 the Audit Committee met five times.

In addition to the committee members, an Executive Board member, the manager responsible for the consolidated financial reporting and representatives of the auditor took part in most of the committee meetings in the 2024 fiscal year.

The following topics were dealt with at the Audit Committee's meetings:

- → reporting on the current status of ongoing closing procedures in the Group for the quarterly and annual financial statements
- → discussion of the accounting processes in subsidiaries and at the parent entity, including the requisite IT support and process automation, as well as of the associated internal controls and any potential for improvement
- → discussion of the details of individual important accounting policies in the consolidated financial statements
- → discussion of the presentation of the corporate acquisitions in 2023 and 2024 in the consolidated financial reporting
- → discussion of the accounting documents for fiscal year 2023 submitted by the Executive Board and the audit opinions and audit reports presented by the independent auditor, including issuing a recommendation on the approval of the accounting documents by the Supervisory Board
- → discussion of the draft remuneration report for fiscal year 2023 submitted by the Executive Board and the audit opinion presented by the independent auditor in this regard, including issuing a recommendation on the finalization and approval of the remuneration report by the Supervisory Board

- → discussion of the 2024 Half-Year Financial Report and the quarterly statements for Q1 2024 and 9M 2024 before their publication and of the corresponding preparation processes
- → preparation of the routine change of KPMG's lead partner and further changes to the KPMG audit team
- → discussion of the quality of the audit and the independence of the auditor and, on this basis, a recommendation to the Supervisory Board for the proposal for the election of the independent auditor for fiscal year 2024 in the Annual General Meeting
- → negotiation of the audit fees with the auditor
- → engagement of the auditor for a voluntary content audit of BKHT's remuneration report
- → discussion of the audit planning and audit focal points of the audit of the 2024 financial statements
- → discussion of the obligation to prepare and audit a sustainability report according to the Corporate Sustainability Reporting Directive (CSRD), of the processes to prepare and audit the relevant reports and, in the final quarter of 2024, of the impact of the likely non-adoption of the German CSRD Implementation Act by the end of the year
- → reporting on the current status of ongoing auditing activities in the Group
- discussion and approval of non-audit services by the auditor and monitoring compliance with the upper limit for such non-audit services
- → discussion of the audit planning and key audit matters of internal audit, reporting on the completed audits by internal audit and discussion of internal audit's recommendations derived from these audits
- → discussion of the status quo and any potential for improving the compliance management system in the Group
- → discussion of the status quo and any potential for improving the risk management system in the Group

In addition, the chair of the Audit Committee advised on various aspects of the points listed above and important individual topics in the Audit Committee's area of activity in numerous discussions both with members of the Executive Board and the manager responsible for the consolidated financial reporting as well as with representatives of the auditor. The chair of the Audit Committee in each case informed the other committee members about these discussions at the next meeting. The chair of the Audit Committee also regularly reported on the activities of the Audit Committee at the Supervisory Board meetings

Following the initiation of the compliance investigation to clarify the business transaction at the level of a foreign subsidiary of IHSE and the extension of the audit procedures by the auditor, the Audit Committee discussed in several meetings and the Audit Committee Chairman discussed with the auditor, the law firm conducting the investigation, and the Management Board

- → the status and preliminary results of the investigation and the expanded audit procedures.
- → the impact of the investigation results and topics of the expanded audit procedures on the accounting and consolidated accounting,
- → the timetable for completing the preparation and audit of the accounting and consolidated accounting documents.
- → the weaknesses in the effectiveness of controls identified in definable areas of the accounting-related internal control system,
- → the quality of the audit.

The work of the Executive and Nomination Committee

The Executive and Nomination Committee, which was also set up in June 2021, held one meeting in fiscal year 2024, on February 20, 2024. It met twice in fiscal year 2025, on April 22 and June 23.

At this meeting, the committee prepared the targets for assessing 2024 and 2025 Executive Board remuneration for the full Supervisory Board and adjustments to the employment contracts of members of the Executive Board.

Audit of the financial reporting and consolidated financial reporting in 2024

On June 20, 2024, in response to the proposal of the Supervisory Board, the Company's Annual General Meeting elected KPMG AG Wirtschaftsprüfungsgesellschaft ("KPMG") as the auditor of the financial reporting and consolidated financial reporting. KPMG has been the auditor of BKHT's financial statements since the Company was founded in 2017 and has also been the auditor of the consolidated financial statements since the first acquisition of the Company at the end of 2018. Before the Supervisory Board proposed KPMG to the Annual General Meeting as the auditor, KPMG had confirmed to the Chairman of the Supervisory Board that no circumstances existed that could impair its independence as the auditor or give rise to doubts about its independence. The engagement letter for the audit of the annual and consolidated financial statements and of the combined management report was issued by the Supervisory Board following the Annual General Meeting.

KPMG audited BKHT's financial reporting and consolidated financial reporting for the year ended December 31, 2024, and issued an unqualified audit opinion on these on August 5, 2025. The audited financial reporting and consolidated financial reporting consisted of BKHT's annual financial statements prepared in accordance with the requirements of the German Commercial Code (HGB), its consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, and its combined management report in accordance with HGB for fiscal year 2024. In addition, in accordance with section 317 (3a) HGB, KPMG audited and confirmed that the reproduction of the annual financial statements, the consolidated financial statements and the combined management

report, which were contained in the files provided on an electronic data storage medium and retrievable in the client portal with access protection and were prepared for the purpose of publication, complies in all material respects with the requirements of section 328 (1) HGB for the electronic reporting format ("ESEF format")

The Supervisory Board also arranged for KPMG to inform it and note in the audit report if, during the performance of the audit, any facts are identified that indicate an inaccuracy in the Declaration of Compliance regarding the recommendations of the German Corporate Governance Code issued by the Executive Board and Supervisory Board.

The Audit Committee, and in particular the Chairman of the Audit Committee, was always closely involved in the preparation of the audit measures and the audit process and was in close contact with BKHT's financial statement preparation team and the auditors.

Ahead of the first financial statements meeting on August 5, 2025, the Supervisory Board received the draft versions of the financial reporting, the consolidated financial reporting, and the corresponding auditor's reports. In the Audit Committee meeting and in the Supervisory Board meeting on August 5, 2025, the Audit Committee and the Supervisory Board discussed the financial reporting and consolidated financial reporting on the basis of the final accounting documents and audit reports. At these meetings, the Executive Board and the manager responsible for the consolidated financial reporting reported on the preparation of the documents and the auditor reported on the audit overall. on the individual key audit matters, and on the key findings of the audit. At their respective meetings, the Audit Committee and the Supervisory Board then discussed the financial reporting, the consolidated financial reporting, the findings of the audit and the audit reports with the Executive Board and the auditor. All the Audit Committee's and the Supervisory Board's questions were answered. Furthermore, the auditor explained that there were no facts that gave rise to concerns about bias on its part and informed

the Supervisory Board about services provided in addition to the audit services. At the Supervisory Board meeting, the Audit Committee also reported on its own review of the financial reporting and consolidated financial reporting, its discussion with the Executive Board and the auditor, and its oversight of the financial reporting process.

Both the Audit Committee and the Supervisory Board were able to satisfy themselves that the audit by KPMG was properly conducted. In particular, the Audit Committee and the Supervisory Board concluded that the audit reports and the audit itself complied with statutory requirements. They therefore approved the findings of the audit, and the Supervisory Board determined that, on the basis of the final result of the review by the Audit Committee and its own review, no objections were to be raised. The Supervisory Board therefore approved the financial reporting and consolidated financial reporting. The annual financial statements were thus adopted in accordance with section 172 sentence 1 of the German Stock Corporation Act (AktG).

Compliance investigation at IHSE

On March 3, 2025, the auditor, KPMG, informed the Chairman of the Audit Committee of doubts over the financial substance of a single specific transaction at the level of a foreign subsidiary of IHSE. At a Supervisory Board meeting held on the same day, the Supervisory Board resolved to engage a specialized law firm to conduct an investigation to ascertain the facts. This investigation found misconduct by individuals with management responsibility at IHSE. The investigation ruled out involvement or connivance in the misconduct by employees and Executive Board members of Brockhaus Technologies AG. There was no reprehensible conduct at all in other operating segments of the Group.

In view of these incidents and investigation results at IHSE, the auditor initiated expanded audit procedures Groupwide in all operating segments of the group and the AG. These led to unavoidable delays in the schedule for the completion and publication of the financial reports for fiscal year 2024.

Both the Chairman of the Supervisory Board and the Chairman of the Audit Committee were in constant contact with the law firm conducting the investigation and the auditor. They provided regular information to the Supervisory Board on the status of the investigation, the auditor's audit procedures, and progress with the completion of the financial reports. The Executive Board informed the Supervisory Board in detail at an early stage about personnel measures taken as a result of the investigation's findings. None of the employees with management responsibility involved in the incidents at IHSE continues to be employed by the Company.

Appropriation of the result

As of December 31, 2024, the Company reported net retained profits of €0 thousand (previous year: net retained profits of €20,733 thousand). They include the previous year's net retained profits less the net loss of €71,412 thousand for 2024 and less the dividend distribution of €2,298 thousand (previous year: €0 thousand), plus the withdrawal from capital reserve of €52,978 thousand.

The Supervisory Board thanks the members of the Executive Board and all employees of Brockhaus Technologies AG and its subsidiaries for their enormous personal commitment and our shareholders for the confidence they placed in the company. Even in a challenging economic environment, Brockhaus Technologies AG and the Group again reported excellent operating results.

On behalf of the Supervisory Board

Dr. Othmar Belker, ChairmanFrankfurt am Main, August 5, 2025





Over the past few years, the experienced management team has consistently demonstrated its ability to achieve operational value growth even under challenging conditions.

Executive Board



Marco Brockhaus
Chief Executive Officer

Marco Brockhaus has been a successful entrepreneur and investor for over two decades. He is the Chairman of the Executive Board of Brockhaus Technologies AG, which he founded in 2017 together with other team members.

With more than 25 years of experience in private equity, he has managed and advised three generations of funds with a capital of around €300 million with Brockhaus Private Equity GmbH. He has held a number of supervisory and advisory board positions in various industries. He was also a board member of the German Private Equity and Venture Capital Association (BVK) from 2011 to 2015, where he was responsible for the SME segment. Before this, he served as manager at 3i from 1997 to 2000. He began his professional career in 1995 in Corporate Finance at Rothschild.

Marco Brockhaus graduated with a degree in business administration from Julius-Maximilians-University Würzburg in 1994.



Dr. Marcel WilhelmChief Operating Officer
Legal Counsel

Dr. Marcel Wilhelm is responsible for all legal and administrative matters at Brockhaus Technologies AG. He has worked at Brockhaus Private Equity GmbH since 2006 and has been Managing Director since 2012.

As a lawyer specializing in corporate and tax law, he previously headed the team for international clients at Rödl & Partner Germany.

A graduate of the University of Passau, he has been a member of the Munich Bar Association since 2001. In 2006, he received his doctorate in media law and policy.

Executive Committee



Harald Henning
Finance

Harald Henning is responsible for reporting at Brockhaus Technologies AG and its subsidiaries. He joined Brockhaus Private Equity GmbH in 2014, was a co-founder of Brockhaus Technologies AG in 2017 and has been a member of the Executive Committee since 2021.

He has previous professional experience as a M&A consultant at Lincoln International and IKB Deutsche Industriebank, and as an audit associate at Ernst & Young.

In 2009, he graduated with a Bachelor of Science in Business Administration from the University of Mannheim and Leeds University Business School.



Paul Göhring
Acquisitions

Paul Göhring has managed the Acquisitions division of Brockhaus Technologies AG as a member of the Executive Committee since 2021. He has been with Brockhaus Technologies AG since 2018.

Previously, he worked in corporate finance/equity capital markets at Berenberg Bank. He assisted companies with equity capital activities in the capital market, especially IPOs, capital increases and reallocations.

Paul Göhring completed his studies in business administration at the Frankfurt School of Finance & Management in 2015.

Our business model and strategy have proven their value, even during challenging economic times. This is demonstrated by our performance in the fiscal year 2024.

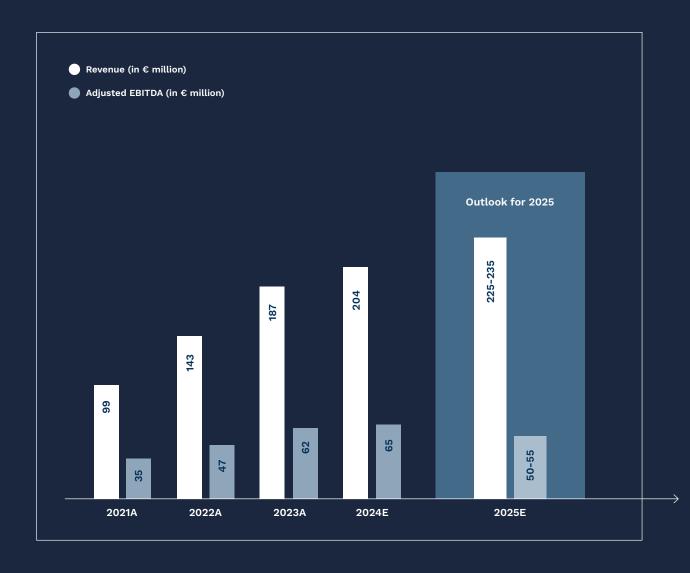
€204 million €65 million 31.8%

Adjusted EBITDA

Adjusted EBITDA margin

Revenue

Growth thanks to resilient business model



Profitable growth even during challenging times

Our business model and strategy have proven their value, even during challenging economic times. This was clearly demonstrated by our organic growth in fiscal year 2024.

Our guarantees for success:

- 7 Focus on high-margin and high-growth technology and innovation leaders in the SME sector
- B2B business models with low capital requirements
- 7 High scalability
- Acquisition candidates meet "Rule of 50", an EBITDA margin of at least 30% and average revenue growth of 20% per year
- Potential to reach the next profitable growth stage with our active support

Our listing on the stock exchange gives investors access to the growth of these champions.

Brockhaus Technologies – Elevating Champions.

Our Champions



01 Bikeleasing and Probonio

p. 28 →

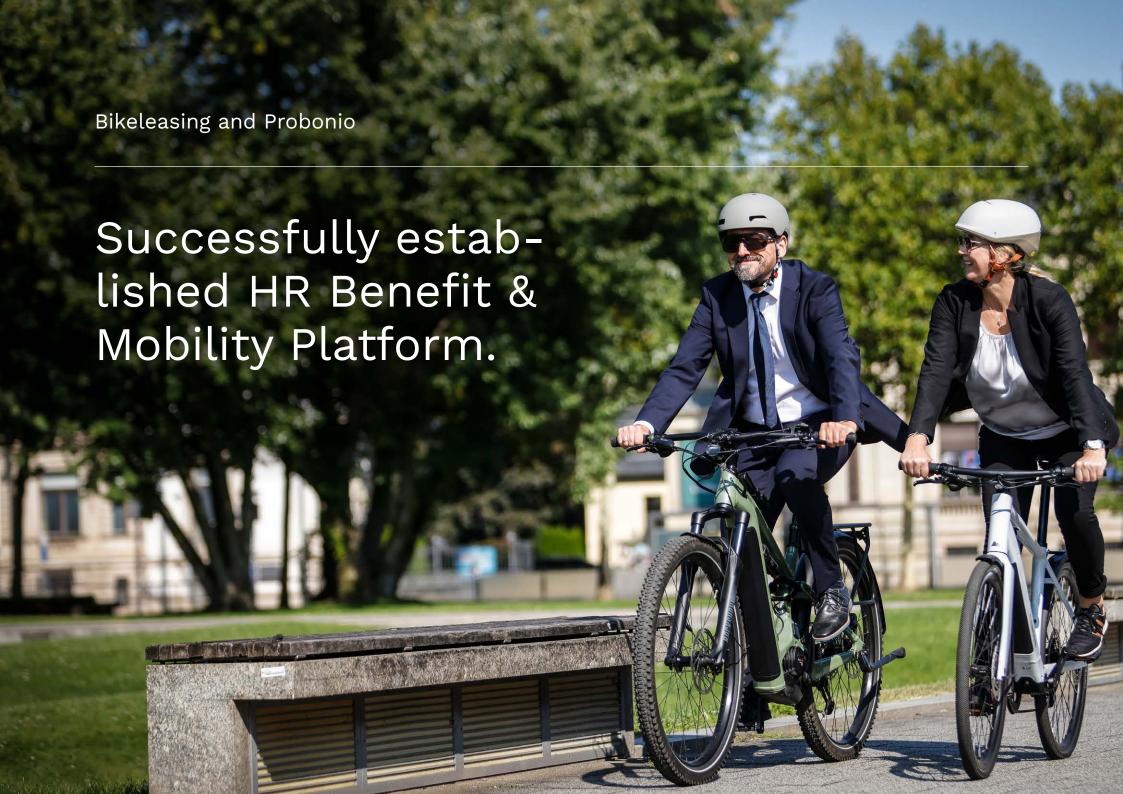


02 IHSE and kvm-tec

p. 35 →

Our subsidiaries Bikeleasing and IHSE are both technology champions in the SME sector, with high growth potential and strong margins.

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Bikeleasing and Probonio, our HR Benefit & Mobility Platform

Bikeleasing, the digital B2B finance platform, enables highly automated brokerage, financing, and management of employee benefits through employers. Through the acquisition of Probonio in spring 2024, the approximately 72,000 corporate customers connected to the platform and their roughly 3.7 million employees now have access to many other employee benefits, in addition to the established company bike leasing. These compensation alternatives represent a valuable support for companies in today's challenging economic times. Bikeleasing should also benefit from lease returns, which are now resold not only through the established B2B business, but also via the newly founded used bicycle platform Bike2Future in the B2C sector. Both strategic moves should open up additional growth potential and support Bikeleasing's transition as primary revenue and earnings driver, which started in 2024, from a single product bike leasing provider to an internationally expanding multi product platform (Bikeleasing, Probonio and Bike2Future).

Revenue

€172.6 million

2023 | €146.2 million 2022 | €106.6 million EBITDA (adjusted)

€67.3 million

2023 | €63.1 million (pro-forma) 2022 | €43.9 million

Employees

451

Partner dealers

approx. 8,000

Headquarters

Vellmar, Germany Branches

Uslar, Berlin, Munich, Freiburg, Innsbruck, Landshut (Probonio), Weiterstadt (Bike2Future)



Building a one-stop platform for employee benefits

Bikeleasing offers B2B customers a leading digital and highly automated financial platform for employee benefits. The specially developed platform connects companies, employees, dealers, insurers and financing providers. It is a primarily transaction-based business model with revenue per company bike brokered. In today's challenging economic times, companies find that appealing as a compensation alternative. In this case, part of the gross salary is converted into a salary in kind ("salary conversion"). Employees can also choose from a wide range of insurance policies for damage or wear and tear. Even the risk of early termination of the lease because an employee leaves the company is covered by insurance for the employer, as the lessee.

Questions for Simon Thiel, Founder & CEO of Probonio p. 32 → Probonio acquisition a game changer for the next growth phase With the spring 2024 acquisition and integration of software

company Probonio, completed at the end of last year, Bikeleasing can now offer its more than 72,000 corporate customers a wide range of employee benefits in addition to company bike leasing.



These include non-cash benefits, meal and mobility allowances, internet flat rates and company fitness programs. The concept is also reflected in the company's brand identity: Probonio – The software for employee benefits. Both new and existing Bikeleasing customers can take advantage of the range of benefits. We also aim to achieve stronger penetration of the existing customer base through the substantially higher usage rate of Probonio compared to Bikeleasing. Another strategic reason for the acquisition is simplified internationalization that is not limited to bike leasing.

2024 growth still driven exclusively by company bike leasing

As of December 31, 2024, more than 72,000 corporate customers (+20.8% in 2024) with a total of over 3.7 million (+12.2% in 2024) employees were connected to the digital Bikeleasing platform. Bikeleasing is the second-largest company bike leasing provider in the German market and the leading provider in Austria. In 2024, around 139,000 company bikes were leased via Bikeleasing (2023: 151,000). In addition to weather-related factors and general consumer restraint in the market, the reduced number of bikes brokered at Bikeleasing compared to 2023 was primarily influenced by two other factors.

On the one hand, the switch of existing customers to the variable leasing factor is making progress, with around 90% of connected employees now migrated to the new system. This system enables Bikeleasing to communicate prices that are fair and transparent to corporate customers. However, the new contract system still has not been approved by customers with around 10% of the employees. In addition, credit rating downgrades of individual corporate customers in many sectors due to the economic situation meant that Bikeleasing rejected an unusually high number of inquiries for new contracts in order to ensure the continued high quality of the receivables portfolio. This had a negative impact on new orders, but is intended to ensure that customer defaults at Bikeleasing remain at the historically very low level of under 1%.

However, interest in company bike leasing remains strong as an attractive financing option due to statutory tax advantages. This is reflected, among other things, in the continued strong growth in new customers at Bikeleasing, which grew by 20.8% in 2024. Bikeleasing's model is now a fixed feature in collective agreements, such as in the public service, and the initial findings prove the high need for statutory tax-optimized additional compensation components

In the future, Bikeleasing will benefit from diversification of the business model

Company bike leasing will remain the core business of Bikeleasing for the next few years. However, the share of revenue and earnings generated through Probonio is expected to gradually increase. The initiatives driven in 2024 have paved the way for the transition from a "single product" to "multi product" offering across various regions.

Company bike leasing also remains a growth area overall: experts in Germany continue to see strong willingness to lease company bikes. However, so far only 41% of employees have access to these incentive models, and only 11% of them actively take advantage of the leased company bike offering.*

Growth drivers for Bikeleasing and Probonio

- Expanding market penetration through continued acquisition of new corporate customers
- Raising usage rate among existing connected companies
- Promoting additional employee benefits made possible by Probonio among all corporate customers

- Increasing added value throughB2C sale of used bikes (Bike2Future)
- → Ongoing internationalization

"With significant growth, we have once again demonstrated that our business model is highly resilient and capable of thriving even in economically challenging times. We also successfully expanded our value creation through the acquisition of Probonio, thus offering our customers added value. It marks a strategically important step for our evolution into a fully integrative multi-benefit platform. That is a real game changer, since we can now offer our roughly 72,000 corporate customers a wide range of employee benefits. In addition, Bikeleasing now benefits from the resale of bikes with expired lease contracts through the used bicycle platform Bike2Future. Both create additional growth potential, as we are reaching a new customer segment that is not yet using the company bike model. Bikeleasing and Probonio have jointly improved their presence in new customer business, setting themselves apart from the competition."



Bastian KrauseFounder & CEO of Bikeleasing

^{*} Source: Deloitte study, "Der deutsche Dienstradleasing-Markt", June 2025

Questions for: Simon Thiel, Founder & CEO of Probonio GmbH

What's the strategic logic behind the acquisition of Probonio?

Simon Thiel: First, Bikeleasing can now present its around 72,000 corporate customers ten further employee benefits in addition to company bike leasing. This also goes for new customers, who are offered a large range from the outset. In the current challenging economic times, this is an extremely attractive option companies can offer in lieu of pay. The aim is for Bikeleasing to harness Probonio's ability to achieve a significantly higher utilization rate and thus significantly increase penetration within the customer base. Second, we can both see that the expanded offering helps simplify internationalization.

How's the integration going? And where do we stand in terms of addressing customers?

Simon Thiel: The integration is going well and according to plan. The pilot customer survey was successful. We've significantly increased our staff, particularly in sales, and by the end of 2024 we'd conducted the first customer consultations with the entire range of benefits. The main focus so far has been on medium-sized companies in Germany. We're also ramping up marketing in the first quarter of 2025. We're the digital disruptor in the sector and that has to be communicated accordingly.

What exactly does that mean?

Simon Thiel: The trend toward digital offerings and solutions in our sector is unstoppable. Up to now, our larger competitors in particular still work with traditional concepts, some of which have only been digitalized to a limited extent. We intend to take advantage of that, because we're the market leader in terms of digitalization with our internally developed app, which is compatible 1:1 with the existing Bikeleasing model. Ease of use and customer service have top priority. We notice this every time we talk to a customer.

What are your goals for 2025 and beyond?

Simon Thiel: In 2025, we aim to offer our extensive portfolio of employee benefits to as many existing Bikeleasing customers as possible. We'll keep that up in the following years and, given the scalability of our business

Founder & CEO of Probonio

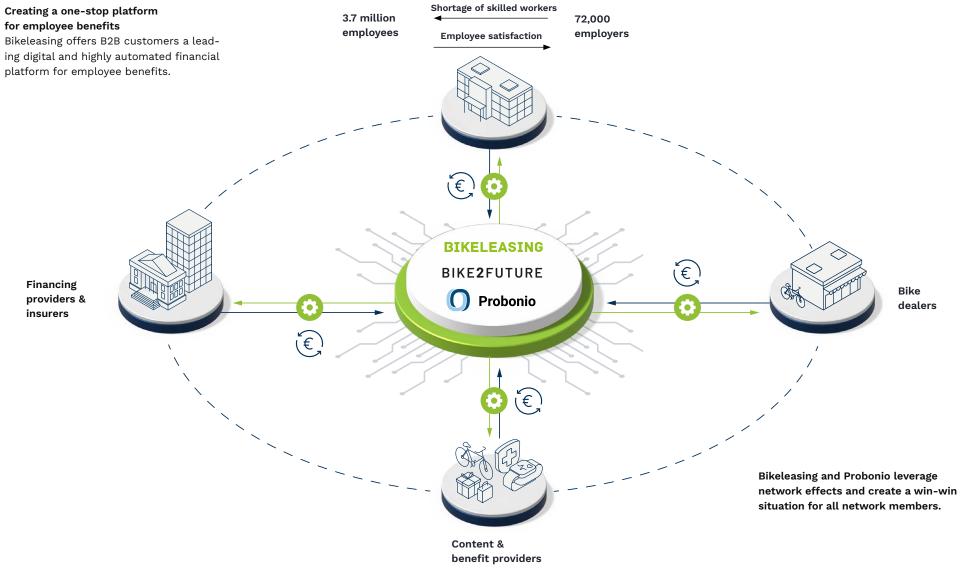
Simon Thiel

model, that's bound to have a disproportionately high impact on earnings. We feel sure of that.





HR Benefit & Mobility Platform – Visualization of the business model



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Bikeleasing and Probonio – Highlights and value drivers in fiscal year 2024







Switch to variable leasing contracts

Switching existing customers to a variable leasing factor continues apace. The spike in interest rates in 2023 significantly increased Bikeleasing's refinancing costs. However, the leasing terms for customers remained unchanged for the time being, which meant for a long time Bikeleasing itself absorbed the higher costs and its customers gained from that. In order to hedge against future interest rate risks and implement a system that is fair and transparent for both parties, more than 90% of the connected employees were migrated to the new system by the end of 2024. In 2025, the contracts that have not yet been switched over will also be further modified.

Acquisition of Probonio

By acquiring Probonio GmbH in April 2024, Bikeleasing took the strategically important step of transitioning toward a fully comprehensive multi-benefit platform, thus reaching the next digital evolution level. As a result, Bikeleasing's around 72,000 connected corporate customers can now be offered not only company bike leasing, but also additional employee benefits such as non-cash benefits, meal and mobility allowances, and company fitness programs, all managed in a digital app. A key advantage is that both the employee and the employer gain because the benefits are wage-optimized almost without exception.

Founding of Bike2Future

Bike2Future is launched and opens the first brick-and-mortar specialist store for used bicycles. The used bicycle platform Bike2Future was founded in 2024 and expands Bikeleasing's business model to include B2C resale business with previously leased bicycles and e-bikes. At the Weiterstadt location, and in the future also throughout Europe online, customers can now choose from more than 500 used premium bicycles over a sales area of more than 2,000 square meters. The market for used bicycles is growing since the purchase of well-kept used bicycles has proven an attractive alternative to cash purchases of new bicycles especially in challenging economic times.



Long-term growth potential on the back of rising global demand for highly secure data transfer.

IHSE and kvm-tec, our Security Technologies segment

IHSE and its subsidiary kvm-tec are world-leading technology providers in the field of flexible and highly secure KVM (keyboard, video and mouse) solutions for reduced-latency and loss-free data transmission in mission-critical applications, such as air traffic control, broadcasting, industrial automation and transportation.

Revenue

€31.8 million

2023 | €40.5 million 2022 | €36.1 million

Employees

158

EBITDA (adjusted)

€2.9 million

2023 | €11.1 million 2022 | €8.6 million

Headquarters

Oberteuringen, Germany

Branches

Austria, Singapore, USA, France, Israel, India, South Korea, China





Guarantor of secure data transmission in mission-critical applications

IHSE and kvm-tec develop, produce and distribute KVM (keyboard, video and mouse) technology for high-security, reduced-latency and loss-free data transmission of often high data volumes in mission-critical applications. KVM technology can be used to create direct, highly secure access from a workstation (which may be remote) to several servers (switching) and/or conversely from several workstations to a single server (sharing).

KVM technology from IHSE is used wherever latency, system failures or cyberattacks could have serious consequences and people's lives even depend on the transmission of data. IHSE's products bridge distances of up to 160 kilometers between control units and computer units, usually servers or other high-performance computers.

kvm-tec's services include flexible, highly secure KVM-over-IP solutions where – in contrast to IHSE – the standardized Internet Protocol (IP) is used for signal transmission in existing networks. These KVMoIP (keyboard, video, mouse over Internet Protocol) products are increasingly being used in industry, television and radio as a rapidly implemented, flexible, low-cost solution. With the acquisition of kvm-tec over three years ago, IHSE has added complementary products to its portfolio so that customers can now flexibly choose between proprietary, IP-based as well as hybrid KVM solutions. In addition, the acquisition delivers further synergies in the areas of development, sales, purchasing and production.



Customer base keeps on expanding

Products from IHSE and kym-tec are used for example, in

- ¬ air traffic control
- 7 utilities, transportation and banking
- maritime shipping

- ¬ gaming/the e-sports sector
- → broadcasting/postproduction
- increasingly in security and defense



Protection against cyberattacks with KVM systems

KVM solutions offer extensive security mechanisms to protect against internal and external cyberattacks, which go beyond the simple outsourcing of computers.

- Physical security: Computers are stored in protected server rooms to avoid manipulation
- 7 **Tap-proof transmission:** Proprietary and encrypted protocols protect data communication
- Access control: Only authorized users have access with rights that are configured individually
- Data security: Impossible to access data at the workstation

- Network separation: The central KVM switch is physically separated from the IP network
- 7 Flexible extension: Adjustments during operation without interrupting security
- 7 Certified secure: Solutions like those from IHSE are certified in accordance with Common Criteria EAL4+ – suitable for highly sensitive applications

Global megatrends

IHSE concluded a challenging fiscal year 2024, but should benefit from structural trends such as global digitalization and increasing connectivity – particularly in areas such as autonomous driving, industrial automation and mission-critical infrastructures. That, coupled with the dramatic increase in the number of cyberattacks (see the info box below).

means there is a growing need for individuals, companies and, to a growing extent, public authorities/municipalities to protect the data they transfer. That means control room operators, for example, face the challenge of anticipating future developments as best they can in order to prevent security gaps in



million – the estimated number of cyberattacks committed every day

hardware and software. The systems from IHSE and kvm-tec are optimized for these needs and offer high investment security for operators due to their modular design. Customized systems can be assembled from a variety of modules, while existing systems can be upgraded or converted with little effort. As the threat situation is increasing massively worldwide, IHSE has significant opportunities for expansion, both now and in the future, by tapping additional end markets and developing completely new applications.

The number of cyberattacks is increasing dramatically:

According to recent projections, more than 20 million people in Germany have fallen victim to cyberattacks. According to the prestigious Microsoft Digital Defense Report, there are around 600 million cyberattacks worldwide every day. Besides phishing, ransomware is the biggest threat. In addition to large companies, small and medium-sized organizations, as well as government institutions and municipalities, have recently been targeted more and more. The total damage for German companies alone is put at over €200 billion – with a large number of incidents going unreported.

Security Technologies -Visualization of the business model

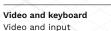


The perfect addition

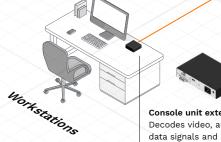
Proprietary KVM technology enables high-performance and high-security separation of workstations and their respective computers.

KVM switch

Enables access from every workstation to every computer, where each signal has its own dedicated path with broadband, performance and security always guaranteed



Video and input signals are connected with the console unit



Console unit extender

Decodes video, audio and data signals and makes these visible to the user



Solice compliner



Computer unit extender

Encodes video, audio and data signals from the source and sends them to the workstation via network cables



Computer unit IP extender

Encodes video, audio and data signals from the source and sends them to the workstation via IP network protocol

IP network switch

Enables access from every workstation to every computer via an IP network



Video and keyboard

Video and input signals are connected with the console unit

Morkstations



Draco IP bridge

Seamlessly links the proprietary IHSE architecture with the IP-based kymtec architecture



Console unit IP extender

Decodes video, audio and data signals and makes these visible to the user



IP-based KVM technology

IP-based KVM technology enables real-time-based interconnection and transmission of KVM signals between the workstation and remote computers in a more flexible and cost-efficient manner than proprietary solutions.

IHSE and kvm-tec – Highlights and value drivers in fiscal year 2024



IHSE KVM system for high-altitude Chinese airport

In the first quarter of 2024, an IHSE system was installed in China at one of the highest airports in the world. A fully redundant KVM matrix system simplifies air traffic control at an altitude of 3,500 meters. The unusual location posed special challenges for the system planners: Low air pressure, difficult terrain and special aspects such as high winds, low cloud and extreme diurnal temperature differences require a particularly robust and resilient system. IHSE KVM is already in use in airports such as Frankfurt, Paris and in Saudi Arabia and is in great demand by state aviation authorities, such as in North America.



IHSE celebrates its 40th anniversary and looks back on an eventful success story

IHSE's story began in a garage back in 1984, when three university graduates founded the company. The young firm grew rapidly and became an international technology leader for high-performance workstations in control rooms. With its branches in the USA, Austria, Singapore and China and other global offices, IHSE is ideally positioned to grow. Partnerships with Intel and the Fraunhofer Institute ensure its innovative strength. Demand for KVM solutions to protect IT systems against cyberattacks is growing, particularly in the field of national and international security.



Milestone in the transmission of high-resolution and low-latency signals

IHSE is setting new standards in KVM technology and presents the world's first extender with the innovative JPEG-XS technology. Developed in collaboration with the inventors of mp3 from the Fraunhofer Institute for Integrated Circuits, the JPEG XS codec enables high compression with visually lossless picture quality. Efficient bandwidth utilization reduces energy and cooling requirements, lowers CO₂ emissions and cuts costs. In addition to video and audio streams, the extenders also transmit keyboard and mouse commands and are compatible with the conventional Draco Vario extenders.

40



Our share



Share price well off analysts' upside targets

The global stock markets presented a mixed picture in 2024. While a handful of companies drove the German benchmark index DAX strongly upward, there was less demand for German small-cap and mid-cap stocks among investors. The picture here was clouded in particular by uncertainties due to weak economic data and concerns about a recession in Germany, as well as continuing geopolitical tensions. The MDAX thus fell by around 6% over the year, while the SDAX lost some 2%. By contrast, the DAX ended the stock market year with a gain of around 19% and only just missed out on surpassing the 20,000-point mark, which it had broken for the first time in December 2024.

In 2024, the performance of the Brockhaus Technologies share was highly volatile. After opening the year at €25.30, its price initially fell, before moving sideways by and large until May. The good financial figures that were published for the first quarter, showing significant growth in both revenue and earnings, gave the share a strong boost. It remained at a high level in the following weeks, albeit with increasing volatility. In mid-June, the share price reached its annual high of €32.00, touching its IPO price again for the first time since July 2020. From mid-October onward, it then fell noticeably again, a drop that was not able to be offset by the positive assessment by analysts of the Q3 figures announced by the company. The share certificates closed the stock market year 2024 at €23.30, down by around 8% on the year. The share price thus remains well below the upside targets of the currently four research analysts, who unanimously recommend the company as a buy and rate the Brockhaus Technologies share as having a potential of between €25.00 and €60.00, i.e. an upside potential of between 7% and more than 157%.

Share performance in 2024

Opening price on January 2, 2024	€25.30
Peak in 2024*	€32.00
Low in 2024*	€20.80
Closing price on December 30, 2024*	€23.30
Annual performance in 2024	-7.90%
Average daily trading volume in numbers**	6,186
Average daily trading volume in euros**	161,218

^{*} Closing prices in XETRA trading

The Brockhaus Technologies share

Type of share	Registered shares
Share capital	€10,947,637
Shares (December 31, 202	4)10,947,637***
ISIN	DE000A2GSU42
Securities identification number	A2GSU4
Stock exchange	Frankfurt Stock Exchange
Segment	Prime Standard

^{***} Of which there are 10,447,666 outstanding shares after the share buyback

42

^{**} Across all exchanges

Shareholders benefit from the long-term success of the company

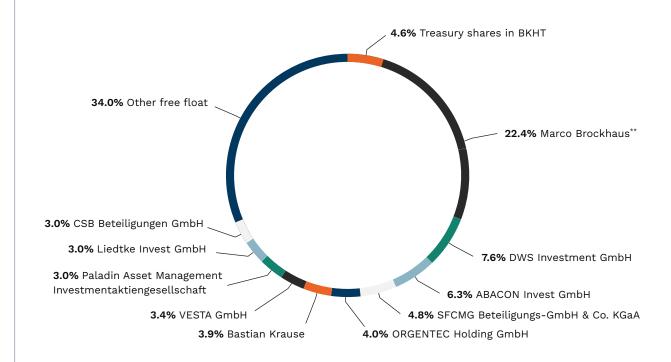
In the reporting year, BKHT benefited from the positive operating performance and improved results of operations. Brockhaus Technologies continues to pursue the goal of sustainably increasing the value of the company and creating long-term attractive returns for the shareholders.

"We communicate with investors as transparently as possible and see high potential for our shares to increase in value."



Florian Peter Capital Markets

Brockhaus Technologies AG's shareholder structure*



^{*} As of May 23, 2025, according to voting rights disclosures

^{**} Share capital via indirect shareholdings

Combined Management Report

Combined Management Report

The registered office of Brockhaus Technologies AG (**BKHT**, or the **Company**, together with its subsidiaries **Brockhaus Technologies** or the **Group**) is Nextower, Thurn-und-Taxis-Platz 6, 60313 Frankfurt am Main, Germany, and the Company is registered in the commercial register at the Local Court in Frankfurt am Main under commercial register number HRB 109637.

In addition to information on the Group, this combined management report (management report) includes information on the parent company. The reporting on the position of the Company generally corresponds to the reporting on the position of the Group. Additional disclosures regarding the BKHT annual financial statements pursuant to the German Commercial Code (HGB) can be found in the section Brockhaus Technologies AG's economic development. This combined management report has been prepared in accordance with German Accounting Standard No. 20 (GAS 20). The report describes the position of both the Group as a whole and the parent company as a single entity.

Unless otherwise stated, the period-related disclosures in this management report relate to the period from January 1, 2024, to December 31, 2024 (**reporting period**) and disclosures for a specific date relate to December 31, 2024 (**reporting date**). Quantitative information is rounded in accordance with standard commercial practice. This rounding method does not necessarily preserve totals, so that it is possible that the amounts in this report do not add up precisely to the total shown. Negative amounts are shown in parentheses.

Since July 14, 2020, Brockhaus Technologies has been listed in the regulated market of the Frankfurt Stock Exchange with additional post-admission obligations (Prime Standard). Brockhaus Technologies' reporting therefore follows the high level of requirements stipulated for the Prime Standard.

Equal treatment is important to us. Only for reasons of better legibility, the use of male, female or language forms of other genders is avoided. All personal references apply to all genders unless otherwise specified.

Fundamentals of the Group Business model

Brockhaus Technologies is a group of companies consisting of high-margin, fast-growing technology and innovation leaders with B2B business models in the German-speaking Mittelstand. The Company's strategy is to continuously acquire further companies in line with this focus and to develop them further together with the relevant management teams. With its distinctive platform approach and a generally long-term horizon, Brockhaus Technologies supports its subsidiaries actively and strategically to enable them to achieve profitable long-term growth beyond sector and national boundaries. At the same time, Brockhaus Technologies offers capital market investors access to these unlisted German technology champions.

In addition to having capital for future corporate acquisitions, carrying out the business activities requires in particular highly qualified specialists from a wide variety of high-tech fields, such as information technology and electronics. Material intangible assets include the extensive experience of the employees and their technological and process expertise, long-standing customer relationships and internally developed software, hardware and trademarks. In this context, Bikeleasing's customer base of 72 thousand corporate customers and 3.7 million employees, as customer capital, the specialist expertise of our employees, as human capital, and the proprietary, digital, highly automated platform developed by Bikeleasing, as innovation capital, represent the Group's most important intangible resources. In addition to these key intangible resources, there are others that are important for the Group. They include, among other things, IHSE's technology and customer base, as well as Probonio's software.

Brockhaus Technologies' business activities consist firstly of its currently two operating segments of HR Benefit & Mobility Platform and Security Technologies, and secondly of its acquisition activities, i.e., identifying, investigating and acquiring subsidiaries and supporting their long-term growth. The basis of consolidation comprised 28 companies in Germany and abroad and two special purpose vehicles (SPVs) at the reporting date.

HR Benefit & Mobility Platform

The HR Benefit & Mobility Platform segment consists of the business with digital B2B finance platforms. The segment currently consists of the Bikeleasing companies (**Bikeleasing**) and Probonio GmbH (**Probonio**), which is headquartered in Landshut and was acquired in April 2024, in which Brockhaus Technologies AG indirectly holds a multiplicative calculated interest of around 51.96%. Of the remaining approximately 48%, 40% is held by the founders and directors of Bikeleasing and 8% by coinvestors.

The segment's companies operate a digital, highly automated B2B financial platform for brokering and administering employee benefits via the employer. Until the acquisition of Probonio, the focus was on Bikeleasing's company bicycle offering in Germany and Austria. The business model enables employers to use a transfer agreement to offer their employees company bicycles as benefits and their financing via a change of the form of remuneration from cash remuneration to non-cash remuneration (deferred compensation model). This deferred compensation model reduces taxes and social security contributions for the employee, who thereby generates significant savings compared with a cash purchase of the bicycle. In addition, the employee can choose from a comprehensive range of insurance options, for example against damage and wear and tear. Even the risk of early termination of the lease because an employee leaves the company is covered by insurance for the employer, as the lessee. Because of the savings from the deferred compensation model, the main bicycles acquired through Bikeleasing are high-value ones, particularly e-bikes. This is also an attractive model for the bicycle retailer, as higher revenue is also generated due to the high price level.

For its company bicycle offering, Bikeleasing offers a digital ecosystem with its own proprietary platform through which its corporate customers, their employees, bicycle retailers, insurers and financing providers can be integrated with each other. The entire process of arranging and managing bicycle leasing, from onboarding the employer, through ordering the bicycle by the employee at the bicycle retailer, down to the purchase or return of the bike by the employee at the end of the lease, as well as insurance claims handling, is digital and highly automated using the digital Bikeleasing platform. Due

to the high number of returns resulting from the very strong growth in unit sales in recent years, a further business model is developing at Bikeleasing, in the form of the Europe-wide marketing of used bicycles via B2B and B2C channels. Bike2Future was formed as a wholly-owned subsidiary of BLS Beteiligungs GmbH to establish and further develop this business model.

Cycling is an important component of green mobility, and is characterized by a continuous increase in use. More and more people of all ages are choosing bicycles as a recreational sport, a hobby or as a means of transportation. E-bikes in particular are ensuring that greater distances can be traveled. Cycling is also becoming increasingly attractive in German cities. Due among other things to the German "Bicycle Plan 2030," considerable sums are being invested in the modernization of the cycling infrastructure, such as protected cycle lanes, cycle highways and bicycle parking. This trend can also be seen in major cities in other European countries. The EU has also adopted a 17-point action plan that recognizes the bicycle as a fullyfledged means of transport and factors it into all planning. As well as recreational use, bicycles also offer transportation solutions to current challenges facing society, such as reducing road congestion and emissions, thus actively contributing to improving the quality of urban life.

Since its formation, Bikeleasing has recorded strong and highly profitable growth and has been able to steadily expand its market share thanks to its innovation leadership. The established platform, with its 72 thousand affiliated corporate customers and their approximately 3.7 million employees as of the reporting date, is neutral about the type of employee benefit being brokered. This makes Bikeleasing the second largest provider of company bicycle leasing in Germany and the number one in Austria.

The acquisition of Probonio in April 2024 marked Bikeleasing's strategic planned transition towards a fully comprehensive multi-benefit platform. Following the successful integration, Bikeleasing's corporate customers and their employees can now be provided with additional employee benefits from a single source, alongside company bicycle leasing. The use of consistent marketing and sales channels

results in considerable cross-selling potential across the entire Bikeleasing Group.

Established in 2022, Probonio is a provider of software-as-a-service (SaaS) solutions for managing employee benefits. Employers can offer their employees different benefits through the proprietary platform and the native app, which can then be managed in a user-friendly online cockpit. The benefits range from non-cash benefits and meal allowances, through company fitness programs, down to company bicycle leasing through Bikeleasing. Probonio offers one of the largest partner networks for this with over 100 providers, such as supermarkets, health and beauty stores or gas stations.

This enabled the segment's development from single-product to multi-product vendor to be initiated in the year under review:

- Company bicycle leasing via Bikeleasing.de
- > Multi-benefit-software via Probonio
- > Used bicycle trading platform via Bike2Future

Bikeleasing's large and continuously growing customer base and associated market share help to protect from losses if individual customers are lost and also reduce the risk of serious revenue shortfalls. The customer base is therefore a key factor in the segment's sustainable success. In addition, following the successful integration of Probonio, it offers great potential for the future growth of the segment. The Group therefore defines the customer base as a key source of added value for Brockhaus Technologies AG and consequently as one of the Group's most important intangible resources.

Bikeleasing's headquarters are in Vellmar, with branches and offices in Uslar, Freiburg, Berlin, Munich and Innsbruck (Austria). Probonio's registered office is in Landshut, Germany.

Bikeleasing's and Probonio's customers range from small artisanal businesses to DAX companies, public institutions, churches and non-governmental organizations.

Bikeleasing and Probonio compete with other providers of employee benefits. With its comprehensive platform-based approach, high level of automation, and fully digital processing and management of agreements, including direct interfaces to payroll software, Bikeleasing and Probonio see themselves as digital technology and innovation leaders in their industry. In this context, the Group defines the proprietary, digital, highly automated platform as a further key source of added value for the Group and hence as another of the most important intangible resources for the technology group.

The business of leasing company bicycles, which still accounted for the majority of revenue in the reporting period, is generally subject to a strong seasonality in connection with the good-weather "biking season". Accordingly, a significant part of its revenue (in 2024 approx. 69%) is generated in the second and third quarters of the year. The employee benefits business is largely unaffected by any seasonality.

Security Technologies

The Security Technologies segment is active in the field of security technologies, in particular for high-security data transmission. The segment currently consists of the IHSE companies (IHSE), which have been wholly owned by Brockhaus Technologies since December 2019, as well as KVM-TEC Electronic GmbH (kvm-tec), in which IHSE acquired a 100% interest in November 2021.

The segment develops, produces and distributes KVM (keyboard, video and mouse) technology for high-security, reduced-latency and loss-free data transmission of often high data volumes in mission-critical applications.

KVM technology can be used to create direct, highly secure access from a workstation (which may be remote) to several servers (switching) and/ or conversely from several workstations to a single server (sharing). The outcome is a significant improvement in the efficiency, reliability, security and user-friendliness of high-end IT applications, without any loss of performance.

The operating segment focuses on high-performance systems in the following product groups:

- KVM extenders: Modular devices to control PC-based applications remotely in real time independently of the operating system (operating channel extension)
- KVM matrix switches: Routing systems for single and multiple workstation solutions to operate PC-based applications on one or more computer units
- KVM-over-IP (KVMoIP): KVMoIP extenders for physical separation between workstation and data source or servers via the standardized Internet Protocol (IP), as well as modules that enable IP-based access to remote KVM systems.
- > Converters and accessories: devices for signal conversion
- Other: Repeaters, programmable controllers and input devices, aftersales service and other services

IHSE's products comprise proprietary network infrastructure solutions that, as cross-cutting technologies, are used in a wide range of the mission-critical fields such as air traffic control, defense. medicine, utilities, transportation, banking, maritime shipping, semiconductor production in fabs and control centers in general – especially in situations where latency, system failures or cyberattacks could have serious consequences (if people's lives depend on the transmission of data, for example). They bridge distances between work stations and computer units, usually servers or other high-performance computers, of up to 160 kilometers.

kvm-tec's products include flexible, highly secure KVM-over-IP solutions where – in contrast to IHSE – the standardized Internet Protocol is used for signal transmission in existing networks. KVMoIP products are increasingly being used in industry, television and radio (broadcasting) as well as in postproduction as a rapidly implemented. flexible, low-cost solution.

Since the acquisition of kvm-tec in fiscal year 2021, the segment's product portfolio includes both proprietary IP-based and hybrid KVM technologies. This allows IHSE to deliver flexible solutions for any application. In addition, the acquisition resulted in synergies in the areas of development, sales, purchasing and production.

IHSE products are hub technologies that can be used in a wide range of end markets and benefit from a large number of megatrends (including autonomous driving, Industry 4.0/ networked production, etc.) that are driven by growing connectivity and digital transformation and the accompanying growth in mission-critical data transmission.

When planning (e.g., control rooms), operators must take into account of future developments to the farthest extent possible. The increasing pace of digital transformation, the closure of security gaps in hardware and software in light of growing cyberattacks and the creation of best working conditions possible are the focus of efforts when optimizing control rooms. The systems of IHSE and kvm-tec are optimized for these factors and are thus focused directly on customer requirements. The solutions offer a high degree of investment security because of things such as their modular approach. Customers can flexibly assemble a tailored KVM system from a variety of modules. Existing installations can be retrofitted with new functions and interface standards with a minimum of effort and expense.

These aspects systematically enhance customer loyalty and hence also follow-up business with longstanding customers.

IHSE is certified according to the ISO 9001 quality management standard and applies a certified environmental management system in accordance with ISO 14001 and, since 2024, ISO 27001 as well.

IHSE is headquartered in Oberteuringen by Lake Constance. It has subsidiaries in the USA, Singapore and China, who are responsible for sales in those markets. IHSE also has regional sales offices in France, Israel, India and South Korea. The headquarters of kvm-tec are in Tattendorf, Austria.

The segment's customers are primarily sales partners and systems integrators, which in turn sell to a wide range of data-driven end markets.

Whereas the technologically lower and middle market for KVM is characterized by a high degree of fragmentation and competition between a large number of generalist suppliers, there are only a few specialized suppliers in the high-end segment relevant for IHSE that compete with each other in specific end markets.

Business activities in the Security Technologies segment are largely immune to seasonal factors. However, large individual orders and their delivery may result in revenue fluctuations during the year at irregular intervals.

Central Functions

Organizationally, the M&A activities are concentrated on the Group parent. They focus on the identification, due diligence and acquisition of majority stakes in high-margin and high- growth companies in the German-speaking Mittelstand that lead in technology and have B2B business models. Central Functions also include activities such as financial controlling, investor relations, risk management and compliance.

In addition to competitive bidding processes with several prospective buyers, Brockhaus Technologies also focuses on creating proprietary, bilateral transaction situations. This approach aims to avoid the high purchase prices commonly found in auctions. It is also designed to ensure the greatest possible probability that the transaction will enter the due-diligence phase. Selling processes of M&A consultants are selectively pursued with an eye to cost-benefit aspects.

To obtain access to attractive investment opportunities, Brockhaus Technologies actively nurtures its existing network and expands it continuously. To ensure a constant deal flow of high-quality proprietary acquisition opportunities, Brockhaus Technologies has implemented a structured and tried-and-tested process that is designed to identify and proactively develop close relationships with attractive companies, their founders, family shareholders and directors.

Brockhaus Technologies' support for its subsidiaries' sustainable post-acquisition performance pursues a nuanced approach with the goal of driving further organic and inorganic growth (through add-on acquisitions). The aim is to develop a close relationship and partnership with the management teams of the subsidiaries, to provide them with comprehensive strategic support and access to the Brockhaus Technologies network and to enable the continuous review of strategic options, such as continued professionalization or expansion through internationalization.

Control system

The Group's control system is geared toward its objective of sustainably increasing the long-term value of its subsidiaries. To achieve this, Brockhaus Technologies' management receives and evaluates weekly and monthly reports from its subsidiaries. In addition to sales updates and financial reporting, these also contain explanations by the relevant management on material events, opportunities and risks.

The Group's most important financial key performance indicators are revenue and the adjusted EBITDA.

The Group uses adjusted EBITDA or the ratio of adjusted EBITDA to revenue expressed as a percentage (adjusted EBITDA margin) as an indicator of its pricing power and operating cost efficiency. It is calculated as earnings before interest, taxes, depreciation and amortization, adjusted for the costs of acquiring subsidiaries, personnel expenses from business combinations, share-based remuneration expenses, income from the sale of property, non-recurring costs from the introduction of the ERP system, special compliance costs and consulting costs in connection with the audit of M&A inbound transactions.

Research and development

The Group's development activities are concentrated on the development of new – and enhancement of existing – technologies, products, processes and software. These activities are undertaken in the high-performance secure transmission and switching of computer signals and as part of the enhancement and automation of the digital B2B finance platform for employee benefits.

Research and development activities

2024	2023
7,290	4,240
3.6%	2.3%
4,549	1,928
62.4%	45.5%
3,873	3,348
69	58
	7,290 3.6% 4,549 62.4% 3,873

Research and development expense in the reporting period amounted to $\[\in \]$ 7,290 thousand (previous year: $\[\in \]$ 4,240 thousand), corresponding to a research intensity of 3.6% (previous year: 2.3%). $\[\in \]$ 4,549 thousand of this expense (previous year: $\[\in \]$ 1,928 thousand) was capitalized as development investments. The capitalization ratio was therefore 62.4% (previous year: 45.5%). Including amortization of capitalized development costs amounting to $\[\in \]$ 1,132 thousand (previous year: $\[\in \]$ 1,035 thousand), the total capitalized research and development costs of $\[\in \]$ 3,873 thousand were up year-on-year (previous year: $\[\in \]$ 3,348 thousand).

HR Benefit & Mobility Platform | During the reporting period, development activities in the HR Benefit & Mobility Platform segment were expanded in terms of content and personnel. In the past, this was dominated by a high level of outsourcing in the form of development services purchased from external service providers.

With the aim of continuing to develop the Bikeleasing and Probonio digital B2B platform as far as possible using internal resources in order to gain flexibility and tempo, the number of employees in the development function was increased further from 24 to 33 in the reporting period. This step allowed Bikeleasing to replace a large proportion of its longstanding external service providers and to insource this work during the reporting period.

Development activities during the reporting period focused on the further development of the Bikeleasing platform and on the integration and enhancement of Probonio.

The following elements are among the key development activities for the continued development of the Bikeleasing platform:

- The upgrade of the leasing calculator for the German and Austrian market, which is Bikeleasing's key sales tool
- The accessible design of the platform access user interfaces, which will be mandatory for all online platforms starting in 2025
- > The introduction of a loan financing option for employers to enable the advance purchase of company bicycles when needed

The second major development activity arose from the acquisition of Probonio, with the reciprocal integration of the frontends of the Bikeleasing and Probonio software. This integration forms the basis for combined sales activities, so that Bikeleasing customers can now be offered additional employee benefits from a single source in addition to company bicycle leasing. The integration also encompasses the process from a simple connection of logins to the optimized combined use of both product worlds.

The platform for the marketing of leasing returns was outsourced to Bike2Future during the reporting period. The scope of the platform's functionality was expanded beyond the mere administration of

bicycles to include functions in the areas of B2B sales, logistics and, most recently, the B2C online shop.

Security Technologies | The portfolio of KVM and KVMoIP products was expanded in the Security Technologies operating segment during the reporting period. KVMoIP solutions build on the standardized Internet Protocol (IP) and are a cost-efficient, more flexible alternative to a proprietary KVM network solution in certain applications. The IP capabilities gained through the acquisition of kym-tec were used to enhance the modular IHSE KVM platform into a hybrid solution. This has resulted in a solution that combines proprietary with new, IP-based components in a single system and can hence respond even more flexibly to customer requirements. These IP-enabled devices have complemented the IHSE product portfolio since completion of the prototype phase in the third quarter of 2023. Software-supported KVM components have also been developed that have already been demonstrated as prototypes at trade fairs. A special focus of the development team at kvm-tec is on the further development of the KVM console units with integrated multiviewer capabilities. A multiviewer is a combination of software and hardware that enables multiple video signals to be viewed together on a single display. This technology now enables IHSE the ability to serve customer requirements in the area of personal and compact video walls from a single source.

In light of the shortage of relevant components over the past three years, dependence on specific chips was further reduced through product redesigns, and the delivery capability of the Security Technologies segment was sustainably improved.

To be able to continue to meet the strict requirements for security-critical applications in the future, the product families with existing certifications in accordance with the international Common Criteria for Information Technology Security Evaluation and the German KRITIS (critical infrastructure according to the Federal Office of Civil Protection and Disaster Assistance and the Federal Office for Information Security) were continuously reviewed during the reporting period for further improvements and new technologies. In addition, cooperation was stepped up with several partner companies in the field of security and environmentally hardened devices.

There is a cooperation with the Fraunhofer-Gesellschaft in the area of research and development. As part of this cooperation, IHSE has developed an IP core based on the particularly resource-efficient JPEG XS compression technology. There are also close cooperative arrangements with a number of companies in the Lake Constance District to develop – with government support – a test track for autonomous vehicles with an integrated smart-city control center under the leadership of IHSE. IHSE and kvm-tec had 36 employees working in the research and development area as of the reporting date (December 31, 2023: 34).

Employees

As of December 31, 2024, Brockhaus Technologies employed a total of 620 employees (previous year: 467 employees). This corresponds to a year-over-year increase in our headcount of around 32.8%. The change in the headcount is primarily attributable to the 48.4% increase in the number of employees in the HR Benefit & Mobility Platform segment from 304 to 451. The number of employees in the Security Technologies segment increased by 3.9% to 158 (previous year: 152). The number of employees in the Central Functions was 11 (previous year: 11).

The average number of full-time equivalents (FTEs) was 514 in the reporting period (previous year: 336). In this calculation, part-time positions are weighted proportionate to their working hours.

The average number of full-time equivalent employees as of the reporting date was 562 (previous year: 385).

Special purpose vehicles (SPVs)

The first of the two SPVs is Compartment B of Debt Marketplace SARL. Companies can securitize receivables via this SPV. The Group has no ability to influence the management of this structured entity. However, the Group handles a material activity of the structured entity by servicing the lease receivables and recovering them upon default by the lessee. The Group additionally assumes the credit risk associated with the lease receivables by way of a purchase price discount and participates substantially in the variable returns of the structured entity by receiving a share of the excess spread. In the overall assessment, the Group has control over Compartment B of Debt Marketplace SARL within the meaning of IFRS 10. The company must therefore be consolidated in accordance with IFRS.

The second structured entity is KVM-TEC MPP GmbH & Co. KG. The Group uses a GmbH & Co. KG (a German limited partnership in which a limited liability company is the general partner) structure for its management investment in kvm-tec. The Group holds all shares in the general partner, but not in KVM-TEC MPP GmbH & Co. KG itself. Nevertheless, the Group controls KVM-TEC MPP GmbH & Co. KG by virtue of separate segregated agreements. Viewed overall, the Group exercises de facto control over KVM-TEC MPP GmbH & Co. KG within the meaning of IFRS 10. The entity therefore has to be consolidated in accordance with IFRS.

Economic report

The Group acquired four external sales agencies of the HR Benefit & Mobility Platform segment at different dates in the course of the comparative period. For this reason, the informative value of the statement of comprehensive income for fiscal year 2023 and in particular, its suitability for deriving forecasts, is limited. The Executive Board therefore additionally analyzes the Group's earnings figures on a pro forma basis. This presents the Group's statement of comprehensive income as if the sales agencies had already been acquired as of January 1, 2023.

To calculate the pro forma income and expenses, management assumed that the preliminary fair value adjustments made as of the date of acquisition of the sales agencies would also have applied if the acquisitions had taken place on January 1, 2023.

The results presented in this economic report are based on pro forma figures unless otherwise indicated for the comparative period. The corresponding non-pro forma values are designated as "as-is".

In the reporting period, the Group's HR Benefit & Mobility Platform segment acquired 100% of the shares and voting rights of Probonio GmbH (**Probonio**), whose registered office is in Landshut, Germany. Probonio was bought by BLS Beteiligungs GmbH. Initial consolidation occurred technically as of April 1, 2024. If the acquisition had taken place on January 1, 2024, consolidated revenue and profit or loss for the period would not have differed materially from the figures reported in the consolidated statement of comprehensive income. No pro forma adjustments were therefore made for the reporting period.

Comparison of actual and forecast business performance

Forecasts in the course of 2024

As of the publication date of the 2023 Annual Report on March 28, 2024, Brockhaus Technologies expected revenue to grow between 18% and 29% to €220 million to €240 million in fiscal year 2024. The Group had planned growth in adjusted EBITDA of between 29% and 45% to a figure between €80 million and €90 million. This estimate remained unchanged as of the 2024 Half-Year Financial Report, which was published on August 14, 2024, and the 9M 2024 Quarterly Statement, which was published on November 14, 2024.

For Brockhaus Technologies AG at the standalone entity level (German GAAP), BKHT have predicted a significant net loss for the year in March 2024.

Actual course of business compared to forecast

At €204.3 million, the revenue generated by Brockhaus Technologies was below the revenue range forecast for fiscal year 2024 (€220 million to €240 million). The primary reason for this was unexpected events in both segments:

- In the HR Benefit & Mobility Platform segment, ramp-up difficulties at newly established subsidiary Bike2Future, a company dedicated to marketing lease returns, led to lower-thanexpected revenue in the fourth quarter of 2024. In addition, a compensation payment to Bikeleasing's insurer for a rise in the claims ratio negatively impacted revenue from commissions generated for arranging insurance policies in the fourth quarter.
- In the Security Technologies segment, deliveries postponed by customers at the end of 2024 led to a significant shortfall of fourth-quarter revenue from plan.

Adjusted EBITDA amounting to €65.0 million was likewise below the forecast range of €80 million to €90 million. The main factor was lower revenue than expected, combined with slightly higher personnel and other operating expenses than anticipated.

With a net loss for the year of €71,412 thousand, Brockhaus Technologies AG underperformed its forecast at the standalone entity

level. This is attributable primarily to the value adjustment of the shares in IHSE within financial assets, which was reduced by €45.0 million, from €95.6 million to €50.6 million. In addition, the shares in Bikeleasing, which was transferred to another wholly owned subsidiary of Brockhaus Technologies AG in fiscal year 2023 at values significantly higher than the original acquisition cost, was written down by €22.6 million, from originally €69.6 million to €47.0 million, whereby its carrying amount remains significantly above the original acquisition cost of the interest.

Macroeconomic environment

There was still no noticeable economic recovery in Germany in fiscal year 2024. The economic situation continued to decline, with gross domestic product (GDP) shrinking for the second consecutive year.

After the GDP declined at the end of 2023, the German economy started fiscal year 2024 in positive territory. According to figures from the Federal Statistical Office, GDP in Q1 2024 - adjusted for prices, seasonal effects and calendar effects - was 0.2% higher than in the previous quarter, Q4 2023. It fell again by 0.1% in Q2 2024 compared with Q1 2024. However, compared with the previous year, price-adjusted GDP in the second quarter of 2024 was 0.3% higher than in the second quarter of 2023. In the first quarter, it was still 0.9% below the first quarter of the previous fiscal year after adjustment for prices. Driven by public-sector and private consumer spending, GDP grew by 0.2% in Q3 2024 compared with Q2 2024. In a year-on-year comparison, price-adjusted GDP in Q3 2024 was also 0.2% higher than in the prior-year quarter. In the fourth quarter of 2024, however, GDP fell again compared with the previous quarter - adjusted for prices, seasonal effects and calendar effects - by 0.2%

For 2024 as a whole, economic output fell by 0.2% year on year (also by 0.2% adjusted for calendar effects).

Following a series of ten interest rate hikes, the European Central Bank (ECB) decided against a further increase for the first time in October 2023 and also did not change interest rates at the end of fiscal year 2023 in the face of ebbing inflation and a weakening economy. The ECB lowered its key interest rate during the reporting period with the aim of stimulating the weakening economy and supporting economic growth. This saw the key interest rate at year-end fall to 3.15%, down from 4.5% as of December 31, 2023.

Industry specific environment

Because of the niche strategy of Brockhaus Technologies' segments, reliable statistics or studies on developments in the corresponding relevant markets are available only to a limited extent, except for the bicycle market. For this reason, the following information on market developments in the relevant segments primarily refers to estimates by the management at subsidiaries.

HR Benefit & Mobility Platform | After sales of bicycles and e-bikes had fallen from a Covid-fueled record high in the German bicycle market with 5.0 million bicycles sold in 2020 (2.0 million e-bikes and 3.1 million bicycles) to 4.0 million in 2023 (2.1 million e-bikes and 1.9 million bicycles) sales declined only slightly in 2024, to 3.9 million (2.1 million e-bikes and 1.8 million bicycles). The German bicycle market in 2024 was therefore again close to the trend line of the years before the Covid-19 pandemic (4.3 million bikes in 2019). At the same time, the average selling price per bike decreased significantly, by 15%, compared to the previous year, driven by discount campaigns at bicycle retailers to reduce high inventories. The total value of bicycles sold in Germany declined from €7.1 billion in 2023 to €6.3 billion in 2024 (-11.3%).

Despite this, the further growth in familiarity with the idea of leasing a company bicycle and the benefits and greater acceptance of company bicycle leasing mean that an increasing number of employees have the possibility of leasing a bicycle or e-bike through their employer at a low price. As a result, the share that company bicycle leasing has in the overall bicycle market (35% of unit sales) has remained almost constant. This trend is not only evident in the German market, but in Austria too, where company bicycles are becoming increasingly popular.

In addition, the company bicycle model is still benefiting from the high cost savings compared with a cash purchase. No high one-time payments are required for the leasing solutions; instead, the preferred bicycle is financed over 36 monthly installments and is even significantly (ca. 40%) cheaper than a cash purchase.

Security Technologies | The development of the sales markets in the Security Technologies segment varied by region in the reporting period. Geopolitical conditions in particular significantly impacted demand. Increased demand for KVM technology was evident in the markets of Central Europe and Israel, whereas the Asian market, and the Chinese market in particular, generally exhibited reluctance to invest in Western technologies, with a short ascent.

IHSE's business is characterized by typical fluctuations in revenue that depend on major deliveries. Toward the end of the year, delivery of several larger projects was unexpectedly delayed beyond the reporting date, and this had an adverse impact on IHSE's net assets, financial position and results of operations in the reporting period.

Central Functions | After the renewed decline in the global M&A market in fiscal year 2023, a slightly positive, albeit uneven, trend emerged in 2024. Whereas the total value of global M&A transactions in fiscal year 2024 rose by 9% to \$2.3 trillion, the number of transactions increased by only 1% compared with the previous year.

The German M&A market also revealed a mixed picture. Although the number of M&A transactions with German participation increased by 5.1% compared with the previous year, the number of M&A transactions in Germany with private equity participation fell by 10.1%.

The slight recovery in the market that nevertheless emerged was driven, among other things, by the decline in inflation over the course of the year, the improved credit conditions resulting from interest rate cuts by the central banks and the equity markets, which posted strong returns since the beginning of the year. Nevertheless, high financing and energy costs, geopolitical conflicts and political uncertainties continued to dampen investor willingness to assume risks and had a dampening effect on transaction activity.

Refinancing transactions continued to dominate the European loan market, while M&A transactions and leveraged buyouts (LBOs) accounted for a significantly smaller share.

The technology sector remained a relatively active sector with continued high valuation levels and transaction multiples (EV/EBITDA). The attractiveness of this sector, combined with the high purchase price expectations of the sellers, were confirmed in many cases by the rivalry between strategic buyers and financial investors. Market participants increasingly focused on companies with high resilience, predictability, and profitability. In many other industries, by contrast, a growing discrepancy between sellers' purchase price expectations and the prices offered – the "valuation gap" – became apparent. This led to an increase in abandoned sales processes, particularly in the case of companies that were acquired at high valuations during the low-interest phase.

The resulting uncertainty and discrepancy significantly increased the preparation time, complexity and duration of the sales processes, which further negatively impacted the number of completed transactions

Despite the challenging market situation, Brockhaus Technologies continues to have an attractive pipeline of potential acquisition targets due to the systematic implementation of its three-pronged sourcing approach, which consists of M&A consultants, proactive sourcing at trade fairs and events and an industry network that it built up over many years. This includes new platforms and segments as well as opportunities for expansion in existing segments through add-on acquisitions.

In fiscal year 2024, Brockhaus Technologies remained committed to its proven, highly selective acquisition criteria and processes. In keeping with these principles, 100% of the shares and voting rights of Probonio GmbH, headquartered in Landshut, Germany, were acquired in the HR Benefit & Mobility Platform segment in the second quarter of fiscal year 2024. Probonio GmbH is now operating as a subsidiary of the Bikeleasing Group.

Results of operations

In the 2024 fiscal year, the Group's revenue increased by 9.5% to €204,321 thousand. Two new revolving securitization structures were initiated in the HR Benefit & Mobility Platform segment in the reporting period to refinance lease receivables and trade receivables relating to future insurance premiums. Income from the sale of these receivables amounting to €24,766 thousand (2023: €- thousand) was recognized in revenue in the reporting period. Please refer to the segment reporting further below for a detailed explanation of the revenue developments.

The main items of the statement of comprehensive income are presented as as-is values in this paragraph. The increases are primarily attributable to the continued strong operating performance at Bikeleasing (HR Benefit & Mobility Platform segment). Due to the acquisition of four sales agencies of Bikeleasing during the course of the year 2023, the sales commissions paid to these sales agencies did not incur in cost of materials in the reporting period anymore. As a result, the increase of 5.0% in the cost of materials to €72.769 thousand was lower than revenue growth, and the gross profit margin rose accordingly. At the same time, personnel expenses now include the costs of the employees of the sales agencies taken over in the acquisitions. As a result, and due to the increase in headcount following the acquisition of Probonio and the establishment of Bike2Future for the marketing and brokerage of used bikes via B2B and B2C channels, and the associated growth measures, personnel expenses rose disproportionately by 34.1% to €44,400 thousand. Depreciation of property, plant and equipment and amortization of intangible assets (excluding PPA assets) increased by 16.7% to €5,312 thousand (previous year: €4,552 thousand). At €38.111 thousand, other operating expenses in fiscal year 2024 were up 24.4% on the comparative period (previous year: €30,627 thousand). This was driven in particular by non-recurring expenses of €4,593 thousand in connection with the implementation of a new ERP system in the HR Benefit & Mobility Platform segment, as well as increased special compliance costs of €922 thousand incurred in connection with the audit of the financial statements. The amortization of intangible assets identified during initial consolidation increased significantly by 67.8% to €26,361 thousand (previous year: €15,707 thousand). The primary reason behind this increase

was €7,599 thousand extraordinary impairment loss recognized in respect of intangible assets identified in the course of the initial consolidation of IHSE and kym-tec. In addition, the acquisition of the four sales agencies in the same period and the acquisition of Probonio GmbH in April 2024 led to higher amortization of intangible assets identified in the course of initial consolidation. The goodwill impairment is the result of the write-down of goodwill in the Security Technologies segment in the amount of €39,869 thousand. Finance costs increased by 10.3% to €21,781 thousand (previous year: €19,752 thousand). The main reason for this increase was the complete write-down of the earn-out receivable from the sale of Palas amounting to €7,880 thousand. In the previous year, remeasurement of the success fee liability (€3,054 thousand) had led to increased finance costs. These expenses were not incurred in fiscal year 2024. Financial income amounted to €5,164 thousand (previous year: €524 thousand). The main reasons for the higher income are the remeasurement of the €2,615 thousand success fee liability and the partial write-down of the earn-out liability from the acquisition of Probonio amounting to €1,612 thousand. After income taxes, a consolidated net loss of €44,317 thousand was recognized in the reporting period (previous year: net profit of €5,955 thousand).

Net assets

With total assets of \in 598,990 thousand, the Group's assets are split between 79.2% non-current assets and 20.8% current assets as of the reporting date. The largest items by value are intangible assets including goodwill (\in 291,045 thousand), lease receivables (\in 167,586 thousand), cash and cash equivalents (\in 48,427 thousand), trade receivables (\in 38,700 thousand), other financial assets (\in 12,480 thousand), inventories (\in 20,961 thousand) and property, plant and equipment (\in 15,828 thousand). Intangible assets relate primarily to the customer base, basic technologies, distribution rights and trademarks identified in the course of purchase price allocation for the subsidiaries (PPA assets) as well as goodwill.

Financial position

The Group's cash and cash equivalents as of the reporting date amounted to €48,427 thousand. This stood against financial liabilities of €261,599 thousand, which include loans (€70,297 thousand), other financial liabilities (€16,182 thousand) and lease refinancing for Bikeleasing (€172,578 thousand). After factoring in lease receivables (€167,586 thousand), the Group's net debt was €45,587 thousand and therefore 0.70 times adjusted EBITDA (leverage).

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Net debt	45,587	58,539
Adjusted EBITDA (pro forma for 2023)	64,975	66,988
Leverage	0,70x	0.87x

As a rule, the Group aims to achieve leverage of up to approximately 2.5x, i.e., net debt of up to approximately 2.5x adjusted EBITDA. In exceptional cases, e.g., following acquisitions, this value may be exceeded in the short to medium term. This is intended to ensure a balance between a high return, which can be achieved through a certain level of debt, and the advantages of a strong equity base.

Calculation of net financial debt

€ thousand	2024	2023
Senior loans	60,000	58,631
Subordinated loans	10,298	26,350
Real estate loans	71	87
Current account liabilities	2,472	-
Cash and cash equivalents*	(48,427)	(53,666)
Net debt from loans	24,412	31,402
Other financial liabilities	16,182	17,928
Lease refinancing	172,578	176,410
Lease receivables	(167,586)	(167,201)
Net debt from leasing	4,992	9,209
Net debt	45,587	58,539

* Cash and cash equivalents are deducted from the loans in this presentation for purposes of analysis. There is no corresponding appropriation.

The reduction in net debt is due primarily to lower subordinated loans and lower debt from lease refinancing. The strong cash flow from operating activities also contributed to the lower relative reduction in cash and cash equivalents.

The senior loans have different times to maturity lasting up until and including 2027. Part of the collateralized loans bear fixed rates of interest, whereas the rest bear interest of EURIBOR plus a margin. If EURIBOR is negative, it is set at zero for determining the interest rate in line with the loan agreements.

As part of the acquisition of Bikeleasing, two acquisition loans totaling €78,066 thousand (as of November 30, 2021) were taken out in addition to vendor loans of €15,000 thousand (100% attributable to BKHT). Both vendor loans and one of the two acquisition loans had already been repaid in full as of December 31, 2023, leaving only €26,350 thousand for the second acquisition loan at the level of BCM Erste Beteiligungs GmbH. A further €17,431 thousand was repaid

on this acquisition loan in the reporting period. Consequently, as of the reporting date, only a subordinated acquisition loan of €10,298 thousand from financing the purchase of Bikeleasing remained at the level of the intermediate holding company BCM Erste Beteiligungs GmbH, 94.87% of which is attributable to BKHT.

A senior acquisition loan of €19,446 thousand remains in the Group from the purchase of IHSE.

Some of the Group's loan agreements contain arrangements on whose basis extensive early repayment obligations may be triggered. For example, the loans in question may be repayable immediately if the Group breaches contractual conditions. For example, the loans in question are subject to covenants that must be complied with by the subsidiaries funded by the loans. At IHSE, the unexpectedly poor results for fiscal year 2024 led to the contractually agreed maximum value for the "net debt/EBITDA" financial covenant being exceeded. The Company had already notified its financing partner of this on the basis of preliminary figures. There are contractual options for curing such a breach. The Group contacted its financing partner at an early stage, evaluated alternative potential solutions, and reached an agreement to cure this breach in the second quarter of fiscal year 2025.

The deferred tax liabilities of €53,095 thousand relate mainly to the customer bases, basic technologies, distribution rights and trademarks identified in the course of purchase price allocation for the acquisitions of the subsidiaries (PPA assets) and will be reversed through profit or loss (but with no effect on cash flow) in the future as these PPA assets are amortized.

There are restrictions on the availability of the Group's capital in the form of restrictions on distributions by the subsidiaries resulting from the loan agreements. Once the loans from acquisitions of subsidiaries have been repaid in full, the restrictions on distribution will cease to apply. Cash and cash equivalents are held in separate accounts by the relevant Group companies. There is no cash pooling.

The Group had cash and cash equivalents of €1,102 thousand in a range of foreign currencies at the reporting date. These cash

holdings are not hedged. Because of its good liquidity position, the Group was able to discharge its payment obligations at all times in the reporting period. No liquidity shortfalls arose and none are foreseeable on the basis of the expected development of the Group's business.

Combined Management Report

Group equity at the reporting date was €237,188 thousand, equal to 39.6% of total assets. This represents a decrease of 6.1 percentage points compared with December 31, 2023, when equity amounted to €300,911 thousand or 45.6% of total assets. The decline in equity was due to the negative result for the period, distributions to noncontrolling shareholders and the payment of dividends to the shareholders of Brockhaus Technologies AG.

The Executive Board defines the principles and goals of the Group's financial management. The primary goals are to safeguard liquidity and limit financial risks. Our goal is therefore not to enter into any material risks from the investment of the Group's cash funds. To ensure this, these funds are held in bank accounts at domestic credit institutions or in the form of German federal bonds until they are needed to finance acquisitions.

Cash flow from operating activities amounted to €41,017 thousand (previous year: €34,796 thousand) or €47,441 thousand before income taxes paid (previous year: €44,822 thousand) and was primarily attributable to the operating cash flow surpluses of the subsidiaries.

Cash flow from investing activities amounted to €–8,221 thousand and primarily consisted of the €1,782 thousand paid for the purchase price (less acquired cash and cash equivalents) in the acquisition of Probonio GmbH, capitalized development costs (€3,108 thousand), payments to acquire intangible assets (€1,460 thousand) and payments to acquire property, plant, and equipment (€1,870 thousand).

Cash flow from financing activities amounted to €-41,949 thousand (previous year: €-42,590 thousand). The primary components are listed in the following.

- > €-10,000 thousand, repayment of a registered bond in the HR Benefit & Mobility Platform segment
- > €15,000 thousand, issuance of a new registered bond
- > €-15,829 thousand, distributions to non-controlling interest holders: Bikeleasing distributed €35,000 thousand to its shareholders in the reporting period. €19,171 thousand of those distributions were attributable to intermediate holding company BCM Erste Beteiligungs GmbH (BCM Erste), which is controlled by Brockhaus Technologies AG. The remaining amount was distributed to non-Group shareholders.
- > €-19,100 thousand, repayment (incl. payment of accrued interest) of the subordinated loan by intermediate holding company BCM Erste from the distribution of Bikeleasing
- > €-4,000 thousand, regular repayment of the senior acquisition loan in the Security Technologies segment
- > €-2,298 thousand, payment of the 2023 dividend to the shareholders of Brockhaus Technologies AG

Adjusted free cash flow before tax (cash flow from operating and investing activities adjusted for the cost of business combinations, the cost of the review of M&A inbounds, the cost of acquiring/ (selling) subsidiaries, net of cash and cash equivalents, and income tax

payments) was €43,445 thousand (previous year: €44,446 thousand).

Combined Management Report

Condensed statement of Cash nows		
€ thousand	2024	2023
Adjusted EBITDA (as-is)	64,975	62,205
EBITDA adjustments	(9,439)	(4,322)
(Income taxes paid)/ income tax refunds	(6,425)	(10,026)
Expenses for equity-settled share-based payment transactions	828	544
(Gain)/ loss on sale of property, plant and equipment	30	(889)
Other non-cash expenses/ (income)	(563)	725
(Increase)/ decrease in lease receivables	(385)	(22,681)
Increase/ (decrease) in lease refinancing liabilities before interest rate effect	(12,087)	17,219
Interest received	490	522
(Increase)/ decrease in inventories, trade receivables and other assets not attributable to investing or financing activities	(8,484)	(8,001)
Increase/ (decrease) in trade payables and other liabilities not attributable to investing or financing activities	12,158	(545)
Increase/ (decrease) in other provisions	(81)	43
Cash flow from operating activities	41,017	34,796
Payments to acquire property, plant and equipment	(1,870)	(2,407)
Proceeds from sale of property, plant and equipment	-	10,045
Payments to acquire intangible assets	(1,460)	(1,315)
Capitalized development costs	(3,108)	(1,034)
Acquisition of subsidiaries, net of cash acquired	(1,782)	(15,192)
Cash flow from investing activities	(8,221)	(9,904)
Proceeds from loans raised	15,000	25,419
Repayment of loans and other financial liabilities	(31,867)	(33,465)
Repayment of lease liabilities	(1,949)	(1,293)
Interest paid	(5,005)	(6,472)
Acquisition of treasury shares	-	(10,999)
Distributions to non-controlling shareholders	(15,829)	(15,780)
Dividend	(2,298)	-
Cash flow from financing activities	(41,949)	(42,590)
Change in cash and cash equivalents	(9,153)	(17,698)
Effect of exchange rate changes on cash and cash equivalents	121	(114)
Cash and cash equivalents at period start	52,969	70,780
Cash and cash equivalents at period end	43,937	52,969

Segment reporting

Brockhaus Technologies comprises the HR Benefit & Mobility Platform and Security Technologies operating segments.

The four sales agencies acquired in the HR Benefit & Mobility Platform segment were included in the consolidated financial statements when Brockhaus Technologies obtained control during fiscal year 2023 and were therefore only part of Brockhaus Technologies for a certain length of time in the comparative period, depending on the acquisition date. To enhance the information value of the segment reporting and in line with the Group's internal reporting, the information is presented on a pro forma basis for the comparative period. This presents the Group as if the sales agencies acquired had already been part of Brockhaus Technologies as of January 1, 2023. Non-pro forma values are designated as "as-is."

In the reporting period, the Group's HR Benefit & Mobility Platform segment acquired 100% of the shares and voting rights of Probonio GmbH (**Probonio**). Initial consolidation occurred technically as of April 1, 2024. If the acquisition had taken place on January 1, 2024, consolidated revenue and profit or loss for the period would not have differed materially from the figures reported in the consolidated statement of comprehensive income. No pro forma adjustments were therefore made for the reporting period.

Brockhaus Technologies' revenue has risen by +9.5% year over year.

Broken down by region, Brockhaus Technologies' revenue in the EMEA region was up +15.5% on the comparative period. Revenue in the Americas region was down -67.5% on the comparative period to €5,053 thousand, and is attributable to IHSE's business in the USA. Revenue in APAC was up +68.8% on the comparative period. Business in this region is also attributable to IHSE. Details on the development of revenue by segment are described in the disclosures on the individual segments.

	Reportable segments							
	HR Bene Mobility Pl		Security n Technologies		Central Functions and consolidation		Group	
€ thousand	2024	Pro forma 2023	2024	2023	2024	2023	2024	Pro forma 2023
Revenue	172,552	146,213	31,770	40,468	-	(51)	204,321	186,631
Revenue growth	18.0%		(21.5%)		-		9.5%	
Gross profit	112,242	93,123	22,922	30,542	632	372	135,796	124,037
Gross profit margin	65.0%	63.7%	72.1%	75.5%			66.5%	66.5%
Adjusted EBITDA	67,340	63,081	2,894	11,088	(5,259)	(7,181)	64,975	66,988
Adjusted EBITDA margin	39.0%	43.1%	9.1%	27.4%			31.8%	35.9%
Adjusted EBIT	63,910	60,070	1,278	9,670	(5,526)	(7,304)	59,663	62,437
Adjusted EBIT margin	37.0%	41.1%	4.0%	23.9%			29.2%	33.5%

Papartable segments

HR Benefit & Mobility Platform

Revenue in the HR Benefit & Mobility Platform segment (Bikeleasing and Probonio) rose by +18.0% to €172,552 thousand in fiscal year 2024 (2023: €146,213 thousand). Growth in the number of corporate customers also continued in the final quarter of fiscal year 2024, building on the steady growth of the previous quarters. As of December 31, 2024, the number of companies connected to Bikeleasing's digital platform was 72 thousand, which corresponds to growth of 20.8% over the last twelve months (LTM). These corporate customers employed roughly 3.7 million employees as of the reporting date (12.2% LTM growth). The number of new bikes brokered through the Bikeleasing platform in 2024 was 139 thousand, which reflects a decrease of 8.0% compared to the comparative period (2023: 151 thousand units). In the first quarter of the reporting period, there was a 4.0% decline in new bikes brokered. This contrasted with a growth of 4.6% in the second guarter of 2024 compared with Q2 2023. In a dry April, the number of new bikes brokered grew significantly by 30.0% compared with the same month of the previous year. In May and June, the sometimes stormy rainfall and a general consumer restraint caused employees to be cautious about ordering new company bicycles. This difficult sales situation continued in Q3 and Q4 2024.

In addition to weather-related factors and general consumer restraint, the reduced number of bicycles brokered compared to the comparative period was significantly influenced by two further factors. Credit rating downgrades of individual corporate customers across many sectors due to the economic situation meant that Bikeleasing was forced to reject an unusually high number of inquiries from existing and new customers. This is due to internal risk management policies at Bikeleasing that prevent losses if individual customers default. This strict approach has a negative impact on new orders, but ensures that customer defaults at Bikeleasing remain at a historically very low level of well under 1%. Additionally, the conversion of existing customers to the variable leasing factor is making further progress, which is why around 90% of the connected employees have now been migrated to the new system. However, customers that employ around 10% of the relevant employees have still not vet consented to the new contract system. Since customers without this consent cannot lease new bicycles, this led to a decline in the number of new orders compared with the previous year.

The significant increase in revenue, despite the decline in the number of new bicycles brokered, resulted mainly from the successful ongoing conversion of existing and new customers to a variable leasing factor (monthly leasing payment in relation to the acquisition cost of the bike). The average earnings per new bicycle brokered

increased year-on-year as a result of the adjustment of the leasing factor to the higher interest rate environment. Income per bike had therefore returned to a normalized level in 2024 – around 40% higher than in 2023, when it had still been negatively affected by the rise in market interest rates, and the higher interest had had an adverse impact on the earnings of Bikeleasing.

In addition, revenue from the resale of bicycles at the end of the lease term recorded a significant increase. This was because volume growth in the resale business is mainly driven by business growth three years ago (contracts generally have a term of three years). This means that trends in resale proceeds are largely independent of current unit sales developments. Despite this increase, however, ramp-up difficulties at newly established subsidiary Bike2Future, a company dedicated to marketing lease returns, led to lower-than-expected revenue in the fourth quarter of 2024.

In addition, an unexpected compensation payment to Bikeleasing's insurer for a rise in the claims ratio negatively impacted revenue from commissions generated for arranging insurance policies in the fourth quarter.

At 65.0%, the gross profit margin was higher than in the comparative period (2023: 63.7%). Largely as a result of the switch to the variable leasing factor, the gross profit margin of the segment excluding the resale business increased to 90.7% (2023: 83.0%). In addition, there was an increase in the gross profit margin on resale proceeds, which has a positive but significantly lower gross profit margin than the segment's other revenue components. The focus and efforts of Bike2Future increased the gross profit margin on this generally lower-margin business from 7.7% in fiscal year 2023 to 10.4% in 2024. The segment's gross profit margin was also buoyed by the increase in own work capitalized following the insourcing of development work that had previously been largely outsourced. This effect is not included in the development of the gross profit margin excluding the resale business.

Adjusted EBITDA increased by €4,259 thousand, from €63,081 thousand to €67,340 thousand. At 39.0%, the adjusted EBITDA margin was below the previous year's level (2023: 43.1%). Despite the

strong revenue growth and the higher gross profit margin, the reason for the lower margin is the increase in personnel and other operating expenses to enable the segment's strong long-term growth. Among other things, this is attributable to the acquisition of Probonio and the establishment of Bike2Future for marketing and brokering used bicycles via B2B and B2C channels and the associated growth measures. This effect was also reflected in the adjusted EBIT margin of 37.0% (2023: 41.1%).

In the course of the integration of Probonio GmbH (**Probonio**), which was acquired in April 2024, Probonio's benefit offering has been successively rolled out to Bikeleasing's existing corporate customers since Q3 2024. The first sales initiatives were launched at the end of August with a small group of Bikeleasing customers. However, Probonio did not make any significant contribution to earnings in fiscal year 2024 due to the fact that the year was already well advanced at the time of the acquisition and because of non-recurring integration and rollout costs.

Two new securitization structures were initiated in the reporting period to refinance lease receivables and trade receivables relating to future insurance premiums to be received. Such receivables of the HR Benefit & Mobility Platform segment were sold to two unconsolidated special purpose vehicles (SPVs) on a revolving basis. These SPVs securitized the receivables concerned and issued the notes created in the process to investors. These securitizations will enable receivables with a volume of up to €375 million to be refinanced in the future.

During the reporting period, income of €24,766 thousand was realized and recognized as revenue from the sale of these receivables as a result of these new revolving securitization structures. Please refer to Note 22.2 in the notes to the consolidated financial statements for further information.

Security Technologies

The Security Technologies segment (IHSE and kvm-tec) recorded a 21.5% decrease in revenue to €31,770 thousand (2023: €40,468 thousand). Deliveries postponed by customers at the end of 2024 led to a significant shortfall of revenue from plan in the fourth quarter and a shift into the subsequent period. Revenue in the Americas region amounted to €5,053 thousand, a decrease of 67.5% on the comparative period (2023: €15,549 thousand). In the comparative period, revenue in this region included a single order with a volume of approximately €8 million, representing the largest single order in the company's history. At €21,305 thousand, revenue in EMEA was slightly below the previous year's level (2023: €21,714 thousand). In APAC, revenue increased from €3,205 thousand in the comparative period to €5,412 thousand – despite China's ongoing efforts to decouple itself from the West.

Revenue by product group

€ thousand	2024	%	2023	%
Digital KVM extenders	18,562	58.4%	24,462	60.4%
KVM matrix switches	6,621	20.8%	8,860	21.9%
Real-time IP extenders	2,523	7.9%	4,112	10.2%
Services	2,932	9.2%	1,663	4.1%
Converters and peripherals	439	1.4%	737	1.8%
IP Remote Access	467	1.5%	243	0.6%
Other	226	0.7%	392	1.0%
Revenue	31,770	100.0%	40,468	100.0%

At 72.1%, the segment's gross profit margin was lower than in the comparative period (previous year: 75.5%). Fluctuations in the gross profit margin can be regularly observed in this segment. This is explained by both different gross profit margins for large deliveries (customer and product mix) as well as significant reporting date-related fluctuations in changes in inventory. In addition, an extraordinary impairment loss of €785 thousand recognized on inventories at IHSE in the fourth quarter negatively impacted the segment's gross profit margin.

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The segment's adjusted EBITDA of €2,894 thousand was significantly below the comparative period figure of €11,088 thousand. At 9.1%, the adjusted EBITDA margin was lower than the comparative period (2023: 27.4%). The same applies to the adjusted EBIT margin, which stood at 4.0% (2023: 23.9%). The main factor behind the lower margins was the lower level of revenue in fiscal year 2024, combined with fixed costs in the area of personnel and other operating expenses.

The segment's adjusted other operating expenses were up slightly on the comparative period at €6,516 thousand (previous year: €6,081 thousand), mainly due to higher trade fair and travel activities. Several trade shows took place in the reporting period that are significant for presenting IHSE and kvm-tec and its products, maintaining contacts with business partners and generating future orders.

Central Functions (not an operating segment under IFRS)

Expenses in Central Functions decreased compared to fiscal year 2023. The main drivers were lower consulting fees after adjustments and a decline in expenses for variable Executive Board remuneration.

Brockhaus Technologies focuses on acquiring high-margin, fastgrowing technology and innovation leaders with B2B business models in the German-speaking Mittelstand. Within this focus, the shortlist last year included in particular those companies with "recurring revenue" business models. However, competition for these companies that are available for sale continues to be intense. This is also reflected in purchase price expectations because the valuations of some companies that were able to prove their resistance to crisis in the preceding months have even attracted a purchase price premium compared with pre-crisis levels.

Overall assessment of the Group's economic position

Brockhaus Technologies sees itself as a fast-growing group of technology companies which acquires highly profitable leaders in technology and innovation, helping them to grow organically and inorganically across product boundaries and national borders.

The result in fiscal year 2024, which involved an increase in revenue by 9.5% to €204 million and an adjusted EBITDA margin of 31.8%. is characteristic of Brockhaus Technologies even in a difficult economy, thanks to the continually high-margin performance. Brockhaus Technologies withstood the tight overall economic situation in fiscal year 2024 and the associated disruptions in the global economic cy-

In an environment of considerable uncertainty in the macroeconomic situation – at both national and international level – the Executive Board of Brockhaus Technologies considers the Group's business performance and financial situation to have been positive in the reporting period.

Economic development of Brockhaus Technologies AG

The Group parent Brockhaus Technologies AG (**BKHT**) is managed by an Executive Board with two members. Marco Brockhaus is the Chief Executive Officer and Chairman of the Executive Board and Dr. Marcel Wilhelm is Chief Operating Officer and Legal Counsel. BKHT's headcount, including the members of the Executive Board, came to 11 (previous year: 11). The employees report directly to the Executive Board. They are employed by BKHT and work at its head office.

BKHT's annual financial statements are prepared based on German GAAP (HGB) in accordance with German principles of proper accounting. The table shows a condensed version of these annual financial statements

The revenue of €1,152 thousand in the reporting period (2023: €672 thousand) was generated by services provided to subsidiaries. Personnel expenses decreased from €3,951 thousand in the previous year to €3,529 thousand during the reporting period, with this decrease primarily attributable to lower variable remuneration for the Executive Board compared with the previous year.

Other operating income amounted to €3,893 thousand. This was mainly attributable to the remeasurement and associated reversal of the provision for the success fee in connection with the acquisition of Bikeleasing in fiscal year 2021 amounting to €3,770 thousand. In the previous year, other operating income had been significantly influenced by income of €69,596 thousand from an intragroup contribution provided free of charge. This was accounted for by applying the principles of exchange at fair value, which was significantly higher than the cost of the shares. The transaction therefore realized hidden reserves in the Company's German GAAP annual financial statements. As a result, the Company had clearly positive net retained profits in fiscal year 2023, which were used in part for a distribution to shareholders in fiscal year 2024.

Income statement (German GAAP)

€ thousand	2024	2023
Revenue	1,152	672
Other operating income	3,893	69,914
Personnel expenses	(3,529)	(3,951)
Amortization of intangible assets and depreciation of property, plant and equipment	(32)	(39)
Write-downs of financial assets and securities classified as current assets	(67,565)	-
Other operating expenses	(5,674)	(29,468)
Interest and similar income	469	971
Interest and similar expenses	(114)	(69)
Earnings after tax	(71,399)	38,031
Other taxes	(13)	(2)
Net loss/ net income from the year	(71,412)	38,032

Balance sheet (German GAAP)

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Intangible assets	-	26
Property, plant and equipment	3	1
Financial assets	197,262	264,622
Non-current assets	197,265	264,649
Receivables and other assets	1,286	674
Cash and bank balances*	14,102	25,112
Current assets	15,389	25,786
Prepaid expenses	315	288
Assets	212,969	290,723
Issued capital	10,448	10,448
Capital reserves	195,412	248,390
Net retained profits	-	20,733
Equity	205,859	279,570
Provisions	5,896	10,109
Liabilities	1,213	1,044
Equity and liabilities	212,969	290,723

^{*} includes securities other than federal treasury notes of the Federal Republic of Germany

Other operating expenses decreased to €5,674 thousand (previous year: €29,468 thousand). This decrease was due primarily to a non-recurring effect in the previous year from the derecognition of the shares of BCM Erste Beteiligungs GmbH in the course of the aforementioned intragroup contribution in the amount of €22,014 thousand provided free of charge. This led to high non-recurring other operating expenses in the comparative period. In the reporting period, these expenses were mainly driven by higher fees in connection with the audit of M&A inbound transactions, whereas the other consulting costs were down significantly year-on-year.

Impairment losses on shares in affiliated companies led to writedowns of financial assets amounting to €67,565 thousand in the reporting period (previous year: €- thousand), €44,971 thousand of this total related to the impairment of shares of IHSE AcquiCo GmbH and €22,594 thousand to the impairment of shares of BT Zweite Beteiligungs GmbH. With regard to the shares of BT Zweite Beteiligungs GmbH, part of the interest in Bikeleasing was transferred to this wholly owned subsidiary of Brockhaus Technologies AG in fiscal year 2023, thereby realizing hidden reserves, as mentioned in the section above. As previously described, these shares were valued significantly above their original acquisition cost as a result of this contribution. The contributed shares have now been written down by €22,594 thousand, from €69,638 thousand to €47,044 thousand as of December 31, 2024. Their carrying amount therefore remains significantly above their original acquisition cost. The remaining shares of Bikeleasing, which are measured at their original acquisition cost, remain fully recoverable.

Net loss for the year came to €71,412 thousand, compared with net income for the year of €38,032 thousand in the comparative period.

The Company's financial assets amounted to €197,262 thousand (previous year: €264,622 thousand) and mainly comprise the investments in subsidiary companies. In addition, the financial assets item includes loans to subsidiaries amounting to €4,830 thousand (previous year: €4,625 thousand).

BKHT's cash and cash equivalents as of December 31, 2024, amounted to €14,102 thousand (previous year: €25,112 thousand).

Equity declined from $\[\in \] 279,570$ thousand to $\[\in \] 205,859$ thousand. In the course of preparation of the financial statements for the reporting period, a withdrawal of $\[\in \] 52,978$ thousand was made from capital reserves in accordance with section 158(1) no. 2 of the *Aktiengesetz* (Stock Corporation Act – AktG). The capital reserves in accordance with section 272(2) no. 1 of the HGB decreased accordingly, from $\[\in \] 248,390$ thousand to $\[\in \] 195,412$ thousand. Net retained profits as of December 31, 2024 amounted to $\[\in \] 0$ thousand (previous year: $\[\in \] 20,733$ thousand). The change is attributable to the net loss for 2024 of $\[\in \] 71,412$ thousand, less the dividend distribution for 2023 of $\[\in \] 2,298$ thousand, plus the withdrawal from capital reserves of $\[\in \] 52,978$ thousand.

Provisions amounted to €5,896 thousand (previous year: €10,109 thousand). These declined mainly because of the remeasurement of the provision for the success fee in connection with the acquisition of Bikeleasing in fiscal year 2021. Provisions for personnel expenses declined by €860 thousand.

At €1,213 thousand, liabilities were slightly up year-on-year (previous year: €1,044 thousand).

As of December 31, 2024, the Company reported net retained profits of €0 thousand (previous year: €20,733 thousand). These consist of the net retained profits from the previous year less the net loss for the year of €71,412 thousand, less the dividend distribution of €2,298 thousand (previous year: €0 thousand), plus the withdrawal from capital reserves of €52,978 thousand.

Events after the reporting period

Please refer to Note 50 to the consolidated financial statements for disclosures about significant events after December 31, 2024.

Forecasting report Economic and political conditions

The International Monetary Fund's (IMF) first forecast for fiscal year 2025 published in January 2025 regarding global economic growth was again restrained. Although global gross domestic product (GDP) growth of 3.3% was forecast for 2025, this figure remains below the long-term average of 3.7% for the years 2000 to 2019. The IMF presented its most recent report on the state of the global economy, the World Economic Outlook, on April 22, 2025. In this context, the IMF sees growing trade conflicts, uncertainty, and structural risks as burdens on global growth. Its forecast for fiscal year 2025 was adjusted accordingly. It is now expecting growth of 2.8% for 2025, down around 0.5% from the January 2025 forecast.

The IMF also revised its growth outlook for Germany downward. It is predicting that Germany will be the only G7 country to suffer economic stagnation in fiscal year 2025. In January 2025, the IMF had still been forecasting economic growth of 0.3% for Germany.

No consideration of future acquisitions

Although further acquisitions are considered, the Group's earnings figures have been planned based on the assumption that there will be no change in the basis of consolidation. The reason for this approach is the difficulty in predicting the nature and scope of future acquisitions. The Executive Board of Brockhaus Technologies does not believe that any estimates in this respect are sufficiently reliable.

Revenue and earnings forecast

Brockhaus Technologies is expecting revenue of between €225 million and €235 million in fiscal year 2025, which would represent growth of between 10% and 15%. The Group is projecting an adjusted EBITDA of €50 million to €55 million, which would represent a decline of 15% to 23% compared with adjusted EBITDA in the 2024 reporting period.

Two key factors are driving the significant growth in revenue despite the decline in adjusted EBITDA.

The first factor is the significant increase in revenue from the resale of bicycles at Bikeleasing at the end of the lease term. This is because volume growth in the resale business is mainly driven by business growth three years ago (contracts generally have a term of three years). This means that trends in resale proceeds are largely independent of current unit sales developments. However, the share of revenue attributable to resale proceeds typically generates a significantly lower gross profit margin than the other revenue components in the segment.

In addition, significantly higher personnel and other operating expenses are expected for the HR Benefit & Mobility Platform segment in fiscal year 2025 as a result of the transformation of Bikeleasing from a single-product to a multi-benefit provider. These are mainly attributable to strategic growth initiatives, in particular the rollout of the Probonio digital multi-benefit platform and the development of the Bike2Future marketing platform for used bicycles, which was established in 2024.

In a challenging economic environment, the Security Technologies segment is expected to record no more than a slight recovery in business development, albeit with a slightly reduced fixed cost base.

The forecast is based on the assumption that there will be no additional significant macroeconomic friction in the sales markets relevant to the Group.

For Brockhaus Technologies AG at the standalone entity level (German GAAP), we are expecting a significant net loss for the year in fiscal year 2025.

Disclaimer

This Annual Report, and in particular the report on expected developments, contain forward-looking statements that are based on the management's current estimation of the future development of the market environment and the future performance of the Group. This estimation was made on the basis of all information available at the time when this Annual Report was prepared. Forward-looking statements are subject to uncertainties - as described in the Risk and opportunity report within this Management Report - that are beyond the Group's control. This applies in particular to the ongoing Russian war of aggression against Ukraine, the Middle East conflict, the continuing supply bottlenecks. China's efforts to decouple itself from the West, domestic and foreign policy uncertainties caused by the change of government in Germany and the US, high energy costs, high interest rates and the volatile tariff and trade policy of the US administration. If the assumptions made are not accurate, or if the risks or opportunities described were to materialize, actual results may differ significantly from the expected results. If the underlying information changes in such a way that a deviation from the forecast is more likely than not, Brockhaus Technologies will notify this in accordance with the statutory disclosure requirements.

Risk and opportunity report Risk management system

Risks and opportunities relate to potential future developments and events that could result in a significant negative or positive deviation from Brockhaus Technologies' goals. Brockhaus Technologies is exposed to numerous risks in its business activities. The Group's goal is not to avoid risks in general, but to carefully weigh the opportunities and risks associated with its decisions and business activities on the basis of appropriate information. This aims to establish an optimum balance between growth and profitability on the one hand and the associated risks on the other. Accordingly, opportunities that arise to increase enterprise value should be leveraged and risks should only be entered into to the extent that they are acceptable to the Group. A reasonable level of business risks must be accepted. but they must be managed by effective risk management that deploys suitable measures. Measures can be implemented to limit risks to an acceptable level, transfer them to third parties in part or in full or avoid them. All employees are expected to deal responsibly with risks within the scope of their areas of responsibility. The risk policy principles and risk strategy are coordinated with and closely linked to the corporate strategy. Risks to Brockhaus Technologies or individual subsidiaries as a going concern must be avoided in any case. The risks and opportunities presented in the following also apply largely to BKHT.

The concept, organization and functions of Brockhaus Technologies' risk management system are defined by the Executive Board and the Supervisory Board. Documentation is provided in the form of a risk management system manual (RMS Manual). The risk management requirements are regularly amended to reflect changes in the legal framework and are subject to a continuous improvement process

The Group parent's Finance department coordinates the implementation and enhancement of the risk management system and the Supervisory Board oversees its effectiveness, in particular to establish whether the early risk warning system is generally suitable for identifying risks and developments that could jeopardize the Group at an

early stage so that suitable countermeasures can be taken without undue delay.

The risk management system consists of measures that enable Brockhaus Technologies to identify, assess and monitor material risks to the attainment of the Company's objectives at an early stage. The scope of consolidation for the Group's risks is the same as the scope of consolidation for the consolidated financial statements.

The risk management system complies with the requirements imposed on risk early warning systems by the Auditing Standard 340 issued by the Institut der Wirtschaftsprüfer in Deutschland e.V. (IDW AuS 340, as amended) in the version in force since January 10, 2022. Mandatory components include in particular the definition and quantification of risk-bearing capacity and the systematic aggregation of risks. Risk-bearing capacity is defined as the maximum risk exposure that a company can bear without jeopardizing its continued existence. Aggregation serves to provide reliable information about whether or not any identified risk poses a threat to the company as a going concern, not only individually but also in combination with other risks.

A measure of the Group's risk-bearing capacity was defined in order to meet these requirements. A Monte Carlo simulation (stochastic method) was performed to aggregate risks. It is based on the risks identified and quantified in the course of the Group risk inventory. Risks were quantified by estimating the probability of occurrence and the extent of any losses, as well as the lowest and highest losses that could reasonably be expected. As well as a random simulation of the occurrence of a risk, this allows an equally random loss amount with the expected value of the most likely loss, but additionally with the possibility of a lower or higher loss incurred. Any identified interdependencies between individual risks were taken into account in the course of aggregation.

The outcome of the aggregation model is a distribution of a large number of total extents of potential loss, each with a different frequency in a relevant loss interval. Based on these data points, the interactions between the risks can be identified on a Group-wide basis. For example, confidence levels can be used to establish the probability that the sum of all risks occurring will not exceed a certain loss value.

The data used in the aggregation model is based predominantly on the probabilities of occurrence and extents of loss reported by the relevant Group companies. These are based in part on estimates that can only be supported to a limited extent by historical or other data. Individual judgment therefore significantly affects the overall outcome of risk aggregation.

The aggregation model reflects all quantifiable risks reported across the Group. Risks not covered by the aggregation model include in particular compliance risks, whose impact cannot be quantified reliably.

Despite the limitations described above, we consider the results of the aggregation model to be suitable overall for allowing us to make an appropriate assessment of the risks.

Whereas overall responsibility for risk management lies with the Executive Board, the subsidiaries are responsible for the operational management of the individual risks relevant to them. This includes the early identification, assessment and definition of suitable measures, the management and monitoring of such measures, and appropriate documentation and reporting. The RMS Manual is intended to ensure a uniform approach and binding applicability in the Group.

All material risks are assessed using defined classes (1 to 5) for probability of occurrence (**P**) and the impact on the Group's objectives. The probability of occurrence refers to the estimated probability of a risk occurring during the time horizon under observation and is expressed as a percentage. The allocation of probability intervals to classes 1 to 5 is presented in the following overview.

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The assessment of the loss when a risk occurs can be either quantitative, which is the preferred method, or qualitative if risks cannot be quantified or qualitative aspects predominate (e.g., for compliance risk). Classification is also based on classes with values of 1 to 5. The quantitative classes are based on an estimated loss in euros relating to the potential impact on the Group's results of operations, net assets and financial position. The qualitative classes are based on criteria that consider damage to the Group's reputation or the impact of any prosecution, with a particular focus on compliance-related risk.

Impact	Assessment
5 Very high	Going-concern risks with a negative impact on business activities, results of operations, net assets and financial position, as well as reputation >=€10 million per individual risk
4 High	Significant negative impact on business activities, results of operations, net assets and financial position as well as reputation €5–€10 million per individual risk
3 Moderate	Some negative impact on business activities, results of operations, net assets and financial position as well as reputation €2–€5 million per individual risk
2 Low	Limited negative impact on business activities, results of operations, net assets and financial position as well as reputation €500 thousand–€2 million per individual risk
1 Insignificant	Immaterial negative impact on business activities, results of operations, net assets and financial position as well as reputation <€500 thousand per individual risk

All identified risks are assigned a risk score, based on the assessment of probability of occurrence and impact. This corresponds to the sum of the class for probability of occurrence and the class for impact if the loss occurs. The probability class is weighted at 30% and the impact class at 70%.

The following overview provides a color coding for the risk scores. It corresponds to the visualization in the risk matrix.

Color code	Risk score
	5 Going-concern risk
	4 Very high risk
	3 High risk
	2 Moderate risk
	1 Low risk

The risk matrix graphically presents the classification of the identified risks and is used to prioritize the most significant risks and enhance transparency across the Group's entire risk situation. The classification presented here corresponds to the net risk, i.e., the expected effect of control measures already effectively implemented has been taken into account in the quantification. This systematic and standardized risk analysis and assessment is conducted twice a year. It is the risk officers' responsibility to continuously monitor all changing risk situations within their departments or their company. In addition to regular risk reporting, a process has been implemented to ensure prompt reporting of newly emerging risks (ad hoc risk reports).

There were no indications during the fiscal year that the risk management system was not overall appropriate and effective.

Risks

Brockhaus Technologies classifies its risks according to the designations markets/ technology, new acquisitions, business operations, compliance and finance.

These areas are subject to risk types that are described in detail in the following, and whose impact on the Group is presented in more detail.

In fiscal year 2023, the RMS Manual was expanded to include guidelines for the identification of sustainability risks, which are incorporated in the Group's risk assessment. In this respect, sustainability risks are regarded as factors of the listed and known risk types and not as a separate risk type, as distinguishing them would be virtually impossible. Sustainability risks can significantly impact the known risk types and be a factor contributing to their materiality.

Market/ technology risks

Economy | The general economic environment and other economic and political conditions significantly impact Brockhaus Technologies' markets.

The macroeconomic situation – at both the national and international level – remains subject to considerable uncertainty due to a variety of macroeconomic factors. Recently, domestic and foreign policy uncertainties have increased again due to the change in government in Germany and in the USA.

Potential risks currently result, among other things, from the ongoing Russian war of aggression against Ukraine, the Middle East conflict, the threat of a global trade war and the disappearance of sales markets, rising government debt worldwide, persistently high energy costs in Germany and the continued high level of interest rates. These factors – individually or collectively – affect the Group's risk situation and impact both its domestic and its foreign business.

There is no end in sight to the stagnation of the German economy. Any further decline or stagnation of the economy could have a correspondingly negative impact on revenue and hence on net assets, financial position, and results of operations, and is therefore classified as a significant risk for the Group. This applies to both of the Group's segments. For example, credit rating downgrades of individual corporate customers from various sectors due to the economic situation meant that Bikeleasing rejected an unusually high number of inquiries from existing and new customers in order to ensure the continued high quality of the receivables portfolio, although this led to a reduction in the number of brokered bicycles. Any continuation of this trend could adversely affect our net assets, financial position and results of operations.

In light of economic developments and prospects, BKHT is slightly increasing the likelihood of this risk occurring compared with December 31, 2023, despite the Group's niche strategy.

The HR Benefit & Mobility Platform segment continues to be driven by the sustained high attractiveness of bicycles and e-bikes as a means of transport as well as by support for company bicycle leasing through tax-privileged deferred compensation. The discontinuation of this benefit or an increase in the percentage rate (currently 0.25%) that is applied to the gross price, added to the taxable monthly salary as a non-cash benefit and deducted from the employees' payroll for tax purposes, is very unlikely against the backdrop of long-term efforts towards sustainability, but if it were to happen, it would have a substantial adverse effect on the Group.

Customer concentration | Because of the niche strategy in the Security Technologies segment, it has significant customer concentrations.

The loss or default of one or more key customers would have a noticeable negative impact on revenue and thus on the results of operations, net assets and financial position of Brockhaus Technologies. To mitigate this risk, the Group maintains close, longstanding customer relationships and tries to avoid high customer concentrations wherever possible.

For the HR Benefit & Mobility Platform segment, the probability that this risk will occur is considered to be very unlikely. Bikeleasing's large and continuously growing customer base and associated market share help to protect the company from losses if individual

customers are lost and also reduce the risk of serious revenue shortfalls. The customer base is therefore a key factor in the segment's sustainable success.

Technology | The success of the Group companies is rooted in their focus on technologies and innovative products that follow sustainable global trends such as digital transformation, automation, cybersecurity or sustainability. Changes in customer preferences, new or substitutive technologies or the emergence of industry standards and trends with negative consequences could make the Group's existing products obsolete or less attractive. To rule out this risk, the Group makes targeted investments in research and development.

Suppliers | Various disruptive factors such as financial, capacity or procurement-related bottlenecks at the Group's suppliers could lead to delays or even the collapse of supply chains. This would affect Brockhaus Technologies' production and hence its revenue generation and would negatively impact the Group's results of operations, net assets and financial position. In order to mitigate this risk, the Group companies plan their future requirements in advance wherever possible and adjust their ordering behavior accordingly when circumstances dictate.

For Bikeleasing, supply shortages could result in the availability of bicycles being severely restricted and the number of new contracts being lower than planned. Although the probability of occurrence of this risk is considered very unlikely, its occurrence could have a significant negative impact on revenue.

Risks from new acquisitions

Deal sourcing | Brockhaus Technologies' business model is based on its ability to identify companies as suitable acquisition targets and acquire them on attractive terms. If the Group is not able to conclude such acquisitions, this may adversely affect its future growth and the efficiency of the allocation of its cash resources. To minimize this risk, Brockhaus Technologies actively manages a network of sector experts, entrepreneurs, managers and consultants to give it access to potential acquisition targets. It also conducts its own prospecting activities, for example by attending trade fairs and systematically monitoring company awards.

Acquisition finance | In many cases, acquiring companies is associated with a substantial need for finance. Transaction processes could fail if Brockhaus Technologies is not able to obtain this through equity or debt within a reasonable time and on acceptable terms. To prevent such a situation, the Group has numerous potential financing partners, which include debt funds and coinvestors in addition to banks. The initial listing in the Prime Standard quality segment also represents a source of finance through capital increases.

Due diligence | It is possible that the Group might inaccurately estimate the value and future potential of target companies and that they will generate lower revenue, earnings and cash flows than assumed before the acquisition. This may happen if risks relating to the target company and/ or its markets are not communicated or not identified. To reduce the possibility of this risk occurring, the Group conducts comprehensive due diligence before each acquisition, involving experienced specialist advisers. Nevertheless, it cannot be ruled out that material risks are not identified or not accurately assessed in the course of due diligence.

Operational risks

Obstacles to growth | The Group companies of Brockhaus Technologies are relatively small organizations with ambitious growth targets. Therefore there is a risk that their management is not able to successfully address promising markets and customers, implement necessary product developments and develop scalable internal structures in good time. The Group manages this risk using proven tools such as the 100-day plan after acquisitions, in which the initial

Ris			

Loss in the event of occurrence	>=€10 million	Suppliers	Due diligence	Economy		
	< €10 million	Interest rates Compliance violation	Technology IT			
	< €5 million	Acquisition finance	Customer concentration	Deal sourcing		
	<€2 million	Obstacles to growth Financial planning Taxes Credit risk Liquidity Foreign currency	Key management Project business			
	< €500 thousand		Covenants			
		<= 10%	<= 25%	<= 50%	<= 75%	>75%

initiatives resulting from the due diligence are documented, scheduled and implemented following the acquisition. There are also processes for strategic planning, ongoing development of the company and strict financial reporting. Furthermore, the members of the BKHT team have extensive experience in developing scalable structures in growing companies.

The current market environment is characterized by high discounts offered by bicycle dealers due to full warehouses, which were partly the result of the coronavirus pandemic and the disruption of supply chains at that time. In this context, further discount campaigns by dealers could have a negative impact on sales figures for newly leased bikes from Bikeleasing if these discounts do not also apply to leased bikes.

Project business| IHSE's project business was added as a new risk in the first half of 2024 for the first time. IHSE's business is characterized by typical fluctuations in revenue that depend on major deliveries. If delivery of several larger projects or a single very large project is delayed beyond a certain key date, or if customers cancel planned projects at short notice, this could adversely impact IHSE's results of operations, net assets and financial position in the relevant period and have a corresponding effect on the Group.

Key management | The Group's commercial success is critically sustained and driven by its ability to recruit, grow and retain experienced, talented managers and staff. In this respect, the Group views the specialized expertise of its employees as one of its most important intangible resources. There is a risk of inappropriate appointments when management structures are expanded to enable further expansion. If Brockhaus Technologies is unable to suitably fill future and existing positions and retain existing managers and staff, this could materially adversely affect commercial success and hence the Group's results of operations, net assets and financial position. To counter this risk, remuneration structures in line with market conditions are in place in the Group, together with a pronounced focus on equity components and long-term incentives. These consist of both direct investments at the level of subsidiaries and investments in BKHT in the form of shares and stock options.

IT | The Group's business processes are critically dependent on information technology (IT). As well as the opportunity to leverage operational efficiencies, this also entails risks. The Group's technical infrastructure could be impaired or fail due to accidents, disasters, technical failures, obsolete technology or cyberattacks. There is also a risk of unauthorized access by external parties to confidential business or personal data. Brockhaus Technologies has security systems that meet market standards in place to safeguard the availability, integrity and confidentiality of its data.

Compliance risks

There are numerous legal risks from the scope of statutory and regulatory requirements, as well as the large number of contractual relationships and agreements that the Group enters into regularly. These relate in particular to the areas of patent, capital market and company law. These risks are reduced to a moderate level through extensive cooperation with experienced prominent law firms. The Group works with several law firms to avoid dependencies resulting from outsourcing and ensure an appropriate level of technical specialization.

Other compliance risks that may result from breaching laws and regulations, such as capital market or data protection rules, are identified and monitored by the Legal Counsel. Brockhaus Technologies has developed a code of conduct that contains essential guidance for correct behavior. There are also training events on specialized topics, such as the proper handling of inside information. Compliance risks are continuously monitored and appropriate measures are taken if risks materialize.

Financial risks

Financial planning | Brockhaus Technologies' financial planning is based on assumptions and calculations made by the management of the parent company and the subsidiaries. These assumptions relate to business performance and other external factors that are, in part, very difficult to predict or cannot be influenced by the Group and to measures, some of which still have to be implemented. Therefore, there is a risk that the assumptions underlying the planning could be incomplete or incorrect and that this may result in divergence between projected and actual earnings. There could also be opportunities if actual developments diverge positively from projections.

Covenants | Some of the Group companies' loan agreements contain arrangements on whose basis extensive early repayment obligations may be triggered. For example, the loans in question are repayable immediately if subsidiaries breach financial covenants. If one or more such cases would arise, this would adversely affect the Group's liquidity. To manage this risk, the Group has established a comprehensive financial reporting system. Additionally, there are contractual options for curing such a breach in the event of a breach.

Interest rates | Further increase in interest rates could impact the future development of the Group for a variety of reasons and adversely affect its results of operations, net assets and financial position. This would increase the Group's financing costs, but would also lead to higher acquisition financing costs for acquisitions.

In the Bikeleasing Group's operating business, any rise in interest rates could lead to higher funding costs for the future leasing business. However, an increase in the leasing factor in respect of customers will offset increased financing interest rates. The leasing factor describes the monthly leasing rate in relation to the acquisition costs of the leasing object. The leasing factor is already flexible for

corporate customers who are currently being acquired, meaning that the leasing factor per company bicycle fluctuates in line with the current level of interest rates. In addition, a large proportion of existing corporate customers have already switched to a variable leasing factor, thereby reducing interest rate risk accordingly.

As a result of the current development of key interest rates and the switch by Bikeleasing's corporate customers to a variable leasing factor, the probability of a potential interest rate loss at the end of fiscal year 2024 fell from over 25% as of December 31, 2023 to below 10%.

Foreign currencies | Brockhaus Technologies executes certain transactions in foreign currencies, giving rise to foreign currency risk. The Group hedges foreign currency risk from its order backlog and from receivables and liabilities where this appears to be economically expedient. Such hedges were not applied in the reporting period. The Group does not hedge the translation risks from the translation of the financial statements of subsidiaries from countries outside the eurozone for inclusion in the consolidated financial statements

Credit risk | It is possible that customers of Brockhaus Technologies will be unable to settle their liabilities. This risk is mitigated by a stringent receivables management process and by agreeing advance payments in some cases. To the extent economically expedient, trade credit insurance is taken out to reduce the amount of potential credit losses. This was not used in the reporting period.

Liquidity | Liquidity risk describes the risk that Brockhaus Technologies might not be able to meet its financial obligations to a sufficient extent. To safeguard liquidity, changes in liquidity are continuously monitored as part of detailed financial planning and financial reporting. For external financing purposes, the opportunities available on the financial markets are continuously monitored in order to ensure sufficient flexibility.

Taxes | Brockhaus Technologies is subject to income taxes and other taxes in various jurisdictions. Considerable discretion and significant estimates are needed to calculate obligations arising from income tax, value added tax and other taxes, including withholding taxes. In the case of various transactions and calculations in the course of the ordinary business activities, for example in the case of intercompany transactions and transfer prices across jurisdictions and transactions with special documentation requirements, the ultimate tax calculations or the timing of tax effects are uncertain. Brockhaus Technologies is subject to regular audits by tax authorities which may arrive at different results concerning tax estimates or the Group's discretionary judgment. Although Brockhaus Technologies believes that its tax estimates are appropriate, the final assessment of such tax audits may differ from the provisions and accruals. As a result, additional tax liabilities, interest, penalties or regulatory, administrative or other sanctions may be incurred.

Sustainability risks

Sustainability risks are events or conditions in the areas of the Environment, Social and Governance, whose occurrence could negatively impact Brockhaus Technologies' net assets, financial position and results of operations as well as its reputation. Sustainability risks do not constitute a new category of risk, but are covered by the existing risk categories.

Sustainability risks in the areas of climate and environment are divided into physical risks and transition risks. **Physical risks** arise from extreme weather events and long-term changes in climatic and ecological parameters. **Transition risks** relate to the transition to a low-carbon economy. In this context, political measures can lead to higher prices for and/ or a shortage of fossil fuels or emission allowances, or to high investments due to the need to refurbish buildings and facilities. New technologies can displace existing ones, and social expectations and changes in the preferences of contractual partners can jeopardize companies that have not adapted.

In addition to sustainability risks in the areas of climate and environment, events, behaviors and developments in the areas of Social and Governance can also negatively impact the net assets, financial position and results of operations of Brockhaus Technologies.

Social risks can have a negative impact on the Group's stakeholders. Brockhaus Technologies is more than just its products or services. It is a place where people come together to work towards common goals. As a result, the treatment of the Group's employees, customers, suppliers and other stakeholders is a key element in risk identification and assessment. The way in which the Group treats its employees and other stakeholders and the extent to which the Group complies with applicable health, safety and recruitment standards offer indications for assessing the general quality and risk structure of the Group.

Sustainability risks in the area of Governance focus on the way the Company is managed. The idea behind this is that Brockhaus Technologies must assume responsibility for all of the impacts caused by its business activities. Governance plays a decisive role here, as this factor reflects how well Brockhaus Technologies governs its own actions.

For Brockhaus Technologies, sustainable business management and profitable growth go hand in hand. BKHT stresses this with the subsidiaries currently in the Group and their product portfolios. These factors are also expected to play a central role in selecting potential acquisition targets in the future.

In terms of ESG risks, the Group has to date only identified material risks in the form of compliance and key person risks. Although the probability of these risks occurring due to ESG factors is currently classified as low, they could have an impact on the Group's net assets, financial position and results of operations if they were to materialize.

Opportunities

In the management's opinion, Brockhaus Technologies has a large range of opportunities. We believe a pivotal task of management is to identify opportunities at an early stage as they arise to be in a position to exploit them so as to increase enterprise value. The operating segments have strong cash flows that – in conjunction with the generally asset-light business models – enable them to finance growth investments from their own resources.

The HR Benefit & Mobility Platform segment could benefit from an accelerated trend toward sustainable mobility through bicycles and e-bikes. Carbon prices rose again in January 2025, and further increases are expected in the future. This is making fossil fuels more and more expensive. This could lead to people traveling fewer distances by car and to further growth in demand for bicycles and ebikes. Even though the first economic forecasts for the 2025 fiscal year remain cautious and the IMF again lowered its forecast in its World Economic Outlook (WEO), a March 2025 publication by the German Bicycle Industry Association (ZIV) indicated that bicycle and e-bike sales per person in Germany had remained stable over the past 30 years. This underscores the high value of bicycles and ebikes in Germany and the high potential for the future. In addition, the persistently challenging economic environment could lead to the company bicycle model and the associated high cost savings compared with a cash purchase having a significantly more positive effect on the segment's unit sales than planned in such economically challenging times.

Following the acquisition of Probonio GmbH, Bikeleasing's corporate customers and their employees can now be provided with additional employee benefits from a single source, alongside company bicycle leasing. Now that the inflation premium has ended, companies are looking for options to inspire their employees with other

state-of-the-art employee benefits. With Bikeleasing's large customer base as a starting point, there is a chance that the business model of additional employee benefits will develop better than expected.

Customer demand in the Security Technologies segment is driven by a high level of requirements for secure, zero-downtime and virtually latency-free data transmission. Continuously increasing data volumes and the need to visualize them, as well as the requirement to protect this data from unintended access, can offer substantial business opportunities in the future. The latter factor is currently being strengthened by global crisis situations. IHSE technology is already integrated into several relevant global projects. In this context, the segment has the opportunity to expand its market share faster than planned, particularly in the government sector.

In addition, a promising, future-proof new product generation based on JPEG XS is now under development and will soon be launched on the market. This will merge proprietary and IP-based KVM technology homogeneously for the first time, making it combinable. These new products are expected to be available for purchase by existing and new customers in the middle of fiscal year 2025. In light of this, the segment has the opportunity to outperform its forecast business development.

To sum up, there are significant opportunities for Brockhaus Technologies from the activities of its subsidiaries, as well as from further acquisitions in the future.

Overall assessment of risks and opportunities

The Executive Board takes the view that the general economic environment and other current economic and political conditions will have a significant impact on the business of Brockhaus Technologies. This assessment is based in particular on uncertainty about the development of the ongoing Russian war of aggression against Ukraine, the Middle East conflict, the threat of a global trade war and the disappearance of sales markets, rising government debt worldwide, persistently high energy costs in Germany, and the continued high level of interest rates. This could significantly adversely affect the Group's results of operations, net assets and financial position.

Overall, Brockhaus Technologies is exposed to a high level of uncertainty that the Group can only partly influence itself. However, no risks have been identified that, individually or in combination with other risks, could affect the continued existence of the Group as a going concern.

Internal control system relevant for the consolidated financial reporting process

The internal control system (ICS) is an integral component of Brockhaus Technologies' risk management system. It aims to ensure regularity, completeness and reliability of the accounting system and the related financial reporting and compliance with the relevant legislation and standards. The ICS comprises all organizational arrangements and measures for identifying, assessing and managing all risks that could materially impact the consolidated financial statements. Nevertheless, even an effective, appropriate and properly functioning internal control system cannot guarantee that all irregularities or inaccurate disclosures will be avoided or identified.

The Group considers the following elements of the ICS to be significant with respect to the consolidated financial reporting process:

- Internal monthly reports consisting of an income statement, statement of financial position and statement of cash flows, including the presentation of year-over-year differences and differences versus the budget, as well as reporting on significant events
- > Group-wide accounting manual
- > Group-wide financial control manual
- Documentation of risks and controls in an ICS matrix, including risk description, control description, definition of documentation requirements, frequency of controls and definition of control owners
- Preventive and detective controls such as dual control principle, access authorizations and separation of duties
- Continuous analysis of new or amended accounting standards, legislation and other requirements and assessment of their impact on the financial statements
- Centralized overviews of quarterly, half-yearly and annual reporting, submission and publication requirements and their deadlines
- Further development of accounting processes and systems, such as by providing advice on the consolidation, introduction and optimization of ERP systems, the enhancement of the system environment, the provision of templates and checklists

Centralized preparation of consolidated financial statements, including the combined management report

Support services provided by external service providers are used in the preparation of the consolidated financial statements. The same applies to the assessment of specific special issues, such as complex IFRS requirements.

If control weaknesses or opportunities for improvement related to the overall internal control system are identified, they are assessed and countermeasures are developed with the responsible managers in order to continuously enhance the effectiveness of the internal control system. An ICS manual was adopted to ensure the Group-wide standardization and further development of the ICS. It describes the significance, relevance and components of Brockhaus Technologies' ICS. It addresses responsibilities, the ICS control cycle and the assessment of the effectiveness of implemented controls. In addition, the ICS manual contains a range of tools for supporting and efficiently designing the implementation and documentation of controls.

After the end of the fiscal year, individual weaknesses in the effectiveness of controls were identified in definable areas of the accounting-related internal control system. The company immediately initiated measures to assess and eliminate these individually identifiable control weaknesses. There are no indications that the internal control system is not adequate or effective as a whole.

Internal audit

As in the previous year, an auditing and tax consulting firm was engaged for fiscal year 2024 under the terms of an outsourced internal audit to ensure compliance with statutory requirements.

Brockhaus Technologies understands internal audit to be an inhouse, process-independent audit, assessment and advisory activity. It is intended to support Group management in achieving its business objectives. Outsourcing the internal audit function is designed in particular to strengthen its independence. Using a systematic, targeted approach, internal audit assesses the effectiveness of the risk

management system, the management and monitoring system, including controls and helps to improve them.

The basis for internal audit's work is a multi-year audit plan coordinated with the Supervisory Board's Audit Committee. The plan is initially based in particular on the findings of the initial analysis of the key elements of the risk early warning system. Other areas of emphasis result from significant changes in the organization of the Group's business activities or in its economic and legal environment.

The following areas were audited in the course of the internal audit in the reporting period:

- > risk management follow-up system (focus on ESG)
- > sales processes in subsidiaries
- employee data from a cybersecurity perspective in the Bikeleasing subgroup

No specific need for action was identified for any of the areas audited

Remuneration report

The remuneration report does not form part of the combined management report. The remuneration report under section 162 of the AktG is made publicly available on our website (www.brockhaustechnologies.com) together with the auditor's report on the formal and voluntary review of the content of the report and is permanently available in the Corporate Governance subsection in the Investor Relations section.

Takeover-related disclosures

As required by AktG section 176(1) sentence 1, the Executive Board of Brockhaus Technologies AG ("BKHT" or the "Company") provides the following explanatory report on the disclosures relating to takeover law in accordance with HGB sections 289a(1) and 315a(1).

BKHT's subscribed capital was €10,947,637 as of December 31, 2024. It is composed of 10,947,637 no-par-value bearer shares, each with a notional value of €1.00. The capital stock is fully paid up. Each share conveys one vote at the Annual General Meeting. There are no other classes of shares.

To the knowledge of the Executive Board, there are no restrictions on the voting rights conveyed by shares.

As of the reporting date, the Marco Brockhaus family (resident in Germany) indirectly held 22.4% of the Company's outstanding shares. To the knowledge of the Executive Board, there are no further interests in the capital that exceed 10% of the voting rights.

Under Article 9(2) of the Company's Articles of Association, Falkenstein Heritage GmbH, whose registered office is in Wetzlar (Germany), is entitled to appoint one-third of the shareholder representatives on the Company's Supervisory Board. This right exists for as long as Falkenstein Heritage GmbH holds at least 10% of the Company's shares. Marco Brockhaus holds the majority of the shares in Falkenstein Heritage GmbH.

The statutory provisions relating to the appointment and dismissal of members of the Executive Board are governed by sections 84 et seq of the AktG. The Articles of Association include the following arrangements relating to the appointment and dismissal of members of the Executive Board.

"The Executive Board comprises one or more persons. The Supervisory Board determines the number of Executive Board members. The Supervisory Board can appoint a Chair of the Executive Board and a Deputy Chair."

The adoption of the Articles of Association is governed by AktG section 23. Under AktG section 179(1), any amendment to the Articles of Association requires a resolution at the Annual General Meeting. Under Article 12(2) of the Articles of Association, the Supervisory Board is entitled to make amendments to the Articles of Association that relate solely to the wording.

The Executive Board's powers to issue shares are described in Note 25 to the consolidated financial statements.

On June 20, 2024, the Annual General Meeting of the Company authorized the Executive Board to acquire up to a total of 10% of the share capital at the time of the authorization by the Company. Further options for the Executive Board to acquire shares of the Company are governed by section 71 of the AktG.

The members of the Executive Board have a special right of termination in the event of a change of control. A change of control is deemed to exist:

- if a third party or several third parties acting in concert who, at the time the contract of service of the Executive Board member was entered into, did not hold or held less than 20% of the voting rights in the Company, acquire voting rights in the Company such that they account for more than 30% in the aggregate (existing and acquired) of the voting rights in the Company, irrespective of whether this produces an obligation to make a takeover bid (the relevant provisions of the German Securities Acquisition and Takeover Act (WpUG), in particular sections 29 and 30, apply to the calculation of the share of the voting power) or
- in the event of a merger (section 2 of the German Company Conversion Act – UmwG) involving the transfer of the assets of the Company under UmwG section 174(1) or (2) sentence 1 or a legal transfer of the material assets to third parties who do not belong to the Company's group of companies or
- in the event that a control agreement and/ or a profit and loss transfer agreement is or are entered into by the Company in a role as a dependent controlled company

If this special right of termination is exercised, the Executive Board member is entitled to a severance payment limited to the total amount of the severance payment cap. Please refer to the remuneration report for a detailed explanation of the severance cap.

Corporate governance statement

For the 2024 fiscal year, the Company is exercising the option to make its corporate-governance statement pursuant to HGB sections 289f and 315d publicly accessible on its website. The corporate governance statement is permanently accessible on our website (www.brockhaus-technologies.com) in the section entitled ln the section entitled Investor Relations, subsection Corporate Governance.

The declaration of compliance with the German Corporate Governance Code by the Executive Board and the Supervisory Board of Brockhaus Technologies AG pursuant to AktG section 161 is permanently accessible on our website (www.brockhaus-technologies.com) in the section entitled lnvestor Relations, subsection Corporate Governance.

Related-party transactions

Please refer to Note 42 to the consolidated financial statements for information on related-party transactions.

Consolidated Financial Statements

Combined Management Report

Consolidated Financial Statements

Consolidated statement of comprehensive income

€ thousand	Note	2024	2023*
Revenue	8	204,321	186,631
Increase/ (decrease) in finished goods and work in progress		1,135	60
Other own work capitalized	9	3,108	1,007
Total output		208,565	187,698
Cost of materials	10	(72,769)	(69,312)
Gross profit		135,796	118,387
Personnel expenses excluding share-based payments	11	(43,360)	(32,394)
Personnel expenses from share-based payments	40	(1,040)	(704)
Other operating expenses	12	(38,111)	(30,627)
Impairment loss on receivables	21	(917)	(860)
Other operating income	13	3,167	4,082
Depreciation and amortization of assets identified in initial consolidation	14	(26,361)	(15,707)
Impairment of goodwill	19.1	(39,869)	-
Other depreciation of property, plant and equipment and amortization of intangible assets	14	(5,312)	(4,552)
Finance costs		(21,781)	(19,752)
Finance income		5,164	524
Financial result	15	(16,617)	(19,229)
Earnings before tax		(32,624)	18,395
Income tax expense	16	(11,693)	(12,441)
Profit or loss for the period		(44,317)	5,955
of which attributable to BKHT shareholders		(55,553)	(5,095)
of which attributable to non-controlling interests	38	11,237	11,050

^{*} Restated (Note 43)

Consolidated statement of comprehensive income (continued)

€ thousand	Note	2024	2023*
Foreign currency translation adjustments**		753	(587)
Total comprehensive income		(43,563)	5,368
of which attributable to BKHT shareholders		(54,800)	(5,682)
of which attributable to non-controlling interests		11,237	11,050
Earnings per share			
Weighted average number of shares outstanding		10,447,666	10,947,637
Earnings per share*** (€)	17	(5.32)	(0.47)

^{*} Restated (Note 43)

^{**} Other comprehensive income that may be reclassified to profit or loss in subsequent periods

^{***} Basic earnings per share is equal to diluted earnings per share.

Consolidated statement of financial position

€ thousand	Note	Dec. 31, 2024	Dec. 31, 2023*
Assets			
Property, plant and equipment	18	15,828	12,868
Intangible assets and goodwill	19	291,045	349,596
Non-current trade receivables	21	21,158	18,404
Non-current leasing receivables	22	144,963	139,544
Deferred tax assets	16	1,301	985
Non-current assets		474,294	521,398
Inventories	20	20,961	17,697
Current trade receivables	21	17,542	17,316
Contract assets	21	855	510
Current leasing receivables	22	22,623	27,657
Other financial assets	23	12,480	19,445
Prepayments		1,808	1,488
Cash and cash equivalents	24	48,427	53,666
Current assets		124,696	137,778
Total assets		598,990	659,176

€ thousand	Note	Dec. 31, 2024	Dec. 31, 2023*
Equity and liabilities			
Subscribed capital	25	10,948	10,948
Capital reserves	26	187,152	240,130
Treasury shares	27	(10,999)	(10,999)
Currency translation differences		715	(38)
Retained earnings	28	12,478	16,524
Equity attributable to BKHT shareholders		200,294	256,564
Non-controlling interests	38	36,895	44,346
Equity		237,188	300,911
Non-current financial liabilities excl. lease refinancing	29	53,697	87,104
Non-current financial liabilities from lease refinancing	29	152,910	166,649
Other provisions	32	84	83
Other liabilities	31	3,828	603
Deferred tax liabilities	16	53,095	47,941
Non-current liabilities		263,614	302,380
Current tax liabilities		3,669	2,278
Current financial liabilities excl. lease refinancing	29	35,324	15,892
Current financial liabilities from lease refinancing	29	19,668	9,760
Trade payables	30	14,066	12,275
Other liabilities	31	21,290	12,671
Contract liabilities	8	4,133	2,893
Other provisions	32	38	115
Current liabilities		98,188	55,885
Liabilities		361,802	358,265
Total equity and liabilities		598,990	659,176

^{*} Restated (Note 43)

Consolidated statement of cash flows

€ thousand	Note	2024	2023*
Profit or loss for the period		(44,317)	5,955
(Income taxes paid)/ income tax refunds		(6,425)	(10,026)
Income tax expense/ (income tax income)	16	11,693	12,441
Expenses for equity-settled share-based payment transactions	40	828	544
Amortization, depreciation and impairment losses	14	71,542	20,259
Financial result excluding lease refinancing	15	9,683	14,524
Interest received		490	524
(Gain)/ loss on sale of property, plant and equipment		30	(889)
Other non-cash expenses/ (income)		(563)	725
(Increase)/ decrease in lease receivables	22	(385)	(22,681)
Increase/ (decrease) in financial liabilities from lease refinancing	29	(5,153)	21,923
(Increase)/ decrease in inventories, trade receivables and other assets not attributable to investing or financing activities		(8,484)	(8,001)
Increase/ (decrease) in trade payables and other liabilities not attributable to investing or financing activities		12,158	(545)
Increase/ (decrease) in other provisions	32	(81)	43
Cash flow from operating activities		41,017	34,796
Payments to acquire property, plant and equipment	18	(1,870)	(2,415)
Proceeds from sale of property, plant and equipment		0	10,052
Payments to acquire intangible assets	19	(1,460)	(1,315)
Capitalized development costs	9	(3,108)	(1,034)
Acquisition of subsidiaries, net of cash acquired	36	(1,782)	(15,192)
Cash flow from investing activities		(8,221)	(9,904)

^{*} Restated (Note 43)

Consolidated statement of cash flows (continued)

€ thousand	Note	2024	2023*
Proceeds from loans raised	29	15,000	25,419
Repayment of loans and other financial liabilities	29	(31,867)	(33,465)
Repayment of lease liabilities	29	(1,949)	(1,293)
Interest paid	29	(5,005)	(6,472)
Dividend payout to shareholders	28	(2,298)	-
Acquisition of treasury shares	27	-	(10,999)
Distributions to non-controlling shareholders	38	(15,829)	(15,780)
Cash flow from financing activities		(41,949)	(42,590)
Change in cash and cash equivalents		(9,153)	(17,698)
Effect of exchange rate changes on cash and cash equivalents		121	(114)
Cash and cash equivalents at period start		52,969	70,780
Cash and cash equivalents at period end	24	43,937	52,969
Funds of financial resources			
Cash and cash equivalents	24	48,427	53,666
Overdraft facilities used for cash management		(4,490)	(697)
Total	24	43,937	52,969

^{*} Restated (Note 43)

Consolidated statement of changes in equity

€ thousand	Note	Subscribed capital	Capital reserves	Treasury shares	Currency translation differences	Retained earnings	Equity attributable to BKHT shareholders	Non-controlling interests	Equity
Jan. 1, 2024		10,948	240,130	(10,999)	(38)	16,524	256,564	44,346	300,911
Transactions with shareholders									
Dividend payout		-	-	-	-	(2,298)	(2,298)	-	(2,298)
Profit or loss for the period		-	-	-	-	(55,553)	(55,553)	11,237	(44,317)
Other comprehensive income		-	-	-	753	_	753	-	753
Equity-settled share-based payment transactions	40	-	-	-		828	828	-	828
Distributions to non-controlling shareholders	38	-	-	-	-			(15,829)	(15,829)
Transactions with non-controlling interests	36	-	-	-	-		_	(2,859)	(2,859)
Withdrawal from capital reserve	26	-	(52,978)	-	-	52,978		-	-
Dec. 31, 2024		10,948	187,152	(10,999)	715	12,478	200,294	36,895	237,188
Jan. 1, 2023, as previously reported		10,948	240,130	-	548	21,075	272,700	42,636	315,337
Adjustments due to corrections	43	-	-	-	-			6,441	6,441
Jan. 1, 2023, restated*		10,948	240,130	-	548	21,075	272,700	49,077	321,778
Transactions with shareholders									
Acquisition of treasury shares	27	-	<u>-</u>	(10,999)	-		(10,999)	-	(10,999)
Profit or loss for the period*		-	-	-	-	(5,095)	(5,095)	11,050	5,955
Other comprehensive income		-	-	-	(586)		(586)	-	(586)
Equity-settled share-based payment transactions		-	-	-	-	544	544	-	544
Distributions to non-controlling shareholders		-		-	-		_	(15,780)	(15,780)
Dec. 31, 2023*		10,948	240,130	(10,999)	(38)	16,524	256,564	44,346	300,911

^{*} Restated (Note 43)

Notes to the consolidated financial statements

I. General information, methods and policies

1. Information on the Group

The registered office of Brockhaus Technologies AG (**BKHT**, the **Company** or the **parent company**, together with its subsidiaries **Brockhaus Technologies** or the **Group**) is Nextower, Thurn-und-Taxis-Platz 6, 60313 Frankfurt am Main, Germany, and the Company is registered in the commercial register at the Local Court in Frankfurt am Main under commercial register number HRB 109637.

The Company's purpose is to found companies and acquire, hold. manage and support investments in companies over the long term and, as the case may be, to sell such investments and to provide services relating to the aforementioned, such as support for sales, marketing, finance and general organizational and management matters and to acquire funding. The Company's purpose also includes granting loans to investees, to the extent that this does not require official approval and developing and implementing new business concepts for investees and third parties, as well as providing services and advisory services to companies, especially with regard to business strategy, business concepts, capital resources, funding options and capital investments (management consulting), to the extent this does not require official approval. The Company's purpose within the scope of the business strategy also includes investing free cash available to the Company that has not yet been committed to investments. Among things, this includes investing in listed securities, such as shares, participation certificates, other mezzanine instruments, debt securities, funds, certificates or derivatives. The Company's objective is long-term support and value growth for its investees

2. Reporting principles

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU and supplementary requirements of section 315e(1) of the German Commercial Code (HGB). IFRS comprise the effective International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and the Interpretations issued by the IFRS Interpretations Committee (IFRS SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

3. Basis of preparation

These consolidated financial statements have been prepared on a historical cost basis. This does not apply to certain items that were recognized at the revalued amount or fair value at the reporting date. Corresponding explanations are provided in the relevant accounting policies.

The consolidated statement of comprehensive income is classified by nature of expense. The items of the consolidated statement of comprehensive income and the statement of financial position are aggregated to enhance clarity and disaggregated and explained in the notes.

The accounting policies, explanations and further disclosures are applied consistently. An exemption to this principle is the new accounting policies presented in Note 4.20.

Presentation in the statement of financial position distinguishes between current and non-current assets and liabilities. Assets and liabilities are classified as current if they are due or will be settled within twelve months of the reporting date.

The Company's fiscal year is the calendar year. These consolidated financial statements relate to the fiscal year from January 1, 2024, to December 31, 2024 (**reporting period**), with a **reporting date** of December 31, 2024. Additionally, comparative information is presented for the previous fiscal year from January 1, 2023, to December 31, 2023 (**previous year** or **prior-period**), with December 31, 2023, as the **prior-year reporting date**.

The consolidated financial statements are presented in euros, which is the Company's functional currency. The amounts disclosed are therefore rounded to the nearest euro (€), thousands of euros (€ thousand) or millions of euros (€ million) in line with standard commercial practice. This rounding method does not necessarily preserve totals, so that it is possible that the amounts in these financial statements do not add up precisely to the total shown. Negative amounts are presented in parentheses and zero amounts are denoted as dashes (-).

The Executive Board prepared these consolidated financial statements as of August 2, 2025, and approved them for distribution to the Supervisory Board.

4. Accounting policies

Recognition and measurement are based on the going concern assumption.

4.1 Consolidation methods

Business combinations

The Group accounts for business combinations using the acquisition method, if the acquired group of activities and assets meets the definition of a business and the Group obtains control. When determining whether a certain group of activities and assets is a business, the Group assesses whether the acquired group of activities and assets comprises at least one resource input and one substantial process and whether the acquired group is able to produce output of goods and services.

The consideration transferred and the identifiable assets and liabilities acquired in the acquisition are generally measured at fair value. Any goodwill arising from the transaction is tested annually for impairment (Note 4.10). Any gain on the acquisition at a price below market value is recognized immediately in profit or loss. Transaction costs are recognized as an expense when incurred unless they are connected to the issuance of debt instruments or equities.

The consideration transferred does not contain any amounts used to satisfy relationships that existed before the acquisition. Such amounts are always recognized in profit or loss. Each obligation to transfer contingent consideration is measured at fair value. If the contingent consideration is classified as equity, it is not remeasured and compensation is recognized in equity. Any other amounts of contingent consideration are measured at fair value at each reporting date and subsequent changes in the fair value of contingent consideration are recognized in profit or loss.

Subsidiaries

Brockhaus Technologies AG and all its controlled subsidiaries are included in the consolidated financial statements. Subsidiaries are investees controlled by the Group. The Group has control of an investee if it is exposed to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control begins until the date on which control ends.

The financial statements of all Group companies included in the consolidated financial statements are prepared as of the same reporting date using uniform accounting policies.

All Group entities were included in the consolidated financial statements as of December 31, 2024, by virtue of control. Please refer to Note 37 for a list of the consolidated entities

Non-controlling interests

At the acquisition date, non-controlling interests are initially measured at their proportionate interest in the identifiable net assets of the acquiree. Changes in a Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

4.2 Foreign currency

For practical reasons, an average rate is used to translate periodrelated amounts in the financial statements of the subsidiaries included in the consolidated financial statements. Any differences resulting from the translation of foreign-currency financial statements of subsidiaries are recognized as a separate component of equity.

The following exchange rates were used for currency translation in the consolidated financial statements.

	Exchange r	ates 2024	Exchange	rates 2023
1 euro	Closing rate	Average	Closing rate	Average
CNY	7.583	7.785	7.851	7.653
USD	1.039	1.082	1.105	1.081

4.3 Revenue from contracts with customers

Revenue recognition

The table below provides information on the type and the point in time at which performance obligations from contracts with customers are satisfied and the associated revenue recognition policies (IFRS 15).

Type of product/ service	Type and time of performance obligation and material payment terms	Revenue recognition under IFRS 15
Sale of KVM devices or KVM systems	Based on the standardized contractual and supply terms and conditions, customers obtain control when the products leave the company's premises (ex works) or were accepted by them there (transfer of risks and rewards). In some cases, control also passes on the basis of other Incoterms (e.g., DDP Delivery Duty Paid). The invoices are generated as of the date of transfer of risk, based on the underlying Incoterms. Invoices are generally payable within 14 to 30 days. For significant key accounts, longer payment terms (30-60 days, in exceptional cases up to 90 days) are granted in some cases. Price reductions and cash discounts are generally granted for the devices/ systems. The contracts do not permit the customer to return the purchased products. Advance payments or partial advance payments for part of the total purchase price are agreed for large volume orders, new customers or customers who are not covered by credit insurance.	Revenue is recognized when control is transferred. Revenue is recognized net of price reductions and cash discounts. Advance payments received are recognized under contract liabilities.
Repair of devices	The Group provides repair services for devices as required. The performance obligation is satisfied when the repair service has been completed.	Revenue is recognized at a point of time after the service has been rendered.
Provision of extended warranty services	In some instances the Group provides separate extended warranty services to its customers (distinct service to the customers).	Revenue is recognized over the period in which the warranty services are provided. Advance payments received for warranty services still to be rendered are recognized as contract liabilities.
Provision of brokerage services	1. The Group generates revenue from commissions in connection with arranging bicycle or e-bike (bike) leases from a third-party lessor that conducts the leasing business in conjunction with the Group. 2. In addition, revenue from commissions is generated in connection with arranging insurance policies. On behalf of a third-party insurance company, the Group brokers insurance policies to lessees to insure bicycles. For this service, the Group receives a commission from the insurance company when an insurance policy is arranged. The Group also makes a margin on the insurance policies, which equals the premiums paid to the Group by customers less the cost the Group pays to purchase the insurance cover from a third-party insurance company. This comprises the following insurance components: a) Worker's compensation insurance in the event of unemployment, termination, long-term illness, death or parental leave of the employee using the bike leased by the employer b) Indemnity insurance for bikes c) Wear-and-tear insurance for bikes d) Liability and legal expense insurance for employees' private use of bikes Since this activity constitutes transferring the insurance coverage from the insurance company, the Group only acts as an intermediary/ broker of insurance services with regard to the aforementioned types of insurance and is therefore an agent.	Revenue from commissions for leases from the third-party lessor is recognized when the contracts are entered into. The brokerage commissions collected from the third-party insurance company are recognized as revenue when the contract is entered into, as the service has been performed at that point in time. Two service obligations (brokerage and claims service) are fulfilled by way of the premium payment margin. The allocation to the two services is made on the basis of the individual selling prices. The obligation for the future provision of the claims service is deducted from the margin (total of premiums paid over the future term less cost of purchasing insurance cover) and the remaining amount is recognized as commission income in revenue. Revenue is therefore recognized in the same way as commissions for all of the insurance policies presented here in the amount of the net margin.
Provision of claims service	The Group provides a claims service to the insurance companies in connection with the aforementioned insurance policies. This involves the handling of claims reported under the liability and wear-and-tear insurance and activities such as providing support to the users of the bikes (employees of the lessee) and suppliers as well as preparing, following up and reporting claims to the third-party insurance company. The Group does not receive any separate compensation for this service.	The portion of the premium payments and commission paid as compensation for the customer and claims service is deferred upon payment (see previous table row above) and recognized proportionally over the term of the lease. The allocation of the total transaction price of the premium payments by customers is based on the stand-alone selling prices. This is done using the expected cost plus a margin method. The costs calculated directly are personnel expenses for the employees involved in claims settlement as well as the costs of the software licenses used.

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Type of product/ service	Type and time of performance obligation and material payment terms	Revenue recognition under IFRS 15
Provision of customer service	The Group provides customer service to the external leasing companies in connection with the aforementioned insurance policies. This involves handling claims notifications for damage and wear-and-tear insurance. The Group receives monthly fixed compensation from the external leasing companies for the services provided.	This service for the third-party leasing companies is governed by a stand-ready agreement. Compensation is paid monthly and is recognized as revenue in this amount continually over the period.
Provision of inspection services	The Group sells inspection services for the maintenance of leased bikes. Inspection packages permit the lessee's employees to take advantage of a specified number of inspections during the lease term. Customers pay a monthly fixed rate to the Group for this service. The Group acts as principal for this service and is therefore responsible for performing the inspections by third parties. The initial inspection may be performed within 1 to 18 months and the second within 19 to 36 months. Users are entitled to a third inspection only for leases with lease terms of 48 months. If the customer does not take advantage of the inspections within the periods specified above, the performance obligation expires without refund of the rates paid.	Installments (payments) received for inspections still to be rendered are recognized as contract liabilities. When the customer takes advantage of the inspection or when a performance obligation expires because the inspection period has ended, the premiums paid that is attributable to the inspection are recognized as revenue. If an inspection is carried out at the start of the term or during a period in which the contract liabilities recognized are not sufficient, a contract asset is recognized, which is reduced thereafter by the amount of the subsequent installments.
Sale of previously leased bicycles and e-bikes at the end of the lease term	Three months before the end of the lease term, users of the leased bikes are offered the opportunity to acquire them. If they agree, the purchase is invoiced at the halfway mark of the last month of the lease term. The invoice amount is obtained by direct debit a few days after the end of the lease term. If no sale is made to the user, the bikes are offered for sale to bicycle retailers or sold to other third parties. The sale contracts do not permit the buyer to return the purchased products.	Revenue is recognized when the user agrees to the purchase at the time of termination of the lease because the user already controls the bicycle at this time. Revenues from the sale of bicycles to third parties are recognized at the time the bicycles are delivered to the retailer or recycler. This income is recognized as revenue from products sold.
Sale of operating lease assets	After expiration of the lease term, the lessor exercises the option to sell, allowing the underlying asset to be sold to customers. The portfolio of underlying assets comprises a collection of various assets, such as vehicles, machines, equipment etc.	When the lessor exercises the option to sell, the revenues are recognized when the lease is terminated.

The Group generates revenue from the sale of KVM devices and KVM system in the Security Technologies operating segment. The HR Benefit & Mobility Platform operating segment generates revenue from commissions, customer and insurance services and from the sale of bikes and other leased assets at the end of their lease terms.

Revenue from product sales is recognized at the time of transfer of the significant risks and rewards of ownership of the goods sold to the buyer if it is reasonably certain that the economic benefits from the sale will flow to the Group. The amount of revenue recognized is based on the fair value of the consideration received or receivable, less any cash discounts and rebates.

As a rule, the Group applies the practical expedient for current advance payments from customers. That means that the promised amount of consideration is not adjusted for the effects of a financing component if the period between the transfer of a promised good or service and payment is one year or less.

The Group receives deferred payments over a period of 36 months from the date of performance from customers for arranging insurance policies in the HR Benefit & Mobility Platform segment. These policies contain an insignificant financing component in the period between performance and payment by the customer.

The Group generally issues a two-year warranty for general repairs of defects that existed at the date of the sale, as required by law. These warranties are recognized in accordance with IAS 37 Provisions (Note 32).

Contract balances

The contract assets and liabilities in the HR Benefit & Mobility Platform segment relate to the inspection packages, which entail that, when the bike user takes advantage of the inspection service, the value of the service either exceeds or falls below the amount of inspection installments collected up to this point.

The contract liabilities are realized as revenue in different periods depending on the segment. Contract liabilities in the Security Technologies segment include advance payments from customers that are expected to be collected in the form of revenue within 12 months of the reporting date. Advance payments are of short-term nature.

4.4 Revenue from leases

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In addition to revenue from contracts with customers in accordance with IFRS 15, the Group generates various types of income from leases (pursuant to IFRS 16 and IFRS 9). These result directly from the Group's original business activities in the HR Benefit & Mobility Platform segment and are therefore reported in revenue as well. The following table provides information on the type and timing of revenue recognition by the Group in its capacity as lessor.

Type of revenue	Revenue recognition under IFRS 16 and IFRS 9		
Interest income from finance leases	The majority of leases for which the Group acts as lessor are finance leases. For these leases, the Group recognizes a receivable in the amount of the net investment in the lease. The lease payments the Group receives from the lessees are divided into an interest portion and a principal portion in accordance with the effective interest method. The interest portion is presented in revenue as interest income from finance leases. The principal portion is not recognized in profit or loss but reduces the related lease receivable.		
Income from the disposal of lease receivables	Income from the disposal of lease receivables arises as a result of the non-recourse forfaiting of lease receivables. The right to receive future lease payments and/ or residual values of leases is sold to a third-party financing partner. If the terms of this sale result in substantially all of the risks and rewards of the lease receivable sold transferring to the buyer, then the Group must derecognize the lease receivables. Forfaiting takes place at a discount from the nominal value of the lease payments to be collected in the future and/ or the unguaranteed residual value. Despite this discount, the selling price is normally well over the amortized cost that the Group invested to generate the lease. This results in income that must be recognized in profit or loss for the period and that the Group presents in revenue. It is reported net, i.e., the difference between the consideration received (less liabilities to be recognized for future servicing) and the amortized cost of the receivables to be derecognized is presented as revenue.		
Servicing of forfaited receivables	The Group continues to provide certain services for leases whose receivables have been forfaited (see above), such as transmitting payments from the lessee to the buyer of the receivables. A liability that reduces the disposal gain is recognized for this future performance obligation at the time of the relevant forfaiting. Servicing is then performed by the Group over the term of the lease and the liability is reversed ratably in the form of income from the servicing of forfaited receivables. This income is presented in revenue.		

Please refer to Note 4.16 for further information on the accounting for the Group's activities as lessor. Please refer to Note 22 in these notes to the consolidated financial statements for information on the Group's activities as lessor in the reporting period.

4.5 Employee benefits

Equity-settled share-based payment transactions (IFRS 2)

The Group has a stock option programs enabling it to issue rights to purchase shares of the parent company to Executive Board members and employees of the Company and to managing directors and employees of subsidiaries.

The total amount to be recognized as expense for employee services received is determined by reference to the fair value of the share-based payment at the grant date. The fair value of stock options is determined using a Monte Carlo simulation, taking the long-term performance targets into account. The fair value determined at the grant date is recognized as expense over the vesting period (the period during which all the specified vesting conditions must be satisfied). The offsetting entry is recorded in equity. The vesting period generally starts on the grant date of the stock options.

No expense is recognized for share allocations that cannot vest, with the exception of equity-settled share-based payment plans where vesting is dependent on a market condition or a non-vesting condition. These equity instruments are treated as being exercisable regardless of whether a market condition or non-vesting condition applies, provided all other service or employment conditions are satisfied.

Based on the non-market-based vesting conditions, the Company estimates the number of options and shares that are expected to be exercisable at the end of each reporting period. Possible changes compared with the original estimates are recognized in profit or loss with a corresponding offsetting entry in equity.

Expenses arising in connection with equity-settled payment arrangements are recognized as personnel expenses.

Cash-settled share-based payment transaction

The Group recognizes a liability for services rendered by employees for cash-settled share-based payment transactions. The Group remeasures the fair value of the liability at each reporting date and at the settlement date. Changes in the entitlement are recognized in personnel expenses over the vesting period in the amount of the portion attributable to the grant date fair value. The other changes in the entitlement are recognized in the financial result.

4.6 Finance income and costs

Interest income and expense is recognized in profit or loss using the effective interest method. To calculate interest income and expense, the effective interest rate is applied to the gross carrying amount of the financial asset (if it is not credit-impaired) or to the amortized cost of the financial liability. By contrast, for financial assets that become credit-impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, calculation of interest income returns to a gross basis.

4.7 Government grants

Government grants were awarded for research and development projects and are reported under other operating income. There are no unfulfilled conditions or contingencies attached to these grants.

4.8 Current and deferred income taxes

Current tax is measured as the amount expected to be reimbursed by, or paid to, the tax authorities. The amount is calculated on the basis of the tax rates and tax laws applicable as of the reporting date.

Deferred tax assets and deferred tax liabilities are offset against one another if the Company has a legally enforceable claim to set off current tax assets against current tax liabilities and these amounts relate to income taxes levied on the same taxable entity by the same taxation authority.

4.9 Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses.

Items of property, plant and equipment are depreciated on a straightline basis over their estimated useful life. The useful lives applied are as follows.

	Years
Leasehold improvements	10
Office furniture	10–13
Other equipment, operating and office equipment	3–10
Technical equipment and machinery	3–10

Impairment testing and the recognition of impairment losses and reversals are performed using the approach for finite-lived intangible assets. Please refer to Note 4.10 for further information.

4.10 Intangible assets and goodwill

Impairment losses on goodwill are presented separately in the consolidated statement of comprehensive income and recognized in profit or loss for the period if the asset's recoverable amount falls below its carrying amount. The cash flows are derived from the long-term corporate planning, which takes account of historical developments and macroeconomic trends.

The Group presents goodwill in accordance with the partial goodwill method. The value in use of the relevant groups of cash-generating units (**CGU**) is used to test the recoverability of goodwill. The annual goodwill impairment test is performed at the level of our operating segments since there are no levels below that at which goodwill is monitored for internal management purposes.

When conducting an impairment test, the recoverable amount is always determined separately for each asset. If the asset does not generate any cash flows independently of other assets, the recoverable amount is determined only for the CGU, unless the asset's fair value less cost of disposal is higher than its carrying amount. Impairment losses recognized on goodwill are not reversed. For other assets, impairment losses are reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount, reduced by depreciation, which would have been determined if no impairment loss had been recognized.

Amortization

Intangible assets are amortized on a straight-line basis over their estimated useful lives. The useful lives applied are as follows.

	Years
Patents and trademarks	10
Capitalized development costs	5
Software	3
Licenses and other rights	3–10
Basic technologies	5–8
Customer base	10–15
Repurchased distribution rights	3
Deferred tax assets from supplementary balance sheets	8

For capitalized development costs, amortization begins as soon as the development is complete and series production has started.

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

4.11 Inventories

Finished goods and work in progress are recognized at the lower of cost or net realizable value using individual calculations which are based on the current cost accounting. Impairment losses on inventories are recognized in cost of materials.

4.12 Financial instruments

The Group's business model for the management of its financial instruments reflects how the entity manages its financial assets to generate cash flows. Depending on the business model, cash flows are realized through the collection of contractual cash flows ("hold to collect" business model), the sale of financial assets ("for sale" business model) or both ("hold to collect and for sale" business model).

In order to classify and measure a financial asset as at "amortized cost" or "fair value through other comprehensive income," the cash flows must comprise "solely payments of principal and interest" (SPPI) on the principal amount outstanding. This assessment is called an "SPPI test" and is conducted at the level of the individual financial instrument.

Initial recognition and measurement

With the exception of contingent consideration, the Group only had primary financial instruments and financial liabilities in the "amortized cost" category that are allocated to the "hold to collect" business model (cash flows are generated by the receipt of contractual cash flows) as of the reporting date and the prior-period reporting date. Please refer to Note 34.4 for information on interest risks.

Subsequent measurement

The Group's financial instruments at amortized cost comprise trade receivables and payables, lease receivables, other financial assets and liabilities, cash and cash equivalents, as well as bank loans, liabilities from securitizations and other loans

They are subsequently measured at fair value through profit or loss, in particular if contingent consideration has been contractually agreed with the purchaser in the context of sales of companies or with the seller in the case of business combinations. Please refer to Notes 23 and 31 for further information.

Impairment

In addition to the general approach (three-stage model), IFRS 9 provides for a simplified model for trade receivables, contract assets and lease receivables (within the scope of application of IFRS 16). Changes in credit risk are not tracked when applying the simplified approach. Instead, a risk provision is recognized in the amount of the lifetime expected credit loss upon initial recognition and at each subsequent reporting date. The Group applies this approach for trade receivables, contract assets and lease receivables.

The probabilities of default are calculated using third-party credit ratings by market data suppliers per debtor. The loss given default (**LGD**) model reflects historical losses and determines the loss given an actual default expressed as a percentage. Contract-specific components are used to calculate the LGD.

4.13 Subscribed capital

Ordinary shares

The costs directly attributable to the issuance of ordinary shares are recognized as a deduction from equity. Income taxes on equity transaction costs are recognized in accordance with IAS 12.

4.14 Provisions

Provisions are determined by discounting the expected future payment obligations at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is presented as finance cost.

Warranties

A provision for warranties is recognized when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of the possible outcomes against their associated probabilities.

4.15 Leases - Group as lessee

The Group makes use of the practical expedients for low-value underlying assets and short-term leases (total lease term of less than twelve months) and the payments are recognized as an expense. The Group exercises the option not to separate the components in the case of agreements that include lease components and non-lease components.

4.16 Leases - Group as lessor

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Operating leases

In an operating lease, the Group as a lessor remains the beneficial owner of the leased asset and recognizes it as an asset at amortized cost under property, plant and equipment. The lease payments received in the period are presented as revenue.

Finance leases

Leases are treated as finance leases if the lessee receives substantially all of the risks and rewards associated with ownership of an asset.

The Group recognizes a receivable in the amount of the net investment value from leasing. The lease payments paid to the Group by the lessees are divided into an interest and a principal portion by applying the effective interest method. The interest portion is presented in revenue and recognized in profit or loss for the period. The receivable from leasing is amortized by deducting the principal amounts received.

4.17 Fair value measurement

The Group uses valuation techniques that are appropriate for the relevant circumstances and for which sufficient data is available to measure fair value. This involves maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

For disclosures on fair value in the notes to the consolidated financial statements, the Group has defined groups of assets and liabilities based on their nature, characteristics and risks, as well as the levels of the IFRS 13 fair value hierarchy.

4.18 Other financial obligations

Rental and lease commitments are reported as lease liabilities in accordance with IFRS 16. Contingent liabilities are measured at their settlement amount.

4.19 Summary of the measurement policies

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Provided there are no impairment losses, the Group's measurement policies are summarized and in simplified form as follows.

Statement of financial position item	Assessment
Assets	
Property, plant and equipment (including right-of-use assets)	Amortized cost
Intangible assets	
with finite useful lives	Amortized cost
with indefinite useful lives	Impairment-only approach
Lease receivables	Amortized cost
Deferred tax assets	Measured (without discounting) at the tax rates that apply in the period when the asset is realized or a liability is settled
Inventories	Lower of cost and net realizable value
Trade receivables	Amortized cost
Accrued expenses	Amortized cost
Other financial assets	Amortized cost
Assets from contingent consideration (earn-outs)	Fair value according to discounted expected future payments weighted with the relevant probability of occurrence
Other non-financial assets	Amortized cost
Cash and cash equivalents	Amortized cost
Liabilities	_
Liabilities to banks	Amortized cost
Other financial liabilities (including lease liabilities)	Amortized cost
Deferred tax liabilities	Measured (without discounting) at the tax rates that apply in the period when the asset is realized or a liability is settled
Income tax liabilities	Expected payment to tax authorities that is based on tax rates that apply at the reporting date or shortly thereafter
Trade payables	Amortized cost
Deferred income	Amortized cost
Liabilities from contingent consideration (earn-outs)	Fair value according to discounted expected future payments weighted with the relevant probability of occurrence
Liabilities from cash-settled share-based payment transactions	Fair value
Other provisions	Expected discounted amount that will result in an outflow of resources

4.20 New and amended standards

The accounting policies applied in the consolidated financial statements are generally the same as the policies applied in the previous year. New and amended standards adopted by the EU and effective for periods beginning on or after January 1, 2024, did not materially affect the Group's results of operations, net assets and financial position.

There are no other new or amended standards that could materially affect future financial statements of the Group.

5. Use of judgments, estimates and assumptions

Judgments that affect the amounts in the financial statements are necessary in some instances to apply accounting policies. In addition, for the preparation of the financial statements, forward-looking assumptions and estimates must be made that may have an impact on the carrying amounts of items in the statement of financial position as well as the amount for income and expenses. The actual future amounts may differ from these estimates. The most important forward-looking assumptions and other sources of estimation uncertainty that may require future material adjustments are explained below.

5.1 Judgments

Capitalized development costs

Initial capitalization of costs is based on the Group's assessment that technical and economic feasibility of the developed assets has been demonstrated. For instance, technical feasibility is assessed using the development of prototypes or feasibility studies. Economic feasibility is assessed using project planning, which includes the necessary material costs and personnel expenses and their financing.

Consolidation of structured entities

To refinance the leasing business, among other things, the Group uses an asset-backed security (ABS) program, under which lease receivables are securitized for investors using a structured entity. The structured entity is Compartment B of Debt Marketplace SARL. Companies can securitize receivables through this entity whereby the receivables are sold to various compartments of Debt Marketplace SARL. Compartment B of Debt Marketplace SARL is used to securitize lease receivables. Investors in Compartment B alone are exposed to the credit risk of the Group's lease receivables. Moreover, there are no cross-compartment credit enhancements by third parties. The Group has no ability to influence the management of the structured entities. However, the Group handles a material activity of the structured entity by servicing the lease receivables and recovering them upon default by the lessee. The Group additionally assumes the credit risk associated with the lease receivables by way of a purchase price discount and participates substantially in the variable returns of the structured entity by receiving a share of the excess spread. In the overall assessment, the Group has control over Compartment B of Debt Marketplace SARL within the meaning of IFRS 10. The company must therefore be consolidated in accordance with IFRS.

The Group uses a GmbH & Co. KG (a German limited partnership in which a limited liability company is the general partner) structure for its management investment in KVM-TEC Electronic GmbH. The Group holds all shares in the general partner, but not in KVM-TEC MPP GmbH & Co. KG itself. Nevertheless, the Group controls KVM-TEC MPP GmbH & Co. KG by virtue of separate agreements. Viewed overall, the Group exercises de facto control over KVM-TEC MPP GmbH & Co. KG within the meaning of IFRS 10. The entity therefore has to be consolidated in accordance with IFRS.

Assets and liabilities from contingent consideration

The determination of fair values of assets and liabilities from contingent consideration (earn-outs) requires a high level of judgment. The most significant amounts of contingent consideration are the future purchase price receivable from the sale of Palas and the future purchase price payable for the acquisition of Probonio. Specifically, management has made estimates regarding various planning scenarios that appear realistic and the resulting earn-out payments, as well as regarding the probability of occurrence of each scenario. For further information, please refer to Note 23 and Note 36.

5.2 Estimates and assumptions

The most important forward-looking assumptions and other major sources of estimation uncertainty on the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year are explained below.

Equity-settled share-based payment transactions

The stock options issued by the Group are subject to conditions determining how the stock options may be exercised by the beneficiaries. There are two settlement scenarios: cash settlement or equity settlement. In light of the Executive Board's intention to settle by issuing new shares, the Group does not have a present obligation to settle in cash. This assessment by management is made again at each reporting date. For further information, please refer to Note 40.

The Monte Carlo simulation, which the Group uses to estimate the fair value of share-based payments, depends on the terms and conditions for granting such payments and requires suitable inputs to be determined. They include in particular the expected volatility derived from comparable listed companies and BKHT as well as the expected term of the option and the risk-free interest rate. The assumptions and techniques used to estimate fair value are presented in Note 40.

Deferred taxes

Deferred tax assets for unused tax loss carryforwards are currently not recognized in the Group as future taxable earnings in the relevant income tax consolidation groups were not sufficiently concrete at the date of preparing the financial statements. This assumption is reviewed by management on each reporting date.

Business combinations

The determination of the respective fair value of the acquired assets and liabilities on the acquisition date is subject to significant estimation uncertainty. For the identification of intangible assets, depending on the type of the intangible asset and the complexity of determining fair value, either opinions of external valuation experts are drawn upon or the fair value is determined in-house using an appropriate valuation method for the respective intangible asset, the basis of which is typically used for the forecast of overall expected future generated cash and cash equivalents. These measurements are closely related to management's assumptions and estimates made regarding the future development of the respective assets and the discount rate to be applied.

Impairment test of goodwill and other intangible assets

A cash-generating unit is impaired if its carrying amount exceeds its recoverable amount. The recoverable amount of a cash-generating unit (CGU) is the higher of its fair value less cost of disposal and its value in use. Fair value less costs to sell of the Bikeleasing CGU is calculated using the German income approach. Cash flows are derived from the financial budgets for the next five years. The discounted cash flow method is used to calculate value in use of the IHSE CGU. Cash flows are also derived from the financial budgets for the next five years. Terminal value is calculated on the basis of the most recent planning year in combination with the perpetual growth rate. The recoverable amount in both cases depends on the discount rate used in the German income method or discounted cash flow method as well as on the expected future cash flows and the growth rate used for extrapolation purposes. These estimates significantly influence value in use. The basic assumptions used to determine recoverable amount for the various cash-generating units are presented in Note 19.1.

For other intangible assets that generate cash flows largely independently of other assets, the recoverable amount is tested for impairment at the level of each individual asset. When determining fair values less cost of disposal, capitalization-based valuation techniques are used, whose basic assumptions and forward-looking estimates are presented in Note 19.2.

Provisions

Provisions are recognized when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation (Notes 4.14 and 32). Such estimates are subject to significant uncertainty.

Residual values at the end of the lease term

In bicycle leasing, the unguaranteed (estimated) residual value is accounted for when calculating the present value of lease receivables in accordance with the definition in IFRS 16. The estimated residual value at the end of the lease term is calculated depending on the maturity category of the respective lease and includes the expected proceeds from recovery at the end of the term based on historical values. For lease receivables from bicycle finance leasing, historical values based on experience produce a weighted average residual value of 9.5% (previous year: 9.5%) of cost. The residual value for leasing other than bicycle leasing generally amounts to 5% and in exceptional cases up to 20% of the acquisition cost.

Impairment losses on trade receivables, contract assets and lease receivables

For information on the assumptions and estimates involved in calculating impairment losses on trade receivables, contract assets and lease receivables, see Notes 4.12 and 34.4.

II. Notes to the statement of comprehensive income

6. Alternative performance measures

In addition to the information disclosed in the consolidated statement of comprehensive income, management uses additional performance measures to manage the Group. These comprise the **proforma consolidated income statement** and **adjusted alternative performance measures**.

Pro-forma consolidated income statement

The income and expenses of the four Bikeleasing sales agencies acquired in 2023 had only been included in the income statement for part of fiscal year 2023. This is because the dates on which control was obtained (closing of the respective acquisition) were in the months of May, June and December 2023. For this reason, the informative value of the earnings figures for fiscal year 2023 and in particular, their suitability for deriving forecasts, is significantly limited. The Executive Board therefore additionally analyzes the comparative period's earnings figures on a pro forma basis. They present the consolidated income statement for the comparative period as if the sales agencies had already been acquired as of January 1, 2023.

The pro forma adjustments in fiscal year 2023 had included savings of €5,651 thousand on sales commission in cost of materials, additional personnel expenses of €1,500 thousand for the employees taken over and PPA amortization €3,081 thousand on the reacquired distribution rights.

To calculate the pro forma income and expenses, management assumed that the preliminary fair value adjustments made as of the date of acquisition of the sales agencies would also have applied if the acquisitions had taken place on January 1, 2023.

No pro forma adjustments were made in relation to the acquisition of Probonio due to immateriality.

Pro-forma consolidated income statement

€ thousand	As is 2023*	Pro forma adjustments	Pro forma 2023*
Revenue	186,631	-	186,631
Increase/ (decrease) in finished goods and work in progress	60	-	60
Other own work capitalized	1,007	-	1,007
Total output	187,698	-	187,698
Cost of materials	(69,312)	5,651	(63,661)
Gross profit	118,387	5,651	124,037
Personnel expenses excluding share-based payments	(32,394)	(1,215)	(33,609)
Personnel expenses from share-based payments	(704)	(285)	(989)
Other operating expenses	(30,627)	-	(30,627)
Impairment loss on receivables	(860)	-	(860)
Other operating income	4,082	-	4,082
Depreciation and amortization of assets identified in initial consolidation	(15,707)	(3,081)	(18,788)
Other depreciation of property, plant and equipment and amortization of intangible assets	(4,552)	_	(4,552)
Finance costs	(19,752)	-	(19,752)
Finance income	524	-	524
Financial result	(19,229)	-	(19,229)
Earnings before tax	18,395	1,071	19,466
Income tax expense	(12,441)	(321)	(12,762)
Profit or loss for the period	5,955	749	6,704
of which attributable to BKHT shareholders	(5,095)	390	(4,705)
of which attributable to non-controlling interests	11,050	359	11,409

^{*} Restated (Note 43)

Adjusted alternative performance measures

The Group discloses adjusted earnings before interest, tax, depreciation and amortization (adjusted EBITDA), adjusted earnings before interest and tax (adjusted EBIT) and adjusted earnings. The percentage ratio of these indicators to revenue is referred to as a margin (adjusted EBITDA margin and adjusted EBIT margin). Adjusted earnings per share are additionally disclosed. Management uses these performance measures to manage the Company and considers them to be significant for an understanding of the Group's financial performance. The alternative performance measures are not defined in IFRS and the Group's definitions are potentially not comparable with similarly designated performance indicators of other companies.

Until fiscal year 2022, Brockhaus Technologies had adjusted revenue and gross profit for the decreased earnings from value step-up. The adjustment had led to higher revenue than revenue in accordance with IFRS. In order to avoid discrepancies between the key performance measures and IFRS as good as possible, the management of Brockhaus Technologies ended these adjustments to revenue as per beginning of fiscal year 2023. The decrease in earnings due to value step-up amounted to €264 thousand in the reporting period (previous year: €1,384 thousand).

Management eliminates expenses from **share-based payments** under IFRS 2.51 (a) from the performance indicators relevant for managing the Company. The reason for this is that these are not attributable economically to the Company, but to its shareholders, when they are serviced using shares. The issuance of options and shares does not represent an outflow of resources for the Group. Consequently, management eliminates the relevant expenses from share-based payments for the analysis of the Group's financial performance. Please refer to Note 40 for further information.

The earnings figures for analyzing the Group's performance are also adjusted for the **cost of business combinations** under IFRS 3.53. Such costs are only incurred when companies are successfully acquired. In terms of BKHT's business model, these costs are therefore of a recurring nature, but amount to zero in each case assuming no change in the scope of consolidation (meaning no companies acquired). In the opinion of management, such expenses would have to be capitalized as acquisition costs if they were incurred in the course of acquisitions outside of business combinations.

In the course of acquiring the sales agencies in the HR Benefit & Mobility Platform segment, the Group had entered into agreements in fiscal year 2023 that resulted in the recognition of **personnel expenses from business combinations**. Because these expenses are directly attributable to acquisitions, they are eliminated from the adjusted indicators when analyzing the Group's financial performance (Note 11).

The implementation of a new ERP system was initiated in the HR Benefit & Mobility Platform segment in the reporting period. Expenditures in such contexts are usually capitalized as intangible assets and do not constitute operating expenses. SaaS solutions are an exception to this principle, as the company using the software does not obtain actual control over the implemented software. In our opinion, this special treatment has an inappropriately negative impact on the Group's operating profitability. For this reason, we adjust the cost of ERP implementation.

In the reporting period, the Group was approached by third parties about the possibility of an acquisition of Brockhaus Technologies by these third parties. Legal and consulting fees were incurred for the due diligence review of these inquiries. Since these costs were incurred for the potential benefit of shareholders rather than the Group, these costs of **reviewing M&A inbounds** are eliminated from the adjusted indicators when analyzing the Group's financial performance. In the prior year, this had not been adjusted due to immateriality.

In addition, the statements have been adjusted for **special compliance costs**, which comprise the external costs of the internal investigations conducted as part of the preparation of these financial statements as well as the resulting additional costs for the preparation and audit of financial statements (Note 50).

In the comparative period, the Group had sold one real estate property. The resulting **income from sale of real estate** was deducted from the adjusted earnings figures and the cash inflow from adjusted free cash flow before taxes.

Equally, depreciation, amortization, and impairment losses on assets, including goodwill, identified in the course of purchase price allocation for acquisitions (PPA depreciation, amortization and impairment and goodwill impairment) are eliminated from underlying IFRS figures for the purposes of value-enhancing management of the Company. These amortization and depreciation expenses and impairment losses are entries that are independent of the financial figures of the individual Group companies. As a rule, they are not found in the single-entity annual financial statements of the Group companies. These expenses are recognized solely at the level of consolidation. They are non-cash expenses and not relevant for BKHT's ability to pay dividends and no replacement investment spending will also be incurred for them in future cash flows. The considerably lower earnings according to IFRS due to the PPA amortization expenses result solely from the fact that an M&A transaction took place. The financial performance presented is thus considerably poorer solely because of the consolidation. It is also possible that a subsidiary will develop considerably more favorably than projected, but it is still required to recognize substantial PPA amortization expenses in the consolidated financial statements. For this reason, the Group additionally reports these figures before PPA amortization expenses.

When Palas was sold in 2022, the payment of contingent purchase price components was agreed with the acquirer (earn-out), and these were required to be recognized as an asset. Likewise, for the acquisition of Probonio in the reporting period, a contingent purchase price payment (also an earn-out) was part of the consideration transferred; it was recognized as a liability at the time of the transaction. The assets and liabilities from these expected future earn-out payments must be remeasured to fair value as of each reporting date. The change in the carrying amount is reported as income or expense in the consolidated statement of comprehensive income. This earn-out income and expense is adjusted for the analysis of the Group's performance.

As part of the acquisition of Bikeleasing in 2021, the Group agreed a success fee with the intermediary of the M&A transaction. Under this agreement, the intermediary has the right to claim a proportional interest in a possible future increase in Bikeleasing's value. This claim comes due upon sale of the shares or, if no sale occurs, in 2031, 10 years after acquisition. The claim is reported as a liability and remeasured to fair value as of each reporting date. The change in the carrying amount is reported as income or expense in the consolidated statement of comprehensive income. This success fee income and expense is adjusted for the analysis of the Group's performance.

Income taxes on adjustments relate to adjusted items in the consolidated statement of comprehensive income. These are eliminated when the after-tax figures are calculated.

In addition to the adjusted earnings figures, the Group provides information on adjusted cash flow from operating activities before tax and free cash flow before tax.

The adjusted earnings figures include interest income from finance leases of €21,083 thousand (previous year: €17,396 thousand), which the Group recognizes in revenue because it is inherent in the operating business model. The adjusted earnings figures before finance costs (adjusted EBITDA and adjusted EBIT) do not include lease refinancing expenses. These are presented in the financial result and amounted to €6,934 thousand (previous year: €4,686 thousand).

Calculation of adjusted EBITDA

	As is		Pro forma	
€ thousand	2024	2023	2023	
Earnings before tax	(32,624)	18,395	19,466	
Financial result	16,617	19,229	19,229	
Amortization, depreciation and impairment losses	71,542	20,259	23,340	
EBITDA	55,536	57,883	62,034	
Share-based payments	897	544	544	
Cost of business combinations	750	4,337	4,337	
Personnel expenses from business combinations	584	57	689	
Cost of ERP implementation	4,593	-	-	
Review of M&A inbounds	1,692	-	-	
Special compliance costs	922	-	-	
Income from sale of real estate	-	(616)	(616)	
Adjusted EBITDA	64,975	62,205	66,988	
Adjusted EBITDA margin	31.8%	33.3%	35.9%	

Calculation of adjusted EBIT

	As is		Pro forma	
€ thousand	2024	2023	2023	
Earnings before tax	(32,624)	18,395	19,466	
Financial result	16,617	19,229	19,229	
EBIT	(16,006)	37,624	38,694	
Share-based payments	897	544	544	
Cost of business combinations	750	4,337	4,337	
Personnel expenses from business combinations	584	57	689	
Cost of ERP implementation	4,593	-	-	
Review of M&A inbounds	1,692	-	-	
Special compliance costs	922	-	-	
Income from sale of real estate	-	(616)	(616)	
PPA amortization/depreciation/impairment	26,361	15,707	18,788	
Goodwill impairment	39,869	-	-	
Adjusted EBIT	59,663	57,654	62,437	
Adjusted EBIT margin	29.2%	30.9%	33.5%	

Calculation of adjusted earnings and adjusted earnings per share

	As i	Pro forma	
€ thousand	2024	2023*	2023*
Profit or loss for the period	(44,317)	5,955	6,704
Share-based payments	897	544	544
Cost of business combinations	750	4,337	4,337
Personnel expenses from business combinations	584	57	689
Cost of ERP implementation	4,593	-	-
Review of M&A inbounds	1,692	-	-
Special compliance costs	922	-	-
Income from sale of real estate		(616)	(616)
PPA amortization/depreciation/impairment	26,361	15,707	18,788
Goodwill impairment	39,869	-	-
(Income)/ expenses from earn-outs	6,268	2,936	2,936
(Income)/ expenses from success fee	(2,615)	3,054	3,054
(Income)/ expenses from NCI put	(436)	-	-
Income taxes on adjustments	(8,901)	(3,954)	(6,749)
Adjusted earnings	25,667	28,020	29,687
of which: attributable to BKHT shareholders	9,227	11,457	12,381
of which: non-controlling interests	16,441	16,563	17,306
Number of shares outstanding	10,447,666	10,947,637	10,947,637
Adjusted earnings per share (€)	0.88	1.05	1.13

^{*} Restated (Note 43)

Calculation of the adjusted cash flow from operating activities before tax and free cash flow before tax

€ thousand	2024	2023
Cash flow from operating activities	41,017	34,796
Income taxes paid/ (income tax refunds)	6,425	10,026
Cost of business combinations	750	4,337
Review of M&A inbounds	1,692	_
Adjusted cash flow from operating activities before tax	49,884	49,158
Cash flow from investing activities	(8,221)	(9,904)
Proceeds from sale of real estate	-	(10,000)
Acquisition/ (disposal) of subsidiaries	1,782	15,192
Free cash flow before tax	43,445	44,446

7. Operating segments

The Group currently comprises two strategic divisions, which constitute the Group's reportable segments. The segments offer different products and services and are separately administrated since they operate in different markets and therefore require different technology and marketing strategies. BKHT's Executive Board reviews internal management reports for each segment on a monthly basis.

The HR Benefit & Mobility Platform (formerly: Financial Technologies) segment comprises companies specializing in developing and operating highly automated digital B2B platforms for arranging, managing and financing employee benefits through the employer. This segment comprises Bikeleasing and Probonio, which the Group acquired in November 2021 and April 2024, respectively. 52.09% of the income, expenses, assets and liabilities of the segment are attributable to Brockhaus Technologies AG. An exception to this concerns financial liabilities from subordinated loans of €10.298 thousand (previous year: €26,350 thousand) of the intermediate holding company BCM Erste Beteiligungs GmbH (BCM Erste). 94.87% of these liabilities are attributable to Brockhaus Technologies AG. Legally, the interest (calculated on a multiplicative basis) held by Brockhaus Technologies AG in Bikeleasing amounts to 51.96%. Newly created shares of Bikeleasing of 0.255% were transferred to the sellers of Probonio as part of the purchase price payment in April 2024 (Note 36). There are put and call options on this interest, with the result that it does not meet the definition of equity under IFRS. The Group therefore reports this interest as a liability at fair value. As a result, the interest of Brockhaus Technologies AG in Bikeleasing is 52.09% under IFRS (interest of 94.87% in the intermediate holding company BCM Erste * 54.91% held by BCM Erste in Bikeleasing), but legally it amounts to 51.96% (interest of 94.87% in the intermediate holding company BCM Erste * 54.77% held by BCM Erste in Bikeleasing).

The **Security Technologies** segment includes companies that develop, produce and distribute KVM (keyboard, video and mouse) technology for high-security, reduced-latency and loss-free data transmission in mission-critical applications. This segment comprises IHSE, which the Group acquired in December 2019. 100% of the income, expenses, assets and liabilities of the segment are attributable to Brockhaus Technologies AG.

Central Functions relate primarily to the activities of the Group parent, i.e., the M&A, Investor Relations, Finance, Risk Management, and Compliance functions. This means that Central Functions are not a reportable segment under IFRS.

The **reconciliation** column mainly comprises the elimination of management service fees paid by the operating segments to Central Functions and intercompany loans extended to the operating segments by Central Functions.

Please refer to Note 6 for information on the alternative performance measures presented here, including the reconciliations to revenue and earnings before tax.

Apart from the adjustments explained above, segment performance measures are reported on the basis of the management accounting, which largely corresponds to IFRS.

Non-current assets are located almost exclusively in Germany.

Please refer to Note 8 for information on the allocation of revenue to the groups of products and services.

Key performance indicator by operating segment

			Reportable se	egments								
	HR Benefit & Platfor		Securit Technolog		Total		Centra Function		Reconciliation		Group	
€ thousand	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenue	172,552	146,213	31,770	40,468	204,321	186,681	1,152	672	(1,152)	(723)	204,321	186,631
Gross profit	112,242	87,472	22,922	30,542	135,164	118,015	1,152	672	(520)	(300)	135,796	118,387
Adjusted EBITDA	67,340	58,298	2,894	11,088	70,234	69,386	(5,259)	(7,181)	-		64,975	62,205
Pro forma gross profit	112,242	93,123	22,922	30,542	135,164	123,666	1,152	672	(520)	(300)	135,796	124,037
Pro forma adjusted EBITDA	67,340	63,081	2,894	11,088	70,234	74,169	(5,259)	(7,181)		-	64,975	66,988
Trade working capital*	35,434	26,729	10,668	15,140	46,101	41,869	(63)	(411)	(444)	(316)	45,595	41,142
Cash and cash equivalents	31,604	23,082	2,687	5,431	34,291	28,512	14,136	25,153	-	-	48,427	53,666
Financial liabilities excl. lease refinancing	58,524	65,756	30,918	35,293	89,442	101,049	4,252	6,863	(4,673)	(4,917)	89,021	102,996
Financial liabilities from lease refinancing	172,578	176,410	-		172,578	176,410	-	-	-		172,578	176,410
Interest income from finance leases	21,083	17,396		-	21,083	17,396	-				21,083	17,396
Revenue by region												
EMEA	172,552	146,213	21,305	21,714	193,856	167,927	1,152	672	(1,152)	(723)	193,856	167,876
Germany	165,649	143,406	5,491	7,394	171,140	150,800	1,152	672	(1,152)	(723)	171,140	150,750
Other	6,902	2,807	15,814	14,319	22,716	17,126	-	-	-	-	22,716	17,126
Americas	-	-	5,053	15,549	5,053	15,549	-	-	-	-	5,053	15,549
USA	-	-	4,858	15,524	4,858	15,524	-	-	-	-	4,858	15,524
Other	-	-	195	25	195	25	-	-	-	-	195	25
APAC		-	5,412	3,205	5,412	3,205	-	-	-	-	5,412	3,205
China		-	3,207	677	3,207	677	-	-	-	-	3,207	677
Other		-	2,205	2,528	2,205	2,528	-	-	-	-	2,205	2,528
Total	172,552	146,213	31,770	40,468	204,321	186,681	1,152	672	(1,152)	(723)	204,321	186,631

^{*} Trade working capital comprises inventories and trade receivables (current and non-current), less trade payables.

Earnings before tax of the operating segments

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The following table shows the reconciliation of the information on reportable segments to the figures reported in the consolidated financial statements.

€ thousand	2024	2023
Earnings before tax of reportable segments	(18,798)	31,456
Earnings before tax of Central Functions	(13,826)	(12,816)
Elimination of income and expenses	(0)	(244)
Income from continuing operations before tax	(32,624)	18,395

Operating segment assets

The following table shows the reconciliation of the information on reportable segments to the figures reported in the consolidated financial statements.

€ thousand	2024	2023*
Reportable segment assets	583,184	625,075
Central Function assets	15,807	34,101
Other amounts not allocated	-	-
Group Assets	598,990	659,176

^{*} Restated (Note 43)

Operating segment liabilities

The following table shows the reconciliation of the information on reportable segments to the figures reported in the consolidated financial statements.

€ thousand	2024	2023*
Reportable segment liabilities	354,845	348,515
Central Function liabilities	6,957	9,750
Other amounts not allocated	-	-
Group liabilities	361,802	358,265

^{*} Restated (Note 43)

8. Revenue

The Group generates revenue from contracts with customers according to IFRS 15 primarily from the following products and services.

- HR Benefit & Mobility Platform: Brokering insurance policies and leases, as well as selling services and bicycles and e-bikes at the end of the lease term
- Security Technologies: Sale of KVM devices and KVM systems

Revenue is also generated from leases in accordance with IFRS 16 and IFRS 9.

HR Benefit & Mobility Platform: Interest income from finance leases, income from the disposal of lease receivables and servicing of forfaited receivables.

Contract balances

The following table shows trade receivables, contract assets and contract liabilities from contracts with customers.

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Non-current trade receivables	21,158	18,404
Current trade receivables	17,542	17,316
Trade receivables	38,700	35,720
Contract assets	855	510
Contract liabilities	(4,133)	(2,893)

The contract assets relate to inspections of bicycles that had already been performed as of the reporting date and for which not all related inspection installments had yet been paid by the customer.

The contract liabilities include prepayments received for inspection packages amounting to €2,939 thousand (previous year: €2,172 thousand), advance payments of €684 thousand (previous year: €721 thousand) made by customers for extended warranty agreements, as well as advance payments of €510 thousand (previous year: €- thousand) from customers for digital vouchers.

The amount of €2,893 thousand contained in contract liabilities at the December 31, 2023, prior-year reporting date was recognized as revenue in the reporting period.

Unfulfilled performance obligations

The transaction price attributable to (unfulfilled or partly unfulfilled) remaining performance obligations for bicycle inspection packages is broken down as follows.

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Within one year	2,261	2,397
In more than one year	6,473	4,571
Total	8,734	6,969

The Group expects revenue to be recognized for the remaining performance obligations/ claims service within one year or a fixed hourly rate will be billed. As per IFRS 15.B16, the Group does not report the transaction price for the unfulfilled performance obligations. The following table classifies the Group's revenue from contracts with customers (IFRS 15) by the most important product and service lines and the timing of revenue recognition. The table also presents income from leases (IFRS 16 and IFRS 9) classified by the most important income components.

Please refer to Note 7 for information on revenue by primary geographical markets.

No customer accounted for more than 10% of the Group's revenue in the reporting period.

Disaggregation of revenue

	HR Benefit & Mobility I	Platform	Security Technolog	ies	Group	
€ thousand	2024	2023	2024	2023	2024	2023
External customers						
Products sold	56,832	44,976	37,530	44,501	94,362	89,477
Services rendered	277	591	556	487	833	1,078
Customer/ claims service	471	593	-	-	471	593
SaaS revenue	210	-	-	-	210	-
Voucher commissions	51	-	-	-	51	-
Inspection packages	6,869	3,743	-	-	6,869	3,743
Commissions	44,837	45,596	-	-	44,837	45,596
External gross revenue	109,546	95,500	38,086	44,988	147,632	140,487
Sales allowances	-	-	(6,316)	(4,520)	(6,316)	(4,520)
Revenue from contracts with customers (IFRS 15)	109,546	95,500	31,770	40,468	141,316	135,968
Rental income	56	45	-	-	56	45
Interest income from finance leases	21,083	17,396	-	-	21,083	17,396
Payments from operating leases	516	455	-	-	516	455
Servicing of forfaited receivables	4,759	3,393	-	-	4,759	3,393
Income from the disposal of lease receivables	36,592	29,374	-	-	36,592	29,374
Revenue from leases (IFRS 16)	63,005	50,663	-	-	63,005	50,663
Revenue	172,552	146,163	31,770	40,468	204,321	186,631
Timing of revenue recognition from contracts with customers						
Point in time	108,538	94,957	31,214	39,981	139,752	134,938
Over time	1,008	543	556	487	1,564	1,030
Revenue from contracts with customers (IFRS 15)	109,546	95,500	31,770	40,468	141,316	135,968
Revenue from leases (IFRS 16)	63,005	50,663	<u> </u>	-	63,005	50,663
Revenue	172,552	146,163	31,770	40,468	204,321	186,631

9. Other own work capitalized

Of own work capitalized, €3,108 thousand (previous year: €1,007 thousand) is attributable to development costs required to be capitalized under IAS 38. These development costs relate in particular to investments in the development of KVM solutions for extending and switching computer signals and in the further development of the digital B2B platform for managing employee benefits.

10. Cost of materials

Cost of materials is disaggregated as follows.

Cost of materials	72,769	69,312
Cost of purchased services	44,066	40,120
Cost of raw materials, consumables and supplies and purchased merchandise	28,703	29,192
€ thousand	2024	2023

The cost of purchased services relates mainly to the HR Benefit & Mobility Platform segment and includes flat tax of €16,878 thousand assumed by the Group (previous year: €12,444 thousand) and interest expense of €3,439 thousand (previous year: €3,382 thousand) from the buyback obligation for bikes at the end of the term from third-party leasing companies. In addition, the cost of raw materials, consumables and supplies and purchased merchandise includes impairment losses of €2,240 thousand (previous year: €6,230 thousand) recognized in profit or loss on used e-bikes and bicycles. In the comparative period, the cost of purchased services included commission expenses of €8,740 thousand for the sales agencies of the HR Benefit & Mobility Platform segment, which were still third parties at the time. After the Group had acquired four of these sales agencies in the course of the comparative period and the arrangement with the remaining sales agency had been terminated, these expenses were no longer incurred in the reporting period.

11. Personnel expenses

Personnel expenses break down as follows.

€ thousand	2024	2023
Wages and salaries	36,334	28,093
Social security and post-employment benefit costs	6,584	4,267
Personnel expenses from business combinations	442	32
Personnel expenses excluding share-based payments	43,360	32,392
Share-based payments (Note 40)	1,040	704
of which: equity-settled	828	544
of which: cash-settled	212	159
of which: from business combinations	142	26
Personnel expenses	44,400	33,095

The personnel expenses from business combinations resulted from two agreements with sellers of sales agencies that the Group acquired during 2023 in the HR Benefit & Mobility Platform segment. The seller with which the first of the two agreements was entered into has been working for the Group since the acquisition and is scheduled to receive a further payment of €1,500 thousand on June 30, 2026, in addition to the purchase price already paid for its sales agency operations. This future payment is contingent on the seller still being employed by the Group until then. This future payment must therefore be treated as remuneration for work performed and not as a subsequent purchase price payment for the acquisition. The expense is recognized in personnel expenses, discounted and distributed over the period until the payment is due. The resulting obligation is reported under other liabilities (Note 31).

The second agreement with sellers of sales agencies leading to personnel expenses is share-based; please refer to Note 40 for details.

12. Other operating expenses

Other operating expenses break down as follows.

€ thousand	2024	2023
Advertising and travel expenses	9,479	6,173
Legal and consulting fees	5,699	3,163
ERP implementation	4,593	-
IT costs	3,375	2,937
Preparation and audit of financial statements	3,279	2,384
External personnel services	1,536	936
Insurance and contributions	1,005	945
Other lease expenses (incidental costs, service components)	776	572
Incidental transaction costs	816	799
Prior-period expenses	701	1,116
Recruitment	490	395
Further training costs	409	249
Cost of business combinations	300	4,337
Supervisory Board remuneration	300	284
Due diligence costs	53	16
Expenses for leases of low-value assets	25	20
Cost of sales agency termination	-	1,827
Other costs	5,304	6,302
Other operating expenses	38,111	30,627

The cost of business combinations in the comparative period relates to the acquisition of Bikeleasing's sales agencies and mainly comprises remuneration for pre-existing relationships. By contrast, the due diligence costs relate to the detailed examination of potential acquisitions that were either terminated in the reporting period or are still in progress as of the reporting date.

13. Other operating income

Other operating income breaks down as follows.

€ thousand	2024	2023
Prior-period income	1,926	2,047
Vehicle benefits in kind	455	328
Investment grants under IAS 20	95	112
Currency translation gains	10	113
Income from disposal of non-current assets	_	871
Miscellaneous other operating income	682	610
Other operating income	3,167	4,079

Prior-period income relates primarily to the reversal of accrued expenses.

14. Amortization, depreciation and impairment losses

Depreciation, amortization and impairment losses comprise depreciation of property, plant and equipment and amortization of intangible assets amounting to €24,224 thousand (previous year: €20,259 thousand). €3,260 thousand (previous year: €3,106 thousand) of this amount relates to depreciation of property, plant and equipment and amortization of intangible assets not identified in the course of the purchase price allocation for the acquisition of subsidiaries. Depreciation of right-of-use assets from leases amounts to €2,052 thousand (previous year: €1,446 thousand).

Depreciation, amortization and impairment losses on assets (PPA assets) identified in the course of acquisitions of subsidiaries are also included. These amounts are attributable to capitalized intangible assets as follows.

Total	26,361	15,707
Distribution rights	4,633	1,553
Trademarks	2,169	2,160
Customer base	16,387	8,873
Basic technologies	3,172	3,122
€ thousand	2024	2023

15. Financial result

Finance costs are composed of the following items.

€ thousand	2024	2023
Interest on financial liabilities at amortized cost	13,180	13,327
of which: not from lease refinancing	6,246	8,641
of which: from lease refinancing	6,934	4,686
Change in success fee recognized in profit or loss	_	3,054
Expenses from the remeasurement of earn-out receivables	7,880	2,936
Interest on lease liabilities	500	424
Other	221	11
Finance costs	21,781	19,752

The Group sold the Palas subsidiary (former Environmental Technologies segment) in November 2022. The consideration received included future contingent purchase price payments (earn-out). The Group was to receive two additional purchase price payments in the maximum amount of €16,800 thousand from the buyer, depending on the adjusted EBIT attained by Palas in 2023 and 2024. At the time of the sale, these earn-outs were recognized as a receivable at a fair value of €10,816 thousand and amounted to €7,880 thousand at the end of fiscal year 2023. The receivable must be measured as of each reporting date based on the probability of occurrence of the conditions for the subsequent purchase price payments. The change in the carrying amount is presented as income or expense in the financial result. The Group received the 2023 financial statements of Palas in the reporting period. Based on the information on the 2023 results of operations and the 2024 forecast of Palas, we have come to the conclusion that it is highly probable that no payments will be made to us under the earn-out agreement. This is due to the significantly worse than planned development of the Palas sales markets. As a result, we have measured the earn-out receivable at zero. The expense from the write-down is reported in finance costs.

Although it is theoretically still possible that the Group will receive payments from the earn-out, depending on the actual results of operations of Palas in fiscal year 2024, we are not expecting any.

Financial income amounts to €5,164 thousand (previous year: €524 thousand); it is mainly attributable to the write-down of €2,615 thousand of the success fee liability, the write-down of €1,612 thousand of the earn-out liability from the acquisition of Probonio, as well as interest on bank balances of €490 thousand.

16. Income tax expense

Income taxes recorded in profit or loss for the period break down as follows.

€ thousand	2024	2023*
Current tax expense		
Current year	7,103	6,928
Deferred tax expense		
Reversal of temporary differences	4,590	5,512
Total	11,693	12,441

^{*} Restated (Note 43)

Changes in deferred taxes

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€ thousand	Jan. 1	Changes in scope of consolidation	Recognized in profit or loss	Net exchange differences	Net	Deferred tax assets	Deferred tax liabilities
2024							
Goodwill	365	-	191	31	587	587	-
Other intangible assets	(25,571)	(166)	1,898	(107)	(23,946)		(23,946)
Property, plant and equipment	156,507	-	16,900	-	173,406	173,406	-
Inventories	112	-	(261)	-	(149)		(149)
Trade receivables	(5,239)	-	(424)	-	(5,663)	-	(5,663)
Contract assets	(149)	-	(108)	-	(257)	-	(257)
Lease receivables	(50,319)	-	(384)	-	(50,703)	-	(50,703)
Other financial assets	23,252	-	2,486	-	25,738	25,738	-
Contract liabilities	647	-	234	-	882	882	-
Financial liabilities	(146,582)	-	(25,121)	-	(171,703)	-	(171,703)
Trade payables	20	-	-	-	20		-
Tax assets (liabilities) before offsetting					(51,788)	200,633	(252,421)
Offsetting of taxes					-	(199,332)	199,332
Tax assets (liabilities), net					(51,794)	1,301	(53,090)
2023*							
Goodwill	422	-	(43)	(13)	365	365	-
Other intangible assets	(27,824)	395	1,790	68	(25,571)		(25,571)
Property, plant and equipment	103,865	-	52,642	-	156,507	156,507	-
Inventories	75	-	38	(0)	112	112	-
Trade receivables	(3,062)	-	(2,177)	-	(5,239)	-	(5,239)
Contract assets	(30)	-	(119)	-	(149)	(149)	-
Lease receivables	(43,547)	-	(6,772)	-	(50,319)	-	(50,319)
Other financial assets	14,599	-	8,653	-	23,252	23,252	-
Contract liabilities	290	-	357	-	647	647	-
Financial liabilities	(86,708)	-	(59,874)		(146,582)		(146,582)
Trade payables	28	-	(8)	-	20	20	-
Tax assets (liabilities) before offsetting					(46,956)	180,754	(227,711)
Offsetting of taxes					-	(179,769)	179,769
Tax assets (liabilities), net					(46,956)	985	(47,942)

^{*} Restated (Note 43)

The deferred tax liabilities relate primarily to the customer bases, basic technologies and trademarks identified in the course of purchase price allocation for the acquisitions of the subsidiaries (PPA assets) and will be reversed through profit or loss (but with no effect on cash flow) in the future as these PPA assets are amortized. No tax payments are included in this figure and there is no outflow of cash.

Reconciliation of effective tax rate

The differences between the expected income tax expense based on the calculated tax rate and the actual income tax expense can be seen in the following table. The applied tax rate is based on the German Group income tax rate of 30% (previous year: 30%). The German Group tax rate comprises the corporate income tax rate of 15% (previous year: 15%), plus the solidarity surcharge of 5.5% (previous year: 5.5%) and a trade tax rate of 14.7% (previous year: 14.7%). The tax rate for trade tax is determined by the average trade tax multiplier of 420% (previous year: 420%).

Deferred taxes for the assets identified for acquisitions were recognized based on the following tax rates.

- Bikeleasing: 30% (previous year: 30%)
- IHSE: 17% to 28% (previous year: 17% to 28%).

Income tax reconciliation

€ thousand	2024	% of earnings	2023*	% of earnings
Earnings before tax	(32,624)		18,395	
Tax based on German tax rate of the entity	9,787	30%	(5,519)	30%
Tax-exempt income	75	0%	181	(1%)
Tax rate effects	(1,725)	(5%)	146	(1%)
Permanent differences	1,279	4%	(1,241)	7%
Non-deductible operating expenses	(775)	(2%)	(2,104)	11%
Trade tax effects	(857)	(3%)	(518)	3%
Losses in the current year for which no deferred tax asset was recognized	(19,203)	(59%)	(3,401)	18%
Prior-period (taxable profit)/ tax loss	(288)	(1%)	-	-
Other	14	0%	13	0%
Income tax expense	(11,692)	(36%)	(12,442)	68%

^{*} Restated (Note 43)

Unrecognized deferred tax assets

Group entities have tax loss carryforwards of €91,939 thousand at the reporting date (previous year: €66,764 thousand). This would result in a tax effect of €25,481 thousand (previous year: €20,029 thousand). No deferred tax assets were recognized for these tax loss carryforwards as future taxable earnings in the relevant income tax consolidation groups were not sufficiently concrete at the date of preparing the financial statements.

17. Earnings per share

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The following table presents the calculation of earnings per share, based on the profit or loss attributable to the shareholders of BKHT. Basic earnings per share is equal to diluted earnings per share.

	2024	2023*
Earnings attributable to shareholders of BKHT in € thousand	(55,553)	(5,095)
Weighted average number of shares outstanding	10,447,666	10,947,637
Earnings per share (€)	(5.32)	(0.47)

^{*} Restated (Note 43)

Adjusted pro forma earnings per share are shown as follows. Please refer to Note 6 for further information.

	2024	2023 pro forma*
Adjusted earnings attributable to shareholders of BKHT in € thousand	9,227	12,381
Weighted average number of shares outstanding	10,447,666	10,947,637
Adjusted earnings per share (€)	0.88	1.13

^{*} Restated (Note 43)

The weighted average number of shares outstanding declined year-on-year by the 499,971 shares bought back by the Company at the end of December 2023.

III. Notes to the statement of financial position

18. Property, plant and equipment

There were no indicators of any need to charge impairment losses on property, plant and equipment in the reporting period. Please refer to Note 29 for information on pledges of items of non-current assets as collateral for liabilities.

Please refer to Note 41 for further information on right-of-use assets under leases.

€ thousand	Land and buildings	Technical equipment and machinery	Operating and office equipment	Prepayments, construction in progress	Total
Cost					
Jan. 1, 2023	407	2,495	1,909	1	4,815
Additions	241	1,216	923	28	2,407
Disposals	-	-	(280)		(280)
Reclassifications	-	-	1	(1)	-
Net exchange differences	-	-	(1)		(1)
Dec. 31, 2023	648	3,711	2,552	27	6,938
Additions	68	2,426	1,410	121	4,025
Additions from business combinations	-	-			11
Disposals	-	(615)	(42)		(657)
Reclassifications	-	28	72	(80)	20
Net exchange differences	-	-	2	-	2
Dec. 31, 2024	716	5,550	4,006	68	10,340
Accumulated depreciation					
Jan. 1, 2023	10	735	510		1,255
Amortization, depreciation and impairment losses	38	1,128	606	-	1,772
Disposals	(17)	-	(253)	-	(271)
Reclassification	-	-	-	-	-
Net exchange differences	-	-	0	-	0
Dec. 31, 2023	30	1,863	863		2,756
Amortization, depreciation and impairment losses	28	1,147	777	-	1,953
Disposals	-	(302)	(42)	-	(344)
Reclassification	-	-	-	-	-
Net exchange differences	-	-	(2)	-	(2)
Dec. 31, 2024	59	2,708	1,597	-	4,364
Right-of-use lease assets, Jan. 1, 2023	3,298	-	773	-	4,070
Right-of-use lease assets, Dec. 31, 2023	7,584	-	1,101	-	8,685
Right-of-use lease assets, Dec. 31, 2024	8,483	-	1,370	-	9,852
Carrying amounts					
Jan. 1, 2023	3,695	1,760	2,172	1	7,629
Dec. 31, 2023	8,202	1,848	2,791	27	12,869
Dec. 31, 2024	9,140	2,842	3,779	68	15,828

Operating leases

Assets leased under operating leases amount to €2,096 thousand as of the reporting date (previous year: €1,285 thousand) and are reported under technical equipment and machinery in property, plant and equipment.

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Income from operating leases was €516 thousand (previous year: €455 thousand) in the reporting period.

In the coming years, the following incoming payments are anticipated from the expected, outstanding, undiscounted lease payments from operating leases.

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Lease payments by maturity		
Up to 12 months	870	652
1 to 2 years	501	291
2 to 3 years	220	72
3 to 4 years	14	5
4 to 5 years	-	-
> 5 years	-	-
Total	1,605	1,020

19. Intangible assets and goodwill

			Other intangible assets						
€ thousand	Goodwill	Capitalized development expenses	IT licenses, software, website	Prepayments	Trademarks	Basic technologies	Customer base	Repurchased distribution rights	Total
Cost									
Jan. 1, 2023*	214,932	1,497	1,465	-	21,600	24,974	112,923	-	377,392
Additions	_	1,034	1,117	198	-	_	-	-	2,350
Additions from business combinations	897	-	-	-	-	-	-	13,900	14,797
Disposals	-	-	(407)	-	-	-	-	-	(407)
Reclassifications	-	-	198	(198)	-	-	-	-	-
Net exchange differences	-	-	-	-	-	-	(465)	-	(465)
Dec. 31, 2023*	215,829	2,531	2,373	-	21,600	24,974	112,458	13,900	393,666
Additions	-	3,108	1,490	-	-	-	-	-	4,598
Additions from business combinations	3,109	-		-	115	200	438	-	3,862
Disposals	-	-	(52)	-	-	-		-	(52)
Reclassifications	-	1,490	(1,490)	-	-	-		-	-
Net exchange differences	-	-		-	-	-	821	-	821
Dec. 31, 2024	218,938	7,130	2,321	-	21,715	25,174	113,717	13,900	402,894
Accumulated depreciation									
Jan. 1, 2023	<u> </u>	139	721	<u> </u>	4,039	8,768	13,793	<u> </u>	27,459
Amortization, depreciation and impairment losses	-	260	1,074	-	2,160	3,122	8,873	1,553	17,042
Disposals	-	-	(407)	-	-	-	-	-	(407)
Net exchange differences	-	-	-	-	-	-	(24)	-	(24)
Dec. 31, 2023	-	399	1,388	-	6,199	11,889	22,642	1,553	44,070
Amortization, depreciation and impairment losses	39,869	907	401	-	2,169	3,172	16,387	4,633	67,538
Disposals	-	-	(22)	-	-	-	-	-	(22)
Net exchange differences	-	-	-	-	-	-	264	-	264
Dec. 31, 2024	39,869	1,306	1,767	-	8,368	15,061	39,294	6,186	111,850
Carrying amounts									
Jan. 1, 2023*	214,932	1,358	744	-	17,561	16,206	99,130	-	349,933
Dec. 31, 2023*	215,829	2,133	985	-	15,401	13,085	89,816	12,347	349,597
Dec. 31, 2024	179,069	5,824	554	-	13,347	10,113	74,423	7,714	291,045

^{*} Restated (Note 43)

19.1 Goodwill impairment tests

The annual impairment tests of goodwill were conducted as of December 31, 2024, for all operating segments. External valuation reports for both operating segments were also taken into account in this context.

Corporate planning in each case extends to the end of the detailed planning period of five years after the reporting date. The significant assumptions to which the long-term corporate planning is sensitive are growth in new business and the purchase price of materials. In the HR Benefit & Mobility Platform segment, the refinancing situation parameters are additional sensitive assumptions. The developments were assessed and identified based on past experience, publicly available data and by using the existing customer cohorts, sales pipelines and management's assessment of future market conditions. Planned future cash flows are discounted using risk-appropriate (pre-tax) discount rates on the reporting date. The cost of capital or cost of equity rates used for discounting are based on the riskfree rate and on a market risk premium. In addition, the beta factor, borrowing costs and the capital structure are taken into account. These were derived individually for the two operating segments based on an appropriate peer group. The assumptions made are subject to a certain sensitivity.

The impairment test for the goodwill of the Security Technologies segment is based on the assumptions shown in the following table.

	Dec. 31, 2024	Dec. 31, 2023
Determination of recoverable amount	Value in use	Value in use
Discount rate	9.3%	8.7%
Pre-tax discount rate	11.8%	9.1%
Sustainable growth rate	1.5%	1.5%
Forecast EBITDA growth rate (average for the next five years)	18.2%	15%

The impairment test of the Security Technologies segment resulted in the need to recognize an impairment loss of $\[ifnger$ 39,869 thousand because the value in use determined for the segment of $\[ifnger$ 50,600 thousand was lower than its carrying amount. The segment's goodwill was written down for impairment from $\[ifnger$ 80,269 thousand to $\[ifnger$ 40,400 thousand. The impairment loss is mainly the result of the segment's poor results of operations in the reporting period, which were used to extrapolate the planned results of operations for the valuation.

The impairment test for the goodwill of the HR Benefit & Mobility Platform segment (€138,669 thousand) is based on the assumptions shown in the following table.

	Dec. 31, 2024	Dec. 31, 2023
Determination of recoverable amount	Value in use	Value in use
Discount rate	11.6%	13.0%
Pre-tax discount rate	11.6%	13.0%
Sustainable growth rate	1.0%	1.1%
Forecast EBT growth rate (average for the next five years)	13%	40%

The value in use determined on the basis of these assumptions exceeds the carrying amount of the HR Benefit & Mobility Platform segment. No impairment loss is therefore recognized.

To test the recoverability of the value in use in the HR Benefit & Mobility Platform segment, the significant assumptions used for the measurement model, such as revenue growth, changes in margins and the discount rate, are subjected to a sensitivity analysis. Management believes that there are currently no realistic changes in the significant assumptions that could lead to an impairment loss.

19.2 Testing other intangible assets for impairment

In the Security Technologies segment, internal reporting identified indications of impairment, because the actual net cash flows and operating results resulting from the use of other intangible assets are lower than originally planned. For this reason, impairment tests were conducted in accordance with IAS 36, particularly for the PPA assets identified as part of the acquisition of IHSE in 2019 and that of kymtec in 2021. The PPA assets have finite useful lives. Impairment losses are triggered if the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is defined as the higher of value in use and fair value less cost of disposal. Fair value less cost of disposal was determined for the PPA assets tested for impairment. Cost of disposal was calculated at 3% of fair value. Fair value less cost of disposal was determined using capitalization-based valuation techniques (in accordance with IFRS 13 using Level 3 inputs).

The impairment tests resulted in the need to recognize an impairment loss of €7,599 thousand relating to customer relationships. After the write-down for impairment, the carrying amount of the segment's customer relationships was €14,253 thousand.

The impairment loss is primarily due to lower future revenue growth rates as well as higher customer churn and lower realizable margins in the Security Technologies segment in the context of applying the residual value method.

Fair value less cost of disposal of the customer relationships was determined using the multi-period excess earnings method. The cash flows used in this process were derived from the latest corporate planning. To this end, the segment's central business plans were allocated to the business plans of the respective sales companies. The years from 2025 to 2029 were used as the detailed planning period. A discount rate (after tax) of 9.1% was used, which had been determined on the basis of the following parameters.

Parameter	Value
Risk-free rate	2.5%
Market risk premium	7.0%
Interest rate on borrowings	4.4%-6.4%
Effective tax rate	27.0%
Equity ratio	70.0%

20. Inventories

Inventories were composed of the following items.

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Lease assets intended for sale	11,696	6,770
Raw materials and consumables	6,034	8,773
Work in progress	1,681	1,171
Finished goods	1,386	979
Prepayments	163	4
Inventories	20,961	17,697

All inventories are used to secure liabilities. Please refer to Note 29 for further information. In the reporting period, impairment losses of €2,240 thousand (previous year: €6,230 thousand) were recognized in profit or loss for used bikes (lease assets intended for sale).

21. Trade receivables and contract assets

Trade receivables were composed of the following items.

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Non-current trade receivables	21,158	18,404
Current trade receivables	17,542	17,316
Trade receivables	38,700	35,720

An impairment loss is expected when certain issues arise, such as late payment over time or the initiation of enforcement measures are in place. The table below shows changes in impairment losses relating to trade receivables and contract assets. Please refer to Note 4.12 for further information.

In the reporting period, the Group sold trade receivables in the HR Benefit & Mobility Platform segment relating to insurance premiums to be collected in the future as part of securitization transactions and subsequently derecognized a part of them. Please refer to Note 22.2 for further information.

Impairment losses according to the simplified approach

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€ thousand	Trade receivables	Contract assets	
Jan. 1, 2023	694	-	
Utilization	(108)	-	
Direct write-down	-	-	
Addition	562	-	
Reversal	-	-	
Exchange rate-related and other changes	(16)	-	
Dec. 31, 2023	1,133	-	
Utilization	(168)	-	
Direct write-down	-	-	
Addition	828	-	
Reversal	-	-	
Exchange rate-related and other changes	(29)	-	
Dec. 31, 2024	1,765	-	

22. Lease receivables

22.1 General disclosures on lease receivables

The Group acts as a lessor under finance leases in the HR Benefit & Mobility Platform segment. This business largely entails leasing bikes for use by the employees of corporate customers.

In the reporting period, interest income from the net investment in the leases accrued in the amount of €21,083 thousand (previous year: €17,396 thousand).

At the end of the lease term, approximately 93% of the bicycles are sold to the employees/ users. The remaining bikes are purchased by specialist dealers or third-party resellers or are resold to other business or private customers by the Group.

The following table contains a reconciliation of outstanding lease payments from finance leases to the net investment value.

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Lease payments by maturity		
Up to 12 months	70,885	72,879
1 to 2 years	47,347	44,241
2 to 3 years	22,267	20,926
3 to 4 years	2,348	3,150
4 to 5 years	9	306
> 5 years	8	227
Total	142,864	141,729
Unguaranteed residual value	51,867	51,622
Gross investments	194,731	193,351
Interest income not yet realized	(26,947)	(25,822)
Net investments	167,784	167,529

Lease receivables of €364,742 thousand (previous year: €411,547 thousand) were added during the reporting period. Lease receivables of €123,140 thousand (previous year: €245,000 thousand) were derecognized through forfaiting and €177,036 thousand (previous year: €73,884 thousand) through securitization in the reporting period. This resulted in a disposal gain of €36,592 thousand (previous year: €32,003 thousand).

The composition of and changes in lease receivables are shown in the following table.

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€ thousand	2024	2023
Changes in lease receivables		
Gross lease receivables at beginning of period	167,529	144,790
Additions of gross receivables	386,360	411,547
Disposals of gross receivables and lease payments received	(407,188)	(406,204)
Interest and similar income/(expenses)	21,083	17,396
Gross lease receivables at end of period	167,784	167,529
Changes in impairments		
Impairments at beginning of period	(328)	(270)
Change in accumulated impairments	130	(58)
Impairments at end of year	(198)	(328)
Amounts reported in the balance sheet		
Lease receivables at beginning of period	167,201	144,520
of which: non-current	139,544	130,887
of which: current	27,657	13,633
Lease receivables at end of period	167,586	167,201
of which: non-current	144,963	139,544
of which: current	22,623	27,657

Presentation of lease receivables in the statement of cash flows

Changes in lease receivables presented in the statement of cash flows are composed of the following items.

€ thousand	2024	2023
Additions of lease receivables	(386,360)	(411,547)
Payments from lessees	82,264	68,272
Disposals/ reclassifications of lease receivables at residual value	317,001	332,719
Interest and similar (income)/ expenses from leasing	(21,083)	(17,396)
Other non-cash (income)/ expenses	7,922	5,213
Change in impairment losses	(130)	58
(Increase)/ decrease in lease receivables	(385)	(22,681)

22.2 Transfer of lease receivables

Lease receivables transferred by forfaiting and derecognized in their entirety

In the reporting period, the Group regularly and continuously sold lease receivables and trade receivables relating to future insurance premiums to external refinancing partners on a non-recourse basis (forfaiting). In the forfaiting process, the Group disposes the claims against the lessee arising from the leases with all of the associated rights. These comprise - depending on the arrangement - the lease rates, the residual value, the right of termination, receivables and claims arising from termination. The arrangements governing this sale meant that substantially all of the risks and rewards of the receivables sold were transferred to the buyers. The Group therefore had to derecognize the receivables. Forfaiting took place at a discount from the nominal value of the lease payments and insurance premiums to be collected in the future or the unguaranteed residual value. The difference between the purchase price received for the receivables (less liabilities to be recognized for future servicing) and the carrying amount of the receivables (at amortized cost) was presented as income from the disposal of lease receivables in revenue and recognized in profit or loss for the period.

Lease receivables transferred by securitization and derecognized in their entirety

In the course of securitization transactions, the Group had sold lease receivables and trade receivables relating to future insurance premiums to unconsolidated special purpose vehicles (SPVs) on a nonrevolving basis in the comparative period. In the comparative period, such transactions had been implemented with a financing volume of €30,000 thousand. In this context, receivables with a carrying amount of €25,827 thousand were derecognized and a disposal gain of €3.734 thousand was realized. The SPVs securitized the receivables concerned and issued the notes created in the process to investors. There were no new securitization transactions with full derecognition of the securitized receivables in the reporting period.

The assessment of risks resulting from the receivables sold was based on the credit risk (default risk) and the risk of late payment (late payment risk). The securitizations made in the prior-year period had transferred substantially all of the risks and rewards associated with the receivables. The Group was and is not exposed to any credit risk from these receivables as this is assumed in full by the investors. These receivables were therefore derecognized. The difference between the purchase price of the receivables and their carrying amount was presented as income from the disposal of lease receivables in revenue and recognized in profit or loss for the comparative period.

Lease receivables transferred by securitization but not derecognized in their entirety

In the course of further securitization transactions, the Group sold lease receivables and trade receivables relating to future insurance premiums to unconsolidated special purpose vehicles (**SPVs**) on both a non-revolving and a revolving basis. The transactions were implemented with a financing volume of €275,000 thousand (previous year: €100,000 thousand). The SPVs securitized the receivables concerned and issued the notes created in the process to investors.

The purchase prices of the receivables were paid out immediately in the amount of €196,406 thousand (previous year: €94,797 thousand). In addition, the Group stands to receive a further payment from the unused loss reserves at the end of the respective securitization terms. The lease receivables were therefore sold at a variable purchase price discount and the Group participates in the credit risk of the receivables portfolio via the loss reserves.

The assessment of risks resulting from the receivables sold is based on the credit risk (default risk) and the risk of late payment (late payment risk). The Group bears certain shares of the credit risk in the transactions to a maximum of \in 9,600 thousand (previous year: \in 4,034 thousand). The buyers bear the remaining credit risk-related defaults. The late payment risk continues to be borne in full by the Group but is not material in terms of value.

The contractual provisions on risk sharing mean that the Group still retains some of the opportunities and risks from the receivables even after the transferred receivables have been sold. This means that essentially all opportunities and risks associated with the receivables were neither transferred to the buyers nor retained as part of the sale of the receivables. Therefore, a partial disposal with recognition of a **continuing involvement** must be recognized. This continues to be reported under lease receivables and trade receivables. The continuing involvement comprises the maximum utilization of the Group from the loss reserves.

The continuing involvement is offset by an **associated liability**. This is reported under financial liabilities from lease refinancing (Note 29). The difference between the continuing involvement and the associated liability reflects the **fair value** of the associated liability and is recognized in profit or loss at the time the receivables were sold.

In the reporting period, income of €24,766 thousand (previous year: €9,485 thousand) from the disposal of these receivables was presented as income from the disposal of lease receivables in revenue and recognized in the result for the period.

€ thousand	2024	2023
Carrying amount of receivables before transfer	177,036	87,936
Lease receivables	149,908	73,844
Trade receivables	27,127	14,092
Carrying amount of continuing involvement	11,067	4,034
Lease receivables	9,353	3,398
Trade receivables	1,714	636
Amortized cost of receivables derecognized but not yet settled	210,571	80,087
Fair value of associated liability	77	6
Carrying amount of associated liability	11,150	4,041
As % of receivables derecognized but not yet settled	5.3%	5.0%
Carrying amount of loss reserve	9,600	4,034

23. Other financial assets

Other financial assets amounted to €12,480 thousand (previous year: €19,445 thousand) and relate mainly to trapped cash of €5,081 thousand (previous year: €5,039 thousand) in the consolidated SPV in connection with the securitization of lease receivables in 2021 and claims for reimbursement of VAT as well as security deposits paid.

As of the prior-year reporting date (December 31, 2023), other financial assets had included an earn-out receivable from the sale of Palas in the form of contingent consideration of €7,880 thousand (Note 15).

24. Cash and cash equivalents

Cash and cash equivalents consist of the following items.

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Bank balances	48,427	53,666
Cash in hand	0	0
Cash and cash equivalents in statement of financial position	48,427	53,666
Overdraft facilities used for cash management	(4,490)	(697)
Cash and cash equivalents presented in the statement of cash flows	43,937	52,969

Bank balances bear floating rates of interest for call deposits. The carrying amount of these assets approximates to their fair value.

25. Subscribed capital

BKHT's share capital as of December 31, 2024, amounts to €10,947,637 (previous year: €10,947,637) and is composed of 10,947,637 registered shares, each with a notional value of €1.00 per share.

According to voting rights disclosures, the distribution of the shares among the shareholders as of the reporting date was as follows.

Marco Brockhaus family (indirectly) 22.4% DWS Investment GmbH 7.6% ABACON Invest GmbH 6.3% SFCMG Beteiligungs- GmbH & Co. KGaA 4.8% ORGENTEC Holding GmbH 4.0% Bastian Krause 3.9% VESTA GmbH 3.4% Paladin Asset Management Investmentaktiengesellschaft 3.0% Liedtke Invest GmbH 3.0% Other free float 37.0% Brockhaus Technologies AG (treasury shares) 4.6% Total 100.0%	Shareholder	% interest
ABACON Invest GmbH 6.3% SFCMG Beteiligungs- GmbH & Co. KGaA 4.8% ORGENTEC Holding GmbH 4.0% Bastian Krause 3.9% VESTA GmbH 3.4% Paladin Asset Management Investmentaktiengesellschaft Liedtke Invest GmbH 3.0% Other free float 37.0% Brockhaus Technologies AG (treasury shares) 4.6%	Marco Brockhaus family (indirectly)	22.4%
SFCMG Beteiligungs- GmbH & Co. KGaA ORGENTEC Holding GmbH Bastian Krause VESTA GmbH Paladin Asset Management Investmentaktiengesellschaft Liedtke Invest GmbH Other free float Brockhaus Technologies AG (treasury shares) 4.8% 4.8% 4.8% 4.8% 4.8% 4.8% 4.8% 4.0% 3.0% 3.0% 4.6%	DWS Investment GmbH	7.6%
ORGENTEC Holding GmbH 4.0% Bastian Krause 3.9% VESTA GmbH 3.4% Paladin Asset Management Investmentaktiengesellschaft Liedtke Invest GmbH 3.0% Other free float 37.0% Brockhaus Technologies AG (treasury shares) 4.6%	ABACON Invest GmbH	6.3%
Bastian Krause 3.9% VESTA GmbH 3.4% Paladin Asset Management Investmentaktiengesellschaft Liedtke Invest GmbH 3.0% Other free float 37.0% Brockhaus Technologies AG (treasury shares) 4.6%	SFCMG Beteiligungs- GmbH & Co. KGaA	4.8%
VESTA GmbH 3.4% Paladin Asset Management Investmentaktiengesellschaft 3.0% Liedtke Invest GmbH 3.0% Other free float 37.0% Brockhaus Technologies AG (treasury shares) 4.6%	ORGENTEC Holding GmbH	4.0%
Paladin Asset Management Investmentaktiengesellschaft Liedtke Invest GmbH Other free float Brockhaus Technologies AG (treasury shares) 3.0% 37.0% 4.6%	Bastian Krause	3.9%
Liedtke Invest GmbH 3.0% Other free float 37.0% Brockhaus Technologies AG (treasury shares) 4.6%	VESTA GmbH	3.4%
Other free float 37.0% Brockhaus Technologies AG (treasury shares) 4.6%	Paladin Asset Management Investmentaktiengesellschaft	3.0%
Brockhaus Technologies AG (treasury shares) 4.6%	Liedtke Invest GmbH	3.0%
	Other free float	37.0%
Total 100.0%	Brockhaus Technologies AG (treasury shares)	4.6%
	Total	100.0%

As a result of the share buy-back program implemented at the end of December 2023, the shares outstanding since December 28, 2023, and as of the reporting date amount to 10,447,666.

Authorized and contingent capital

At the Company's Annual General Meeting on June 20, 2024, the share capital was contingently increased by up to €550,000 (Contingent Capital 2024/I).

On June 20, 2024, the Annual General Meeting authorized the Executive Board, with the consent of the Supervisory Board, to increase the share capital on one or more occasions until June 19, 2027, in exchange for cash and/or contributions in kind up to a total of \in 3,284,291.00, with the option to exclude shareholders' preemptive rights (Authorized Capital 2024/I).

At the Company's Annual General Meeting on June 20, 2024, the share capital was contingently increased by up to €1,090,000 (Contingent Capital 2024/II).

The resolutions of the Annual General Meeting of July 9, 2020 (Authorized Capital 2020/II and Contingent Capital 2020/I) have been repealed.

The resolution of the Annual General Meeting of June 27, 2019 (Contingent Capital 2019/I) was amended by adopting the resolution of June 20, 2024. Contingent capital now amounts to €350,200.

26. Capital reserves

The capital reserve includes the premiums arising from the issue of shares, less costs of capital increases.

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In the context of preparing the financial statements for the reporting period, a withdrawal from capital reserve of €52,978 thousand was made pursuant to section 150 (4) no. 1 of the German Stock Corporation Act (AktG). The capital reserve pursuant to section 272 (2) no. 1 of the German Commercial Code (HGB) declined accordingly.

27. Treasury shares

On December 28, 2023, the Company completed a voluntary public share buyback offer. As part of this program, the Company acquired 499,971 treasury shares at a price of €22.00 per share and a volume of €10,999 thousand. Treasury shares account for €499,971 of the subscribed capital, corresponding to 4.6%. Treasury shares held by the Group do not carry any voting rights at Annual General Meetings or dividend rights, etc.

28. Retained earnings

Retained earnings include accumulated profit or loss for the period and accumulated personnel expenses from equity-settled sharebased payment transactions of €2,497 thousand (December 31, 2023: €1,669 thousand) in accordance with IFRS 2 (Note 40).

29. Financial liabilities

The Group's financial liabilities are composed of the following items:

Senior loans

Senior acquisition loans | The senior acquisition loans were raised for the partial debt financing of the acquisition of IHSE. They are fully secured by the assignment of non-current and current assets as collateral.

Registered bond | Bikeleasing uses registered bonds for its financing.

Subordinated loans

Subordinated acquisition loan | As part of the acquisition of Bikeleasing, a subordinated acquisition loan was assumed at the level of the intermediate holding company BCM Erste Beteiligungs GmbH. The purpose of the subordinated loan is the partial debt financing of the purchase price of the interest in the acquisition of Bikeleasing.

Real estate loans

The real estate loans relate to a Bikeleasing office building in Vellmar

Other financial liabilities

Lease liabilities | The Group's lease liabilities represent the recognized present values of future lease payments discounted to the reporting date. Financial liabilities arising from leases in the amount of €1,876 thousand were repaid and €483 thousand was paid as interest expense for leasing in the reporting period. Future cash flows at the reporting date amounted to €13,589 thousand. Potential further future cash outflows were not recognized as lease liabilities as it is not reasonably certain that the leases will be extended or terminated. Disclosures on right-of-use assets from leases can be found in Note 41.

Success fee liability Bikeleasing | For brokering the Bikeleasing acquisition, the broker is entitled to participate pro rata in the future increase in value of Bikeleasing. This claim comes due upon sale of the shares or, if no sale occurs, in 2031. The discounted claim is reported as a liability.

Financial liabilities

	Non-c	urrent	Curr	ent	Total		
€ thousand	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	
Senior loans	29,206	44,538	30,794	14,093	60,000	58,631	
Senior acquisition loans	13,960	19,427	5,486	4,063	19,446	23,490	
Registered bond	15,246	25,111	25,308	10,030	40,553	35,141	
Subordinated loans	10,298	26,350	-		10,298	26,350	
Subordinated acquisition loans	10,298	26,350	_		10,298	26,350	
Real estate loans	71	71		16	71	87	
Overdraft liabilities	-	-	2,472		2,472	-	
Other financial liabilities	14,124	16,145	2,059	1,783	16,182	17,928	
Lease liabilities	9,947	9,353	2,059	1,357	12,006	10,710	
Success fee liability Bikeleasing	4,176	6,792	_	_	4,176	6,792	
Other loans	-	-	-	426	-	426	
Financial liabilities excl. lease refinancing	53,697	87,104	35,324	15,892	89,021	102,996	
Lease refinancing	152,910	166,649	19,668	9,760	172,578	176,410	
Securitization liabilities		35,526	7,104	64	7,104	35,591	
Loans for lease financing	110,553	95,515	2,018	697	112,571	96,212	
Financial liabilities from forfaiting	6,576	6,359	769	129	7,345	6,488	
Buyback and servicing of third-party leases	24,631	25,207	9,776	8,871	34,408	34,078	
Associated liability	11,150	4,041	-	-	11,150	4,041	
Total financial liabilities	206,607	253,753	54,992	25,652	261,599	279,405	

Lease refinancing

Liabilities from securitization | In order to finance its strong growth, Bikeleasing implemented a securitization program in the period August 2021 to March 2022 with a major German insurance company in parallel to its existing funding options. In the course of this securitization transaction, lease receivables were sold to a special purpose vehicle (SPV) in several tranches for a total volume of €100,000 thousand. The SPV issued a series of notes to the investor for the purchase of the lease receivables. The lease receivables held in the Group are the source and collateral for settling the notes. As of the reporting date, these totaled €723 thousand. The notes carry annual interest of 1.25%, and all of the tranches rank equally. Due to its contractual structure, the SPV must be consolidated by the Group, which is why both the lease receivables and the securitized liabilities (notes) are presented in the consolidated statement of financial position.

Loans for lease refinancing | Another form of refinancing in the leasing business is loan financing, i.e., the Group assumes loans from banks in the amount of the lease volume to be financed. The lease receivables and lease assets serve as collateral for the Group's loan liabilities. A total of €90,615 thousand in lease receivables are financed with loans

Financial liabilities from forfaiting | In addition to lease receivables and trade receivables relating to insurance premiums to be collected in the future, the Group also sells the rights to installments to be collected in the future from inspection packages in the HR Benefit & Mobility Platform segment. In contrast to the other items mentioned, there are no recognized assets for the inspection packages, as the corresponding claims only arise over the term of the leases. Consequently, the payments received for forfeited inspection installments are presented as liabilities. These liabilities are settled by continually forwarding the inspection installments to the external financing partners. In addition, the Group provides additional services for forfaited lease receivables, such as dunning, liquidating leased assets from terminated leases, document retention and reporting. The Group recognizes a liability for the obligation relating to the future servicing of forfaited lease receivables. This generally relates to deferred future personnel expenses.

Buyback and servicing of third-party leases | Part of the leasing business is handled by non-Group leasing companies. The bicycles are sold to third-party leasing partners in return for a commission for this purpose. At the same time, the Group commits to buying back these bicycles at the end of the lease term at a price amounting to 10% of the original net purchase price. In accounting terms, this is not treated as a sale due to the fixed buyback agreement, but instead as a finance lease for which a residual value receivable and liabilities for the buyback obligation are recognized in the same amount, €25,768 thousand (previous year: €26,443 thousand). This is a balance sheet extension based on special rules in IFRS 16. At the end of the lease term, approximately 93% of the bicycles are sold to the employees/ users. The remaining bicycles are purchased by specialist dealers or third-party resellers or are resold by the Group. The remaining amount of the liability relates, as in the case of forfaiting, to future servicing.

Associated liability | The associated liability refers to the maximum possible exposure to credit risk from continuing involvement in a securitization transaction. Please refer to Note 22.2 for further information

Information on the extent to which the Group is exposed to interest rate and liquidity risks can be found in Note 34.4.

Calculation of net debt

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€ thousand	Dec. 31, 2024	Dec. 31, 2023
Senior loans	60,000	58,631
Subordinated loans	10,298	26,350
Real estate loans	71	87
Overdraft liabilities	2,472	-
Cash and cash equivalents*	(48,427)	(53,666)
Net debt from loans	24,412	31,402
Other financial liabilities	16,182	17,928
Lease refinancing	172,578	176,410
Lease receivables	(167,586)	(167,201)
Net debt from leasing	4,992	9,209
Net debt	45,587	58,539

^{*} Cash and cash equivalents are deducted from the loans in this presentation for purposes of analysis. There is no corresponding appropriation.

Presentation of financial liabilities from lease refinancing in the statement of cash flows

Changes in financial liabilities from lease refinancing presented in the statement of cash flows are composed of the following items.

€ thousand	2024	2023
Additions	66,780	80,966
Annuities paid	(86,266)	(71,894)
Disposal of liabilities from lease refinancing	(4,227)	(3,704)
Interest expense for liabilities from lease refinancing	10,374	8,068
Other non-cash (income)/ expenses	8,187	8,486
Increase/ (decrease) in financial liabilities from lease refinancing	(5,153)	21,923

Reconciliation of changes in liabilities to cash flows from operating and financing activities

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	Operating activities					Financing activities							
€ thousand	Loans for lease refinancing	Liabilities from se- curitization	Financial liabilities from forfaiting	Buyback and servicing of third-party leases	Associated liability	Total	Senior loans	Subordi- nated loans	Real estate loans	Lease liabilities	Success fee liability	Other loans	Total
Jan. 1, 2024	96,211	35,590	6,488	34,078	4,041	176,410	58,630	26,350	88	10,710	6,792	425	102,995
Loans and other borrowed funds raised	66,780		-			66,780	15,000			-	_	_	15,000
Repayment of lease liabilities	-	-	-	-	-	-	-	-	-	(1,949)	-	-	(1,949)
Repayment of loans and other borrowed funds	(51,743)	(28,436)	-	-	-	(80,179)	(14,000)	(17,431)	(16)	-	_	(419)	(31,867)
Interest paid	(5,782)	(306)	-	-	-	(6,087)	(2,828)	(1,669)	(1)	(500)	-	(7)	(5,005)
Total change in cash flows	9,256	(28,742)	-	-	-	(19,486)	(1,828)	(19,100)	(18)	(2,450)	-	(426)	(23,821)
New leases according to IFRS 16		-	-		-	-	-	-	-	3,231	-	-	3,231
Effects of changes in foreign exchange rates	-	_	_	_	-	-	-		-	15		-	15
Change as a result of business combinations		_	-	_	-	-	_		-	-	_	-	-
Change in overdraft facilities	3,793	-	-		-	3,793	-	-	-	-	-	-	-
Disposals		-	-		-	-	-	-	-	-	-	-	-
Other changes		-	445	(3,594)	7,109	3,960	-	-	-	-	-	-	-
Interest income		-	-		-	-	-	-	-	-	-	-	-
Interest expense	5,782	256	412	3,924	-	10,374	3,196	3,048	1	500	(2,615)	-	4,130
Dec. 31, 2024	115,042	7,104	7,345	34,407	11,150	175,050	59,999	10,298	72	12,006	4,177	-	86,550

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Reconciliation of changes in liabilities to cash flows from operating and financing activities for comparative period

	Operating activities						Financing activities						
€ thousand	Loans for lease refinancing	Liabilities from se- uritization	Financial liabilities from forfaiting	Buyback and servicing of third-party leases	Associated liability	Total	Senior loans	Subordi- nated loans	Real estate loans	Lease liabilities	Success fee liability	Other loans	Total
Jan. 1, 2023	46,749	71,173	4,169	31,717		153,809	46,500	38,932	5,515	4,197	3,738	-	98,881
Loans and other borrowed funds raised	80,964	-	2			80,966	25,000			-	_	419	25,419
Repayment of lease liabilities	-	-	-	-	-	-	-	-	-	(1,293)	-	-	(1,293)
Repayment of loans and other borrowed funds	(32,177)	(35,521)	-	-	-	(67,698)	(13,340)	(14,700)	(5,425)	-	-	-	(33,465)
Interest paid	(3,475)	(721)	-		-	(4,196)	(1,739)	(4,299)	(11)	(424)	-	-	(6,472)
Total change in cash flows	45,312	(36,242)	2	-	-	9,072	9,921	(18,999)	(5,435)	(1,716)	-	419	(15,810)
New leases according to IFRS 16	-	-	-	-	-	-	-	-	-	7,758	-	-	7,758
Effects of changes in foreign exchange rates	-	-	-	_	-	-	_	_	-	(12)	_	_	(12)
Change as a result of business combinations	-	-	-	_	-	-	_	_	-	60	_	_	60
Change in overdraft facilities	678	-	-	-	-	678	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Other changes		-	2,055	(1,313)	4,041	4,783	-			-	-	-	-
Interest income	-	-			-	-	-	-	-	-	-	-	-
Interest expense	3,473	660	263	3,673	-	8,068	2,209	6,417	8	424	3,054	7	12,119
Dec. 31, 2023	96,211	35,590	6,488	34,078	4,041	176,410	58,630	26,350	88	10,710	6,792	425	102,995

30. Trade payables

Trade payables amounted to €14,066 thousand (previous year: €12,275 thousand). Information on the Group's liquidity risks relating to trade payables can be found in Note 34.4.

31. Other liabilities

Other liabilities break down as follows.

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€ thousand	Dec. 31, 2024	Dec. 31, 2023
Liabilities from other taxes and levies	9,162	2,154
Liabilities from cash-settled share- based payment transactions	327	159
Liability from personnel expenses from business combinations	473	32
Earn-out liabilities	1,762	-
NCI put liabilities	881	-
Management investment in kvm-tec	322	350
Miscellaneous other liabilities	12,190	10,578
Other liabilities	25,118	13,273
of which: non-current	3,828	603
of which: current	21,290	12,671

Please refer to Note 40 in these notes to the consolidated financial statements for information on the liability from cash-settled sharebased payment transactions.

Please refer to Note 11 in these notes to the consolidated financial statements for information on the liability from personnel expenses from business combinations.

There is a management investment at the level of kvm-tec in the Security Technologies segment. Due to the options agreed on the shares, these are not reported as non-controlling interests in equity but as a liability.

Contingent consideration (earn-outs) was agreed as part of the purchase price for acquiring Probonio and there is an NCI put liability. Please refer to Note 36 for further information.

The miscellaneous other liabilities relate primarily to outstanding invoices as well as personnel-related and other accrued expenses.

32. Other provisions

Other provisions developed as follows.

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		scellaneous other	
€ thousand	Warranties	provisions	Total
Jan. 1, 2024	75	124	199
Provisions recognized	-	-	-
Provisions utilized	1	0	2
Provisions reversed	-	(78)	(78)
Dec. 31, 2024	76	46	122
of which: non-current	38	46	84
of which: current	38	-	38
Jan. 1, 2023	155		155
Provisions recognized	-	124	124
Provisions utilized	(80)	-	(80)
Provisions reversed	-	-	-
Dec. 31, 2023	75	124	199
of which: non-current	37	46	83
of which: current	37	78	115

33. Contingent liabilities

Current and non-current assets have been assigned as security and land charges are in place as collateral for bank loans.

IV. Other disclosures

34. Financial instruments

34.1 Classification and fair values

The adjacent table shows the carrying amounts and fair values of financial assets and financial liabilities, including their level in the fair value hierarchy. It does not contain information on the fair value of financial assets and financial liabilities that are not measured at fair value if the carrying amount represents an appropriate approximation of the fair value.

Financial instruments measured at fair value

Туре	Valuation technique
Contingent consideration	<u>Discounted cash flows:</u> The scenario-based valuation model takes account of the present value of the expected payments, discounted using the weighted average cost of capital (WACC) of the subject of the valuation.

Financial instruments not measured at fair value

Туре	Valuation technique
Financial liability	<u>Discounted cash flows:</u> The measurement model takes account of the present value of the expected payments, discounted using the Group-specific current interest rate.

Carrying amounts and fair values

	Carrying a	Fair value					
€ thousand	Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Dec. 31, 2024							
Trade receivables	38,700		38,700	-	36,421	-	36,421
Other receivables	12,480		12,480				
Lease receivables (valued under IFRS 16)	167,586		167,586	-	178,694	-	178,694
Cash and cash equivalents	48,427		48,427				
Assets not measured at fair value	267,192		267,192				
Contingent consideration	-		-	-	-	-	-
Assets measured at fair value	-		-				
Loans		72,839	72,839		72,839		72,839
Trade payables		14,066	14,066				
Lease refinancing		172,578	172,578	-	161,728	-	161,728
Success fee liability Bikeleasing		4,176	4,176	-	-	4,176	4,176
Other liabilities		25,118	25,118				
Financial liabilities not measured at fair value		288,777	288,777				
Contingent consideration		1,762	1,762	-	-	1,762	1,762
Financial liabilities measured at fair value		1,762	1,762				

Carrying amounts and fair values as of the prior-year reporting date

	Carrying a	mount		Fair value			
€ thousand	Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Dec. 31, 2023							
Trade receivables	35,720		35,720	-	33,547	-	33,547
Other receivables	11,565		11,565				
Lease receivables (valued under IFRS 16)	167,201		167,201	-	167,750	-	167,750
Cash and cash equivalents	53,666		53,666				
Assets not measured at fair value	268,151		268,151				
Contingent consideration	7,880		7,880	-	-	7,880	7,880
Assets measured at fair value	7,880		7,880				
Loans		85,068	85,068		85,068		85,068
Trade payables		12,275	12,275				
Lease refinancing		176,410	176,410	-	161,623	-	161,623
Success fee liability Bikeleasing		6,792	6,792	-	-	6,792	6,792
Other liabilities		13,273	13,273				
Financial liabilities not measured at fair value		293,818	293,818				
Contingent consideration		-					
Financial liabilities measured at fair value		-	-				

34.2 Net profits and losses

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The following table shows the net profits and losses from financial assets and financial liabilities at amortized cost.

€ thousand	2024	2023
Financial assets		
Impairment losses	(828)	(562)
Profit or loss from disposal	36,592	29,374
Net profit or loss	35,763	28,812
Financial liabilities		
Interest	(13,180)	(13,327)
Amortization	4,759	3,393
Net profit or loss	(8,421)	(9,934)

Gains from the disposal of forfaited and securitized lease receivables in the amount of €36,592 thousand is included in the profit or loss from financial assets carried at amortized cost (previous year: €29,374 thousand).

Liabilities from administration and settlement obligations for servicing forfaited and securitized lease receivables are amortized over the remaining term of the relevant lease in the amount of €4,759 thousand (previous year: €3,393 thousand), which is reported in revenue.

The unwinding of the discount on liabilities for the obligation to transfer future lease and premium payments from operating lease forfaiting totaling €485 thousand (previous year: €291 thousand) is recognized as finance cost.

34.3 Credit risk exposure

The following overview outlines trade receivables, contract assets and lease receivables categorized according to the three-stage model. The simplified approach was applied to calculate the risk provision in accordance with IFRS 9 for all trade receivables, contract assets and lease receivables.

Assignment to the risk classes is based on third-party rating information. A heightened risk is assumed when the underlying credit risk index exceeds a certain threshold. Another increase over a second threshold then results in assignment to the "non-performing" category.

		Dec. 31, 2024			Dec. 31, 2023	
€ thousand	Low risk	Heightened risk	Non-performing	Low risk	Heightened risk	Non-performing
Simplified Approach						
Trade receivables	38,843	1,325	478	35,703	466	514
Contract assets	855	-	-	510	-	-
Lease receivables	167,562	222	-	166,085	380	1,064

34.4 Financial risk management

The Company's Executive Board is responsible for developing and monitoring the risk management system. At the level of the subsidiaries, the managing directors are responsible for risk management. Appropriate processes for payables and receivables management, liquidity planning, monthly reporting etc., are implemented for this purpose.

The Executive Board defines the principles and goals of the Group's financial management. The primary goals are to safeguard liquidity and limit financial risks. The Group's goal is therefore not to enter into any risks from the investment of cash funds. To ensure this, these funds are held in bank accounts at domestic credit institutions or in the form of German Federal Treasury Notes until they are needed to finance acquisitions.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk essentially arises from trade and lease receivables. The carrying amounts of financial assets represent the maximum exposure to credit risk. On the reporting date, the Group had cash and cash equivalents of €48,427 thousand (previous year: €53,666 thousand). This amount thus represents the maximum exposure to credit risk relating to these assets. The Executive Board continuously monitors the financial situation of the banks where credit balances are held.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the Executive Board also considers the characteristics of the overall customer base, including the credit risk of the industries and countries in which customers reside, as these factors can also have an influence on credit risk. Detailed disclosures on the concentration of revenue in certain areas can be found in Note 8.

The general economic conditions in Germany, in the eurozone and in Asia and America are actively observed. The Group limits its credit risk exposure from trade receivables by agreeing prepayments with new customers or for larger orders.

In the leasing business, counterparty risk is limited because the bulk of the lease portfolio is refinanced through the sale of receivables by way of forfaiting and securitization. This transfers the risk of default to third parties. The remaining counterparty risk attributable to company-financed and loan-financed leases and to securitization with continuing involvement is diversified thanks to a cross-industry debtor group with low exposures per individual debtor.

To determine any necessary loss allowances, the Group uses a process that enables an assessment of expected losses on trade receivables. Please refer to Note 21 for further information.

The maximum exposure to credit risk from trade receivables on the reporting date is as follows.

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Trade receivables	38,700	35,720
Maximum exposure to credit risk on trade receivables	38,700	35,720
Lease receivables	167,586	167,201
Hedging with matching repurchase liabilities	(25,768)	(26,443)
Maximum exposure to credit risk on lease receivables	141,818	140,757

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. A distinction is made between three categories of risk: currency risk, interest rate risk and other market risk.

Currency risk | The Group is exposed to a range of currency risks because of its global operations. A distinction is made here between transaction and translation risk.

<u>Transaction risks:</u> Transaction risks arise due to exchange rate-related changes in value of primary financial instruments and entering into transactions with international counterparties that result in future cash flows in currencies other than the functional currency of the Group company in question. As part of financial risk management processes within Group management, currency risks are monitored and, where needed, managed by the finance departments of the relevant entities using appropriate mitigating measures. The objective of risk management is to limit to an acceptable level the effects of currency risk on future cash flows. Currency risk is partially mitigated by procuring goods and services in the relevant foreign currencies. Group entities are responsible for identifying, assessing and monitoring their transaction-related foreign currency risks.

Translation risk: Some group entities are outside of the eurozone. The consolidated financial statements are prepared in euros and the financial statements of these entities are translated into euros, which can result in exchange rate-related differences. Hedging these differences is not the primary objective of currency risk management. A sensitivity analysis is performed for each currency that represents a significant risk to the Company, based on the following assumptions: All of the Group's monetary financial instruments that are not denominated in the functional currency of the relevant individual entities can be used in the sensitivity analysis. As a result, translation risks are not taken into account. The hypothetical effects on profit or loss and equity for each primary line item included in the sensitivity analysis are determined by comparing the carrying amount (measured using the closing rate) with the translation value obtained using a hypothetical exchange rate. If the EUR/USD exchange rate were 10% higher, earnings before tax would be €78 thousand (previous year: €202 thousand) lower. If the EUR/USD exchange rate were 10% lower, earnings before tax would be €96 thousand (previous year: €247 thousand) higher. If the EUR/CNY exchange rate were 10% higher, earnings before tax would be €33 thousand (previous year: €30 thousand) lower. If the EUR/CNY exchange rate were 10% lower, earnings before tax would be €28 thousand (previous year: €24 thousand) higher. The Group holds financial assets and financial liabilities solely in the functional currency.

Interest rate risk | Interest rate risk arises if the fair value of financial instruments fluctuates due to changes in market interest rates. To assess interest rate risk, financial instruments are classified into fixed- and variable-rate instruments under IAS 32. Interest rate risks arise in the case of floating-rate liabilities to banks. The loans taken out by the Group are subject in part to interest rates that are linked to changes in EURIBOR. There is no interest rate risk exposure from the securitization transaction.

Other market risks | There are no material other market risks in the Group.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities. The Executive Board monitors the liquidity position and current and future expected outflows of funds as part of budget planning and ongoing financial control.

The Group has secured bank loans that include covenants. Any future breach of the covenants can lead to the loans being subject to early repayment. In line with the agreements, the covenants are systematically monitored by the Group and regularly reported to the Executive Board in order to ensure compliance with the loan agreements.

The liquidity risk arising from leases is countered with a high rate of forfaiting and securitization. To increase liquidity, lease receivables are securitized with banks or via SPVs and sold to investors at their present value or with a purchase price discount on the expected future lease payments and unguaranteed residual values, usually at commencement of the lease.

As part of the securitization transactions, the securitized liabilities are repaid from payments received from lease receivables. The liquidity risk of the securitization transactions totals the amount of the residual credit risk associated with the purchase price discounts.

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The remaining financial liabilities in connection with lease refinancing are matched by the corresponding lease receivables. The expected cash flows from lease receivables exceed the corresponding liabilities.

The contractual remaining terms of financial liabilities at the end of the reporting period, including estimated interest payments, are presented in the following table. These are undiscounted gross amounts including contractual interest payments, though the effects of offsetting are not presented.

Contractual cash flows from non-derivative financial liabilities

		Contractual cash flows					
€ thousand	Present value	Total	Up to 12 months	1 to 2 years	2 to 5 years	> 5 years	
Dec. 31, 2024							
Senior loans	60,000	(64,023)	(33,868)	(30,154)	-	-	
Subordinated loans	10,298	(15,288)	-	-	(15,288)	-	
Real estate loans	71	(73)	(18)	(18)	(37)	-	
Other financial liabilities	16,182	(22,231)	(2,548)	(2,113)	(4,217)	(13,353)	
Lease refinancing	172,578	(193,756)	(87,578)	(67,602)	(38,576)	-	
Trade payables	14,066	(14,066)	(14,066)	-	-	-	
Total	273,193	(309,437)	(138,078)	(99,887)	(58,119)	(13,353)	
Dec. 31, 2023							
Senior loans	58,631	(64,060)	(16,625)	(32,938)	(14,497)	-	
Subordinated loans	26,350	(44,818)	-	-	(44,818)	-	
Real estate loans	87	(91)	(18)	(18)	(54)	(1)	
Other financial liabilities	17,928	(23,648)	(2,261)	(1,515)	(3,284)	(16,588)	
Lease refinancing	176,410	(201,797)	(94,954)	(62,486)	(40,943)	(3,414)	
Trade payables	12,275	(12,275)	(12,275)	-	-	-	
Total	291,680	(346,688)	(126,133)	(96,957)	(103,596)	(20,003)	

Supplementary information

35. Capital management

The Group aims to maintain a strong capital base in order to safeguard the confidence of investors, creditors and the markets, and to ensure the sustainable development of the Company. The Executive Board uses the amount and development of leverage to regularly monitor capital. Leverage is defined as net debt (Note 29) as of the reporting date divided by adjusted EBITDA (Note 6) for the twelve months prior to the relevant reporting date. Adjusted pro forma EBITDA is used if there have been significant business combinations in the relevant reporting period.

As a rule, the Group aims to achieve leverage of up to approximately 2.5x, i.e., net debt of up to approximately 2.5x adjusted EBITDA. In exceptional cases, e.g., following acquisitions, this value may be exceeded in the short to medium term. This is intended to ensure a balance between a high return, which can be achieved through a certain level of debt, and the advantages of a strong equity base.

Leverage is calculated as follows:

€ thousand	Dec. 31, 2024	Dec. 31, 2023
Net debt	45,587	58,539
Adjusted EBITDA (pro forma for 2023)	64,975	66,988
Leverage	0.70x	0.87x

36. Business combinations

On April 11, 2024 (closing), the Group's HR Benefit & Mobility Platform segment acquired 100% of the shares and voting rights of Probonio GmbH (**Probonio**), whose registered office is in Landshut, Germany.

The buyer of Probonio is BLS Beteiligungs GmbH, in which Brockhaus Technologies AG indirectly held a 52.09% interest prior to the acquisition. As a result of the partial payment of the purchase price through newly created shares of BLS Beteiligungs GmbH, Brockhaus Technologies AG indirectly holds a multiplicative calculated share of 51.96% in Bikeleasing and hence also in Probonio following the acquisition.

Established in 2022, Probonio is a provider of software-as-a-service (SaaS) solutions for managing employee benefits. Employers can offer their employees a multitude of different benefits through the proprietary platform and the native app, which can then be managed in a user-friendly online cockpit. The benefits range from non-cash benefits and meal allowances, through company fitness programs, down to the technical integration of providers of company bicycle leasing like Bikeleasing. This acquisition marks Bikeleasing's planned transition towards a fully comprehensive multi-benefit platform. Once the integration has been completed, the additional employee benefits shall be available to Bikeleasing's 72 thousand corporate customers and their 3.7 million employees from a single source, alongside company bicycle leasing.

In the period between the closing and the reporting date, Probonio contributed revenue of €260 thousand and a loss of €1,603 thousand to consolidated earnings. If the acquisition had taken place on January 1, 2024, consolidated revenue and profit or loss for the period would not have differed materially from the figures reported in the consolidated statement of comprehensive income.

Consideration transferred

The consideration transferred consisted of cash of €2,053 thousand and 0.255% newly issued shares of BLS Beteiligungs GmbH worth €2,031 thousand (€1,273 thousand after discounting). In addition, a contingent consideration (earn-out) was agreed. The amount of the future earn-out payments depends on the number of new users activated on the Probonio platform between the closing date and January 31 of the years of 2025, 2026 and 2027. The fair value of this earn-out was €3,365 thousand as of the closing date. The earn-out will not fall below zero. No maximum can be specified as the earn-out has no contractual limit.

€ thousand 2,053 Cash 2,053 BLS shares/ NCI put liability 1,273 Contingent consideration (earn-out) 3,365

Costs associated with the acquisition

Consideration transferred

The Group incurred costs of €750 thousand in connection with the business combination.

Identifiable acquired assets and assumed liabilities

The acquired assets and the assumed liabilities as of the date of acquisition have been compiled in the following.

€ thousand	
Property, plant and equipment (including right-of-use assets)	11
Intangible assets	753
Trade receivables	53
Other assets	175
Cash and cash equivalents	270
Deferred tax liabilities	(166)
Trade and other payables	(373)
Total identifiable acquired net assets	723

Goodwill

6,691

Goodwill primarily comprises the value of anticipated synergies from the acquisition with regard to the planned transition towards a fully comprehensive multi-benefit platform. The full amount of goodwill is attributable to the HR Benefit & Mobility Platform segment.

€ thousand	
Consideration transferred	6,691
Non-controlling interests	(2,859)
Fair value of the identified net assets	(723)
Goodwill	3,109

Goodwill expected to be tax-deductible amounts to zero.

NCI put from put and call options

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As part of the acquisition, put and call options with regard to the 0.255% interest in BLS Beteiligungs GmbH were agreed with the sellers. After five years, these options give the sellers the right to sell back the shares of BLS Beteiligungs GmbH received in the course of the acquisition to BLS Beteiligungs GmbH, and conversely, give BLS Beteiligungs GmbH the right to acquire the shares from the sellers. The exercise price corresponds to the proportionate value of Bikeleasing (including Probonio), calculated using a multiple on the adjusted pro forma EBITDA generated by Bikeleasing in five years less the future IFRS net financial liabilities of Bikeleasing.

Due to the repurchase obligation resulting from the put option, the 0.255% interest does not meet the criteria for classification as equity under IFRS, and the Group applies the anticipated acquisition method to account for it. Under this method, the transaction is accounted for as if the put option had already been exercised by the sellers of Probonio. As a result, the interest is reported as a liability and is not classified as a non-controlling interest (NCI). The profit share of Bikeleasing (including Probonio) attributable to BKHT is calculated unchanged on the basis of a 52.09% shareholding, although the legal interest is 51.96%. The profit share of the 0.255% interest in Bikeleasing is allocated in the consolidated statement of comprehensive income through the financial result.

37. List of subsidiaries

In addition to the parent company, 26 indirect and direct subsidiaries as well as two structured entities are included in the consolidated financial statements. The following table shows the ownership interest, the equity at the reporting date and the profit or loss for the period of the consolidated entities.

The adjacent disclosures on equity and profit were not subject to a separate financial audit.

Subsidiaries

Company	Registered office	Equity interest	Equity (IFRS)	Profit (IFRS)
IHSE AcquiCo GmbH	Oberteuringen	100.00%	146,428	(2,160)
IHSE Beteiligungs GmbH	Oberteuringen	100.00%	23,408	0
IHSE GmbH	Oberteuringen	100.00%	14,629	(49)
IHSE Immobilien GmbH	Oberteuringen	100.00%	113	(34)
IHSE USA LLC	Cranbury, NJ, USA	100.00%	(1,900)	(2,343)
IHSE GmbH Asia Pacific Pte Ltd	Singapore	100.00%	(2,589)	(2,132)
IHSE China, Co. Ltd.	Guangzhou, China	100.00%	(369)	(304)
KVM-TEC Electronic GmbH	Tattendorf, Austria	93.14%	1,368	(2,073)
KVM-TEC MPP Verwaltungs GmbH	Oberteuringen	100.00%	21	(2)
KVM-TEC MPP GmbH & Co. KG*	Oberteuringen	0.00%	310	(14)
BT Erste Beteiligungs GmbH	Frankfurt am Main	100.00%	12	(4)
BT Zweite Beteiligungs GmbH	Frankfurt am Main	100.00%	69,623	(4)
BCM Erste Beteiligungs GmbH	Frankfurt am Main	94.87%	127,791	16,079
BLS Beteiligungs GmbH	Vellmar	52.09%	220,673	10,701
MFK Holding GmbH	Vellmar	52.09%	10,666	0
TIROX Holding GmbH	Uslar	52.09%	21,410	0
Iragon Grundstücks GmbH & Co. KG	Vellmar	52.09%	233	9
BLS Bikeleasing-Service GmbH & Co. KG	Vellmar	52.09%	126,934	12,266
Iragon Verwaltungs GmbH	Vellmar	52.09%	10	(1)
BLS Bikeleasing-Service Verwaltungsgesellschaft mbH	Vellmar	52.09%	7	0
BLS Verwaltungsgesellschaft mbH	Vellmar	52.09%	12	(1)
BLS Versicherungs GmbH & Co. KG	Vellmar	52.09%	1,365	14,401
Lesora GmbH**	Freiburg	52.09%	63,078	15,617
BLS Bikeleasing-Service Österreich GmbH	Innsbruck, Austria	52.09%	(773)	(1,867)
Bike2future GmbH	Uslar	52.09%	(1,924)	(1,949)
Bike2future Plattform GmbH	Uslar	52.09%	23	(2)
Probonio GmbH	Landshut	52.09%	(1,514)	(1,551)
Compartment B der Debt Marketplace SARL*	Luxembourg, Luxembourg	0.00%	(2,337)	1,641

^{*} Structured entities

^{**} Formerly Hofmann Leasing GmbH

38. Non-controlling interests

The following table shows information on each Group subsidiary with significant non-controlling interests (**NCI**) before intercompany eliminations.

€ thousand	BLS Bikeleasing- Service GmbH & Co. KG	Bike2Future GmbH	Probonio GmbH	BLS Bikeleasing- Service Österreich GmbH	BLS Versicherungs GmbH & Co. KG	Lesora GmbH	Compartment B der Debt Marketplace SARL	TIROX Holding GmbH
Non-controlling interest	45.09%	45.09%	45.09%	45.09%	45.09%	45.09%	45.09%	45.09%
Non-current assets	47,577	543	298	70	3,376	153,844		10,973
Current assets	116,614	1,236	778	1,551	19,982	91,054	4,767	29,098
Non-current liabilities	(235)	(0)	(500)	(96)	(1,178)	(165,131)	-	(4,308)
Current liabilities	(145,761)	(3,702)	(2,090)	(2,298)	(19,062)	(16,689)	(7,104)	(14,353)
Net assets	18,195	(1,924)	(1,514)	(773)	3,119	63,078	(2,337)	21,410
Net assets attributable to NCI	8,204	(867)	(683)	(349)	1,406	28,442	(1,054)	9,654
Revenue	136,545	193	260	6,135	20,736	93,394	1,906	246
Gross profit	51,541	(19)	325	2,057	20,732	35,988	1,788	246
EBITDA	23,384	(1,840)	(1,440)	(1,731)	18,831	24,307	1,897	195
Adjusted EBITDA*	28,937	(1,840)	(1,440)	(1,731)	18,831	24,307	1,897	195
EBIT	13,741	(1,903)	(1,508)	(1,754)	18,815	23,057	1,897	195
Adjusted EBIT*	32,146	(1,903)	(1,508)	(1,754)	18,815	23,057	1,897	195
Profit or loss for the period	12,266	(1,949)	(1,551)	(1,867)	14,401	15,617	1,641	-
Profit or loss of NCI	5,877	(934)	(743)	(895)	6,900	7,482	786	-
Adjusted earnings*	21,530	(1,949)	(1,551)	(1,867)	14,401	15,617	1,641	-
Adjusted earnings of NCI*	9,708	(879)	(699)	(842)	6,494	7,042	740	-
Cash flow operating activities	10,294	803	443	333	(1,174)	10,154	-	(1)
Cash flow from investing activities	(3,496)	(548)	(49)	(73)	(16)	(155)	-	-
Cash flow from financing activities	(11,303)	-	-	-	-	-	-	-
Change in cash and cash equivalents	(4,505)	255	394	260	(1,190)	9,999		(1)
Dividends paid to NCI	-	-	-	-	-	-	-	-

^{*} Please refer to Note 6 for further information.

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^{*} Please refer to Note 6 for further information.

Distributions to non-controlling shareholders

The consolidated Group company BLS Beteiligungs GmbH (subgroup parent of the operating Bikeleasing companies in the HR Benefit & Mobility Platform segment) made a €35,000 thousand distribution to its shareholders in the reporting period. Of the shares of BLS Beteiligungs GmbH, 45.23% are legally held by non-Group co-investors (39.9% by the founding managing directors, 5.07% by another co-investor, and 0.26% by the sellers of Probonio). The remaining 54.77% of the shares are held by the intermediate holding company BCM Erste Beteiligungs GmbH (94.87% directly and indirectly owned by Brockhaus Technologies AG), which is included in these consolidated financial statements. That company thus received a dividend share of €19,171 thousand and the non-controlling shareholders received a dividend share of €15.829 thousand. The dividend distribution was used by BCM Erste Beteiligungs GmbH to make voluntary early repayments of €19.100 thousand on its subordinated loan, together with payment of accrued interest. Following these repayments, the remaining €10,298 thousand of this subordinated loan was still outstanding in the Group as of the reporting date.

39. Research and development expenses

The Group's research and development expenses amounted to €3,648 thousand in the reporting period (previous year: €2,572 thousand), of which €2,741 thousand (previous year: €2,312 thousand) was attributable to research expenses and development expenses not eligible for capitalization and €907 thousand (previous year: €260 thousand) was attributable to amortization of capitalized development expenses.

40. Share-based payments

The expense for share-based payment transactions is disaggregated as follows.

€ thousand	2024	2023
Equity-settled	828	544
Cash-settled	212	159
Total	1,040	703

Equity-settled share-based payment transactions

The Group has stock option plans for employees in accordance with the corresponding resolutions of the Annual General Meeting. The aim of the stock option plans is to offer a suitable performance incentive for the beneficiaries in the interest of enhancing the value of the Group. In line with the stock option conditions, holders of exercisable options have the right to acquire shares at the share price at the grant date of the options. The options are subject to a vesting period of four years after issuance and expire if the beneficiary stops being an employee of the Group. A share of 1/48 of the options granted vest each month. Vesting of options is conditional on a long-term performance target, which requires a minimum 15% increase in the share price (less dividends paid in the meantime) between the date of issuance of the options and the exercise date.

They are settled in the form of new shares of Brockhaus Technologies AG (equity instrument) against payment of the exercise price by the beneficiary. The Group is entitled, but not obligated, to pay a cash settlement to the beneficiaries instead of equity settlement.

The Annual General Meeting resolved on June 27, 2019 to authorize the Executive Board, with the consent of the Supervisory Board, to issue a total of 425,200 stock options and on June 20, 2024 to authorize the Executive Board to issue 550,000 stock option, both from authorized capital. Changes in outstanding options in the reporting period were as follows.

	Number	Exercise price* in €
Outstanding options on Jan. 1, 2024	349,541	22.79
In the reporting period		
options granted	151,700	29.37
options forfeited	(78,646)	29.55
options exercised		
options expired		
Outstanding options on Dec. 31, 2024	422,595	23.74
Exercisable options on Dec. 31, 2024	-	

^{*} Weighted average exercise price

Outstanding options at the reporting date have exercise prices between €17.44 and €32.00. The average weighted remaining term is 2.1 years.

Options are measured at the issue date using a Monte Carlo simulation. The parameters used to measure the options are shown in the following.

Measurement parameters

Weighted average share price	€23.55
Weighted average exercise price	€23.90
Term of options	4 years
Expected volatility	19.5%-41.5%
Expected dividend yield	0.0%
Risk-free rate	0.0%-2.6%

A percentage rate of zero was defined for the dividend yield as the option conditions include an adjustment mechanism. This mechanism provides for a reduction in the exercise price in the amount of the dividends paid per share over the term of the option. Early exercise of options was not taken into account in the measurement as this is generally not anticipated. The expected volatility was determined using the historical volatility of the share prices of comparable companies and BKHT. The expected volatility is based directly on historical volatility in this respect. To determine the fair value of options, the performance target of a 15% increase in the share price over the term of the options was considered as an additional feature by eliminating the option proceeds on simulated prices below the performance target in the Monte Carlo model.

Cash-settled share-based payment transaction

The cash-settled share-based payment of €142 thousand (previous year: €26 thousand) resulted from an agreement with the seller of a sales agency that the Group acquired in the HR Benefit & Mobility Platform segment (Bikeleasing) in the comparative period. The seller has worked for the Group since the acquisition and is set to receive an additional variable purchase price in the event of a future sale of Bikeleasing, and provided the employment relationship is maintained. The additional payment is expected to correspond to 0.15% of the amount by which the valuation of Bikeleasing exceeds an amount of €300 million in the course of the sale. This future payment is contingent on the seller still being employed by the Group by the end of 2026. This future payment must therefore be treated as remuneration for work performed and not as a subsequent purchase price payment for the acquisition. The expense is recognized in personnel expenses at the grant date fair value, discounted over the term. The resulting obligation is reported under other liabilities (Note 31). The liability must be remeasured at each reporting date. The change in excess of the grant date fair value is recognized in the financial result.

The residual cash-settled share-based payment of €69 thousand (previous year: €133 thousand) resulted from a virtual share option program.

41. Leases

The Group leases land and buildings primarily as office space and as production and storage space. As of the reporting date, there were leases for real estate with a remaining term of up to 15 years. Other leases have a remaining term of up to 4 years. Leases can include extension and termination options. The terms and conditions are negotiated individually and include a number of differing arrangements.

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A number of real estate leases contain prolongation options that can be exercised by the Group. The extension options can only be exercised by the Group and not by the lessor. The Group assesses at the commencement date whether the exercise of extension options is reasonably certain. The Group reassesses whether the exercise of extension options is reasonably certain when a significant event or change in circumstances occurs that is within its control.

Right-of-use assets relating to leased real estate and vehicles are reported in property, plant and equipment (see Note 18). The following table shows right-of-use assets from leases that are reported in non-current assets.

Please refer to Note 22 in these notes to the consolidated financial statements for information on the Group's activities as lessor.

Right-of-use assets

€ thousand	Land and buildings	Operating and office equipment	Total
Balance on January 1, 2023	3,298	773	4,071
Additions to right-of-use assets	5,625	386	6,011
Additions from business combinations	-	60	60
Depreciation of right-of-use assets	(1,014)	(432)	(1,446)
Reclassifications	(314)	314	-
Exchange differences	(12)	-	(12)
Balance on December 31, 2023	7,584	1,101	8,685
Additions to right-of-use assets	2,261	944	3,205
Additions from business combinations	-	-	-
Depreciation of right-of-use assets	(1,377)	(675)	(2,052)
Reclassifications	-	-	-
Exchange differences	14	-	14
Balance on December 31, 2024	8,483	1,370	9,852

42. Related party transactions

Key management personnel

In terms of the Group, key management personnel comprise the members of the Executive and Supervisory Boards of BKHT.

In the reporting period, members of the Executive Board and Supervisory Board acquired used bikes from Group company BLS Bikeleasing-Service GmbH & Co. KG.

Please refer to Note 47 for further information on the remuneration of members of governing bodies.

Other related parties

Executive Board members hold positions in other entities in which they are able to control or significantly influence the financial and business policies of those entities. Some of those entities conducted transactions with Brockhaus Technologies in the reporting period.

Brockhaus Private Equity GmbH, whose registered office is in Frankfurt, is controlled by the Chairman of the Executive Board of BKHT and leases business premises to Brockhaus Technologies AG under a sublease agreement.

	Value of tra	ansactions	Outstanding	g balances
€ thousand	2024	2023	Dec. 31, 2024	Dec. 31, 2023
Key management personnel				
Purchase of used bikes	4	-	-	-
Other related parties				
Sublease	210	200	-	-

43. Corrections

The Group found during the reporting period that deferred tax assets from supplementary tax balance sheets, which resulted from the acquisition of the Bikeleasing Group in 2021, had thus far not been recognized in the financial statements. In the year of acquisition of the Bikeleasing Group, 2021, the deferred tax assets would have led to lower goodwill and higher non-controlling interests being reported. Since deferred tax liabilities exceed deferred tax assets, the deferred tax assets are deducted from deferred tax liabilities. These deferred tax assets will be utilized through expense recognition in subsequent fiscal years. The actual income tax expense decreases accordingly due to the amortization in the supplementary tax balance sheet. This effect was included in the reported figures for the comparative period. However, the corresponding deferred income tax expense was not recognized in the comparative period. In addition, taxes for the 2021 assessment period were assessed in the comparative period. As a result, tax liabilities that should already have been reversed before the beginning of the comparative period were reversed. As a result, the tax income reported in the comparative period was too high. The error has been corrected in accordance with IAS 8 by restating goodwill, non-controlling interests, deferred tax liabilities, tax liabilities and income taxes accordingly. The tables below present a summary of the impact on the consolidated financial statements.

Corrections to the 2023 consolidated statement of comprehensive income

€ thousand	Reported	Correction	Restated
Income tax expense	(9,080)	(3,361)	(12,441)
Profit or loss for the period	9,316	(3,361)	5,955
of which attributable to BKHT shareholders	(3,344)	(1,751)	(5,095)
of which attributable to non- controlling interests	12,660	(1,610)	11,050
Total comprehensive income	8,729	(3,361)	5,368
of which attributable to BKHT shareholders	(3,931)	(1,751)	(5,682)
of which attributable to non- controlling interests	12,660	(1,610)	11,050
Earnings per share (€)	(0.31)	(0.16)	(0.47)

Corrections to the consolidated balance sheet as of Jan. 1, 2023

€ thousand	Reported	Correction	Restated
Intangible assets and goodwill	356,936	(7,004)	349,932
Non-current assets	509,870	(7,004)	502,866
Total assets	655,509	(7,004)	648,505
Retained earnings	21,075	-	21,075
Equity attributable to BKHT shareholders	272,700	-	272,700
Non-controlling interests	42,636	6,441	49,077
Equity	315,337	6,441	321,777
Deferred tax liabilities	52,590	(10,164)	42,427
Non-current liabilities	290,261	(10,164)	280,098
Current tax liabilities	5,726	(3,281)	2,445
Current liabilities	49,911	(3,281)	46,630
Liabilities	340,172	(13,445)	326,727
Total equity and liabilities	655,508	(7,004)	648,504

Corrections to the consolidated balance sheet as of Dec. 31, 2023

Combined Management Report

€ thousand	Reported	Correction	Restated
Intangible assets and goodwill	356,600	(7,004)	349,596
Non-current assets	528,401	(7,004)	521,398
Total assets	666,180	(7,004)	659,176
Retained earnings	18,275	(1,751)	16,524
Equity attributable to BKHT shareholders	258,315	(1,751)	256,564
Non-controlling interests	39,516	4,830	44,346
Equity	297,831	3,080	300,911
Deferred tax liabilities	56,424	(8,483)	47,941
Non-current liabilities	310,863	(8,483)	302,380
Current tax liabilities	3,879	(1,600)	2,278
Current liabilities	57,485	(1,600)	55,885
Liabilities	368,348	(10,083)	358,265
Total equity and liabilities	666,180	(7,004)	659,176

There is no impact on the total cash flows from operating, investing, and financing activities of the comparative period.

Corrections to the disclosures on non-controlling interests

The following table presents reported figures, corrections and restated figures for 2023 of the Group's subsidiaries with material non-controlling interests (NCI).

€ thousand	BLS Bikeleasing-Service GmbH & Co. KG	BLS Versicherungs GmbH & Co. KG	BLS Beteiligungs GmbH	Consolidation	Group
Non-current assets – reported	51,421	3,476	308,950	(176,949)	489,268
Correction		-	-	(7,004)	(7,004)
Non-current assets – restated	51,421	3,476	308,950	(183,953)	482,264
Non-current liabilities – reported	(2,911)	(576)	(27,229)	(7,325)	(266,288)
Correction	3,402	840	4,241	-	8,483
Non-current liabilities – restated	491	264	(22,988)	(7,325)	(257,805)
Non-current liabilities – reported	(144,651)	(22,768)	(59,887)	215,498	(43,580)
Correction	680	120	800	-	1,600
Non-current liabilities – restated	(143,971)	(22,648)	(59,087)	215,498	(41,980)
Net assets – reported	12,275	1,713	244,971	(179,133)	259,683
Correction	4,082	960	5,042	(7,004)	3,080
Net assets – restated	16,357	2,673	250,013	(186,137)	262,763
Net assets attributable to NCI – reported	5,535	773	110,458	(113,706)	39,516
Correction	1,956	460	2,415	-	4,830
Net assets attributable to NCI – restated	7,491	1,233	112,873	(113,706)	44,346
Profit or loss for the period	17,689	18,355	15,459	(32,788)	20,322
Correction	(1,361)	(320)	(1,681)	-	(3,361)
Profit or loss for the period – restated	16,328	18,035	13,778	(32,788)	16,961
Net assets attributable to NCI – reported	8,475	8,794	7,406	(15,599)	12,660
Correction	(652)	(153)	(805)	-	(1,610)
Net assets attributable to NCI – restated	7,823	8,641	6,601	(15,599)	11,050

44. Auditor's fees

The auditor's fees show the fees of KPMG AG Wirtschaftsprüfungsgesellschaft recognized as an expense for the services provided to BKHT and to the consolidated subsidiaries. They are disaggregated as follows.

Combined Management Report

€ thousand	2024	2023
Financial statement audits	1,459	609
Other assurance services	63	78
Other services	43	-
Total	1,565	687

In the reporting period, the financial statement audit services relate to the audit of the consolidated financial statements and the annual financial statements, as well as to all services required for the audits of the financial statements. The other assurance services in the reporting period relate to the substantive review of the remuneration report and the performance of other assurance services (voluntary audit services). Other services relate to support in the preparations for future sustainability reporting.

KPMG AG Wirtschaftsprüfungsgesellschaft has been the auditor of Brockhaus Technologies AG as a public interest entity since its initial public listing in 2020.

45. Employees

The following overview shows the average number of employees in the Group.

Average number	2024	2023
Full-time	429	323
Part-time	100	65
Other	43	38
Total employees	572	426

The number of employees as of the reporting date was as follows.

Number	Dec. 31, 2024	Dec. 31, 2023
Full-time	465	350
Part-time	117	76
Other	38	41
Total employees	620	467

46. Governing bodies of the Company

The members of BKHT's Executive Board are.

- Chairman of the Executive Board (CEO): Marco Brockhaus
- Member of the Executive Board (COO/ Legal Counsel): Dr. Marcel Wilhelm

The Supervisory Board of BKHT consists of six members, unless otherwise required by law and was composed of the following members in the reporting period.

- Chairman: Dr. Othmar Belker, independent consultant
- Deputy Chairman: Michael Schuster, lawyer in private practice
- Member of the Supervisory Board: Martin Bestmann, managing director of a consulting firm
- Member of the Supervisory Board: Prof. Dr. Christoph Hütten, independent management consultant
- Member of the Supervisory Board: Dr. Natalie Krebs, Supervisory Board member
- Member of the Supervisory Board: Matthias Memminger, consultant

47. Total remuneration of members of governing bodies

The Chairman of the Supervisory Board receives annual fixed remuneration of €90 thousand, the Deputy Chairman receives €60 thousand and the other members of the Supervisory Board each receive annual fixed remuneration of €30 thousand. The members of the Supervisory Board (but not the Chairman or Deputy Chairman) receive an additional €2 thousand each year for membership in a committee and an additional €20 thousand for chairmanship of a committee. In addition, the members of the Supervisory Board are reimbursed for their out-of-pocket expenses and any value added tax payable on their remuneration. The remuneration of the Supervisory Board amounted to €298 thousand in the reporting period (previous year: €279 thousand).

The remuneration of the members of the Executive Board under IAS 24.17 is composed of the following items.

€ thousand	2024	2023
Short-term benefits	1,235	2,004
Termination benefits	-	-
Share-based payments	249	168
Other long-term benefits	-	-
Total	1,484	2,172

The amount outstanding relating to short-term benefits as of the reporting date was €- thousand (previous year: €866 thousand).

The remuneration of members of the Executive Board under section 314 of the HGB amounted to €1,235 thousand in the reporting period (previous year: €2,000 thousand).

The basic principles behind the remuneration system and disclosure of the remuneration of individual Executive Board and Supervisory Board members are presented in the remuneration report.

48. 2024 declaration of conformity with the German Corporate Governance Code

The declaration by Brockhaus Technologies AG's Executive Board and Supervisory Board on conformity with the German Corporate Governance Code for fiscal year 2024 under section 314 no. 8 of the HGB in conjunction with section 161 of the AktG was issued. The statement is permanently accessible on the Company's website www.brockhaus-technologies.com in the section entitled Investor Relations, subsection Corporate Governance.

49. Appropriation of the result

As of the reporting date, the Company reported net retained profits of €- thousand in its local GAAP (HGB) annual financial statements (previous year: €20,733 thousand). They include the previous year's net retained profits less the net loss of €71,412 thousand determined under the HGB for 2024 and less the dividend of €2,298 thousand (€0.22 per share) distributed in the reporting period, plus the withdrawal from the capital reserve of €52,978 thousand.

50. Events after the reporting date

On March 21, 2025, the Executive Board of Brockhaus Technologies AG decided to postpone the publication of the Company's consolidated and annual financial statements for fiscal year 2024, originally scheduled for March 28, 2025. The Company's auditor, KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG), had informed the Company that due to significant outstanding audit evidence and, in particular, an investigation into a specific business transaction at a foreign subsidiary of IHSE initiated by the Supervisory Board of Brockhaus Technologies on request of the auditor, not all audit procedures were completed within the previously planned timeline.

On April 24, 2025, the Executive Board of Brockhaus Technologies decided to postpone the Annual General Meeting scheduled for June 25, 2025. This was against the backdrop of the continuing delays in the preparation of the consolidated financial statements and the annual financial statements of the Company for fiscal year 2024, which had been triggered by the additional audit procedures and the necessary extensive internal investigations. The availability of the relevant annual financial statements is a legal prerequisite for inviting shareholders to the annual general meeting.

On May 14, 2025, publication of the Quarterly Statement Q1 2025, which had been scheduled for May 15, 2025, was postponed to May 30, 2025 so that further insights from the continuing internal investigation could be taken into account. In addition, the Company announced that the German GAAP annual financial statements for 2024 of the three companies of the Bikeleasing subgroup that are relevant to operations have been issued with unqualified audit opinions by the local auditors. BLS Bikeleasing-Service GmbH & Co. KG, BLS Versicherungs GmbH & Co. KG, and Lesora GmbH are the companies of the subgroup subject to audit requirements and comprise the vast majority of the Brockhaus Technologies Group's operating activities.

The internal investigations have revealed that there are indications of an inaccurate revenue entry made in 2024 at a foreign subsidiary of IHSE in an amount of around €2.2 million. At IHSE, misconduct by individuals with management responsibility was identified. These individuals were relieved of their duties.

Combined Management Report

Between the reporting date and the date of preparing these annual financial statements, the Group incurred expenses of €2.9 million in connection with the internal investigation. This amount also includes expected penalties for the delayed publication of financial statements.

In June 2025, Bikeleasing's sub-group parent company (BLS Beteiligungs GmbH) made an additional payout of€10.0 million to its shareholders. Of this amount, €5.2 million was indirectly attributable to BKHT and €4.8 million to non-controlling shareholders outside the Group.

By resolution of the German Bundestag on July 11, 2025, corporate income tax will be gradually reduced from 15 to 10% by January 1, 2032, starting in fiscal year 2028. This is likely to have an impact on the calculation of deferred taxes in the 2025 fiscal year already. The impact on the financial statements is currently being ascertained.

There were no other significant events between the reporting date and the date of preparing these annual financial statements.

Frankfurt am Main, August 2, 2025

Brockhaus Technologies AG The Executive Board

Marco Brockhaus

Dr. Marcel Wilhelm

Responsibility statement

Combined Management Report

To the best of our knowledge and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the combined management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group.

Frankfurt am Main, August 2, 2025

Brockhaus Technologies AG The Executive Board

Marco Brockhaus

Dr. Marcel Wilhelm

Independent Auditor's Report

To Brockhaus Technologies AG, Frankfurt am Main

Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report Opinions

We have audited the consolidated financial statements of Brockhaus Technologies AG, Frankfurt am Main, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from January 1 to December 31, 2024, and notes to the consolidated financial statements, including significant information on the accounting policies. In addition, we have audited the combined management report of the Company and the Group (combined management report) of Brockhaus Technologies AG for the financial year from January 1 to December 31, 2024.

The combined management report contains a cross-reference to the remuneration report that is not provided for by law. In accordance with German legal requirements, we have not audited the content of this cross-reference or the information to which it refers.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 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 of December 31, 2024, and of its financial performance for the financial year from January 1 to December 31, 2024, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report. In addition, our opinion does not cover the cross-reference to the remuneration report or the information to which the cross-reference refers.

Pursuant to Section 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 combined management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [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 Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Impairment testing of goodwill

Please refer to Note 4.10 of the notes to the consolidated financial statements for more information on the accounting policies applied. Disclosures on the amount of goodwill and the assumptions made are provided in Notes 5.2 and 19 of the notes to the consolidated financial statements. Explanatory notes on the economic development of the Security Technologies and HR Benefit & Mobility Platform business segments are provided in the combined management report in the "Segment reporting" section.

THE FINANCIAL STATEMENT RISK

In the consolidated financial statements of Brockhaus Technologies AG as of December 31, 2024, goodwill amounts to EUR 179.1 million. Of this, an amount of EUR 138.7 million is attributable to the HR Benefit & Mobility Platform business segment and EUR 40.4 million to the Security Technologies business segment, which corresponds to approx. 24.3% and approx. 6.7% of total assets, respectively.

Goodwill is tested for impairment annually at the level of the HR Benefit & Mobility Platform and Security Technologies business segments. If indications of impairment arise in the course of the year, an ad hoc impairment test is also performed during the year. For the impairment tests, the carrying amounts of the respective cash-generating unit are compared with their recoverable amount at business segment level. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized. The recoverable amount for the respective business segment is the higher of the fair value less the costs to sell and value in use. The value in use for the cashgenerating unit of the HR Benefit & Mobility Platform business segment was determined on the basis of the capitalized earnings method and for the cash-generating unit of the Security Technologies business segment on the basis of the discounted cash flow method. For both business segments, the values in use as of December 31, 2024, are based on business valuations by external experts.

The goodwill impairment test is complex and based on a number of assumptions requiring judgment. These include the expected revenue and earnings development of the business segments for the next five years, the assumed terminal value growth rates and the discount rate used.

In the course of testing goodwill for impairment as of December 31, 2024, no requirement to recognize an impairment loss for the HR Benefit & Mobility Platform business segment was identified. For the Security Technologies segment, a need to recognize an impairment loss on goodwill in an amount of EUR 39.9 million was identified as of the reporting date, which was recognized through profit or loss in the consolidated statement of comprehensive income.

There is the risk for the consolidated financial statements that an existing need to recognize impairment losses was not identified or the identified need for impairment was not appropriately determined and was thus overstated or understated. There is also the risk that the related disclosures in the notes to the consolidated financial statements are not appropriate.

OUR AUDIT APPROACH

To assess the internal control system, we first obtained an understanding of the Company's underlying process used for impairment testing of goodwill by means of written documentation and follow-up discussions on processes with employees from Finance as part of a test of design. We also assessed the appropriateness of relevant controls relating to the identification of impairment indicators.

For the annual impairment test as of December 31, 2024, we also evaluated the appropriateness of the discount rates used for the impairment test of the business segments with the involvement of our valuation experts and compared the assumptions and data underlying the respective discount rate, especially the risk-free interest rate, the market risk premium and the beta factor, with our own assumptions and publicly available data. We discussed the projected revenue and earnings development with those responsible for planning and with the external expert. We also reconciled this information with the budget and business planning prepared by management and approved by the Supervisory Board. In this regard, we also confirmed the accuracy of the Company's forecasts for the respective business segments by comparing the budgets of previous financial years with actual results and analyzing deviations.

To assess the methodically and mathematically correct implementation of the valuation method, we verified the valuations carried out by the external expert using our own calculations with the involvement of our valuation experts and analyzed deviations. We assessed the competence, professional skills and impartiality of the external experts and the valuations that they have prepared. To this end, we assessed in particular the compliance of the respective valuation methods with the applicable accounting policies. In order to take account of forecast uncertainty, we examined how changes in assumptions regarding revenue and the EBITDA margin affect value in use by calculating alternative scenarios and comparing them with the values stated by the Company (sensitivity analysis).

Finally, we assessed whether the disclosures in the notes on the testing of goodwill for impairment are appropriate.

OUR OBSERVATIONS

The underlying valuation models used in the impairment test of goodwill are appropriate and consistent with the applicable accounting principles. The respective assumptions and data underlying the valuations are appropriate.

The related disclosures in the notes are appropriate.

Financial reporting of securitized transactions concluded in financial year 2024

Please refer to Note 4.1 and Note 22.2 of the notes to the consolidated financial statements for more information on the accounting policies applied.

THE FINANCIAL STATEMENT RISK

In the financial year from January 1 to December 31, 2024, Brockhaus Technologies AG sold net investments arising in the HR Benefit & Mobility Platform business segment in leases and trade receivables relating to insurance premiums to be collected in the future to two special purpose vehicles (SPVs) on both a revolving and non-revolving basis. These SPVs securitize the relevant net investments and receivables and issue correspondingly collateralized securities (notes) to investors to refinance them.

As of December 31, 2024, the SPVs are not consolidated in the consolidated financial statements of Brockhaus Technologies AG. In financial year 2024, lease receivables with a carrying amount of EUR 177.0 million were disposed of with the recognition of a continuing involvement, which is reported at EUR 11.1 million as of December 31, 2024. Income of EUR 24.8 million was generated from the disposal of these lease receivables in financial year 2024, which is included in revenue. The volume of the transactions and the income realized from the disposal of lease receivables therefore have a material impact on the Group's assets, liabilities, financial position and financial performance.

The financial reporting of securitized transactions is complex. First, the contractual arrangement of the securitization transactions raises the question of whether the SPVs are required to be included in the scope of consolidation of Brockhaus Technologies AG in accordance with IFRS 10. Depending on this, the derecognition principles of IFRS 9 are to be applied to sold net investments in leases and financial assets and to be analyzed using the risk structure to ensure that the transactions are accurately reported in the consolidated financial statements. These analyses were carried out by the Company with the involvement of external experts.

There is the risk for the consolidated financial statements that the SPVs from the securitization transactions concluded in financial year 2024 are inappropriately not included in the scope of consolidation. There is also the risk that the outstanding discounted lease payments – including the capitalized residual values – and financial assets are derecognized or derecognized in the wrong amount without the requirements according to IFRS 9 being met.

OUR AUDIT APPROACH

First, we inspected the contracts relating to the transactions as well as supplementary documents in order to obtain a comprehensive overview of the individual circumstances and the resulting accounting issues. We then reviewed the calculations presented to us for modeling the risk structure and assessed management's interpretation of the contracts and their assessment of the risk structure.

On this basis, we assessed the consolidation requirements in accordance with IFRS 10 and evaluated the existence of the derecognition requirements in accordance with IFRS 9. In doing so, we verified the analyses performed by an external expert using our own assessments and analyzed deviations. Our audit also included an assessment of the competence, professional skills and impartiality of the external expert. In order to assess the appropriate application of the derecognition principles in accordance with IFRS 9, we reviewed the calculation of the continuing involvement and satisfied ourselves that the accounting entries were made in the correct amount in accordance with the calculation. This also included reviewing the modeling of the risk structure with the involvement of specialists.

The continuing involvement includes the Group's maximum exposure from the securitization transactions. In addition, we recalculated the volume of the relevant net investments in the leased assets and financial assets transferred to the SPV on the basis of the contract documentation.

OUR OBSERVATIONS

The non-consolidation of the SPVs from the securitization transactions concluded in financial year 2024 is appropriate. The derecognition principles are applied appropriately.

Existence of revenue in the Security Technologies segment

Please refer to Note 4.3 of the notes to the consolidated financial statements for more information on the accounting policies applied. Disclosures on revenue for the Security Technologies business segment can be found in the notes to the consolidated financial statements under Note 8. Explanations on the economic development of the Security Technologies business segment can be found in the notes to the consolidated financial statements under Note 7 and in the combined management report in the "Segment reporting" section.

THE FINANCIAL STATEMENT RISK

Revenue is one of the Group's two most important key performance indicators. In financial year 2024, the Group generated revenue of EUR 204.3 million, of which EUR 172.6 million was attributable to the HR Benefit & Mobility Platform business segment and EUR 31.8 million to the Security Technologies business segment. Based on indications of inaccurate revenue recognition in the Security Technologies segment, we identified a significant risk that revenue is recognized in this business segment without an underlying service or supply.

OUR AUDIT APPROACH

During our audit, we first obtained an understanding of the nature and scope of the business activities in financial year 2024 and analyzed the trade receivables as of the reporting date with regard to customer and age structure risks. Based on this, we comprehended the revenue recognition process from the receipt of an order to the receipt of payment in the Security Technologies segment on the basis of the process documentation provided to us and by observing the actual processes. Furthermore, we assessed the internal instructions to ensure compliance with the requirements for revenue recognition specified in IFRS 15.

Furthermore, we assessed the appropriate timing of revenue recognition as well as the amount and the existence of the recognized revenue by reconciling the recognized amounts with the related purchase orders, external proof of delivery, revenue deductions and payments received and, in individual cases, on the basis of third-party confirmations. This was based on the revenue from the sale of products in the Security Technologies segment selected on the basis of a representative sampling technique.

Based on indications of inaccurate revenue postings obtained during our audit procedures, the Supervisory Board initiated an internal investigation of the underlying transactions with the assistance of external experts. We satisfied ourselves that the investigative procedures conducted by the expert are appropriate to identify the potential effects on the consolidated financial statements. In this context. we – with the involvement of specialists – interviewed the experts on the performance of the investigative procedures, inspected the contract documentation and evaluated the written results report. Furthermore, we questioned management and the Supervisory Board on the matter and on the written results of the internal investigation. In response to the risks identified, we performed additional audit procedures regarding the existence of revenue and, among other things, expanded our sample sizes, performed additional on-site audit procedures at subsidiaries located abroad and obtained additional third-party confirmations from customers.

OUR OBSERVATIONS

Brockhaus Technologies AG's approach to recognizing revenue in the Security Technologies business segment is appropriate following the intra-year correction of revenue postings identified as inaccurate.

Other Information

Management and/or the Supervisory Board are responsible for the other information. The other information comprises:

- the combined corporate governance statement for the Company and the Group, to which reference is made in the combined management report, and
- the information extraneous to management reports included in the combined management report regarding the appropriateness and effectiveness of the overall internal control system and the risk management system pursuant to the German Corporate Governance Code.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

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

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

Responsibilities of Management and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

Management is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, management is 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, management is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional 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 combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or of these arrangements and measures.

- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- > Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

Opinion

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file "20250804.xhtml" (SHA256 hash value: 940e3beaa03d4d633351a7980acc955ad96609d8e55bfce4afcaeb5 bf3972f26) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from January 1 to December 31, 2024, contained in the 'Report on the Audit of the Consolidated Financial Statements and the Combined Management Report' above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibilities under that standard are further described in the "Auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1 (09.2022)).

Responsibilities of Management and the Supervisory Board for the ESEF documents

Management is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, management is responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting pro-

Responsibilities of the Auditor of the Consolidated Financial Statements for the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, on the technical specification for this electronic file.
- > Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combined management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor of the consolidated financial statements at the Annual General Meeting on June 20, 2024. We were engaged by the Supervisory Board on October 25, 2024. We have been the auditor of the consolidated financial statements of Brockhaus Technologies AG without interruption since financial year 2020.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the examined ESEF documents. The consolidated financial statements and combined management report converted to the ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Ronny Kühn.

Frankfurt am Main, August 5, 2025

KPMG AG

Wirtschaftsprüfungsgesellschaft

Original German version signed by:

Kühn Wirtschaftsprüfer

[German Public Auditor] [German Public Auditor]

Bläser

Wirtschaftsprüferin

Supplementary Information

Supplementary information

Basis of reporting

The **reporting period** for this Annual Report is the period from January 1, 2024, to December 31, 2024. The **reporting date** is December 31, 2024.

This Annual Report has been translated from German to English. In the case of any discrepancies between the two language versions, the German version takes precedence.

Rounding

The metrics appearing in this report have been rounded in line with standard commercial practice. This rounding method does not necessarily preserve totals, so that it is possible that the amounts in this report do not add up precisely to the total shown.

Note within the meaning of the equal treatment act

Equal treatment is important to us. Only for reasons of better legibility, the use of male, female or language forms of other genders is avoided. All personal references apply to all genders unless otherwise specified.

Financial calendar

August 14, 2025	Half-Year Financial Report H1 2025
November 14, 2025	Quarterly Statement 9M 2025

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