Prospectus dated May 5, 2025

PFISTERER

Prospectus

for the public offering
in the Federal Republic of Germany

of

3,500,000 new ordinary bearer shares with no par value (*Stückaktien*) that will be issued as part of a capital increase against cash contributions from authorized capital, expected to be resolved by the management board on May 12, 2025 with approval of the supervisory board on the same day

and of

1,689,025 existing ordinary bearer shares with no par value (*Stückaktien*) from the holdings of the selling shareholders in a base deal

and of

1,000,000 existing ordinary bearer shares with no par value (*Stückaktien*) in equal parts from the holdings of each of Karl-Heinz Pfisterer and Anna Dorothee Stängel, subject to the exercise of an upsize option upon their decision, in consultation with the Joint Global Coordinators based on market demand on the date of pricing

and of

778,353 existing ordinary bearer shares with no par value (*Stückaktien*) from the holdings of Karl-Heinz Pfisterer in connection with a possible over-allotment

– each such share with a notional value of €1.00 in the share capital and carrying full dividend rights as of January 1, 2025 –

of

PFISTERER Holding SE

Winterbach, Germany

Price Range: €25.00 – €29.00

International Securities Identification Number (ISIN): DE000PFSE212

German Securities Code (Wertpapierkennnummer, WKN): PFSE21

Trading Symbol: PFSE

Joint Global Coordinators and Joint Bookrunners

Berenberg **COMMERZBANK**

Co-Global Coordinator and Joint Bookrunner

Landesbank Baden-Württemberg

Co-Manager

ICF BANK

THE VALIDITY OF THIS PROSPECTUS WILL EXPIRE ON THE END OF THE DATE OF THE CLOSING OF THE OFFER PERIOD, WHICH IS EXPECTED TO OCCUR ON MAY 12, 2025. THE OBLIGATION TO SUPPLEMENT THIS PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES WILL NO LONGER APPLY WHEN THIS PROSPECTUS IS NO LONGER VALID.

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SUMMARY OF THE PROSPECTUS

A. Introduction, containing Warnings

This prospectus ("**Prospectus**") relates to ordinary bearer shares with no par value (*Stückaktien*) of PFISTERER Holding SE, a European company (*Societas Europaea - SE*) with its registered seat in Winterbach and business address at Rosenstraße 44, 73650 Winterbach, Germany, and Legal Entity Identifier ("**LEI**") 529900APPYG9TGZYS639 (telephone: +49 7181 7005-0; website: www.pfisterer.com) ("**Company**" and, together with its subsidiaries, "**PFISTERER**", "**PFISTERER Group**", "**Group**", "**we**", "**us**" or "**our**"), with the International Securities Identification Number ("**ISIN**") DE000PFSE212 ("**Shares**").

Subject of this Prospectus is the public offering in Germany of 6,967,378 Shares consisting of (i) 3,500,000 new Shares from a capital increase against contributions in cash expected to be resolved by the Company's management board (*Vorstand*) ("**Management Board**") on May 12, 2025, to be approved by the Company's supervisory board (*Aufsichtsrat*) on the same day, utilizing the authorized capital 2025/I as resolved by the Company's shareholders' meeting on January 31, 2025 ("**IPO Capital Increase**"), ("**New Shares**"), (ii) 1,689,025 existing Shares comprising of (a) 498,247 existing Shares from the holdings of Karl-Heinz Pfisterer, (b) 1,000,000 existing Shares from the holdings of Anna Dorothee Stängel, (c) 30,628 existing Shares from the holdings of Johannes Linden, (d) 6,819 existing Shares from the holdings of Dr. Konstantin Kurfiss, (e) 119,047 existing Shares from the holdings of Prof. Dr. Wolfgang Blättchen, (f) 11,428 existing Shares from the holdings of Prof. Dr. Petra Denk, (g) 11,428 existing Shares from the holdings of Erich Anton Schefold and (h) 11,428 existing Shares from the holdings of Dr. Stefan Seipl in a base deal (the individuals under (a) through (h) together the "**Selling Shareholders**" and the Shares to be offered by the Selling Shareholders, the "**Secondary Base Shares**"), (iii) 1,000,000 existing Shares in equal parts from the holdings of each of Karl-Heinz Pfisterer and Anna Dorothee Stängel, subject to the exercise of an upsize option ("**Upsize Option**") upon their decision, in consultation with the Joint Global Coordinators (as defined below), based on market demand on the date of pricing ("**Upsize Shares**" and, together with the Secondary Base Shares, "**Sale Shares**"), and (iv) 778,353 existing Shares from the holdings of Karl-Heinz Pfisterer (the "**Lending Shareholder**") in connection with a potential over-allotment ("**Over-Allotment Shares**" and, together with the New Shares and the Sale Shares, the "**Offer Shares**"). The total number of Over-Allotment Shares will not exceed 15% of the final number of New Shares and Secondary Base Shares placed in the Offering (as defined below).

The Offer Shares are offered by the Company, Joh. Berenberg, Gossler & Co. KG, Neuer Jungfernstieg 20, 20354 Hamburg, Germany, LEI 529900UC2OD7II24Z667 ("**Berenberg**"), COMMERZBANK Aktiengesellschaft, Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Germany, LEI 851WYGNLUQLFZBSYGB56 ("**COMMERZBANK**" and together with Berenberg the "**Joint Global Coordinators**"), Landesbank Baden-Württemberg, Am Hauptbahnhof 2, 70173 Stuttgart, Germany, LEI B81CK4ESI35472RHJ606 ("**LBBW**" or "**Co-Global Coordinator**" and together with Berenberg and COMMERZBANK the "**Joint Bookrunners**") as well as ICF BANK AG, Neue Mainzer Straße 32-36, 60311 Frankfurt am Main, Germany, LEI 529900E89HA1I45HB613 (the "**Co-Manager**" and together with the Joint Bookrunners, the "**Underwriters**").

The New Shares placed in the Offering (as defined below) and 14,595,238 existing Shares of the Company shall be included to trading on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) with simultaneous inclusion in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) ("**Listing**").

The Prospectus is dated May 5, 2025 and has been approved by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, "**BaFin**") as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC, as amended ("**Prospectus Regulation**") on that date. BaFin can be contacted at its postal address Marie-Curie-Str. 24–28, 60439 Frankfurt am Main, Germany, by telephone +49 228 4108-0, or via its website "http://www.bafin.de/".

Warnings:

a) This summary should be read as an introduction to the Prospectus. b) Any decision to invest in the shares of the Company should be based on consideration of the Prospectus as a whole by the investor. c) Investors could lose all or part of their invested capital. d) Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. e) Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate, or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the shares of the Company.

B. Key information on the issuer

Who is the issuer of the securities?

The Company has its registered seat in Winterbach and its business address at Rosenstraße 44, 73650 Winterbach, Germany. It is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stuttgart under HRB 790497. The Company's LEI is 529900APPYG9TGZYS639. As a European company (*Societas Europaea - SE*) incorporated in Germany, the Company is subject to both European legislation as well as German law.

PFISTERER is a family-owned global technology company developing, manufacturing and selling products for the connecting and insulating of electrical conductors for power grid interfaces. To a certain extent, we also offer repair solutions, as well as maintenance services covering the requirements of our customers in our respective business segments. With our production sites in Germany, the

Czech Republic, and the United States of America ("**United States**" or "**U.S.**"), and a global presence with 17 operative locations in 15 countries we believe we are well-positioned for future growth.

We operate our business through the following five segments: Components ("**COM Segment**"), Medium Voltage Cable Accessories ("**MVA Segment**"), Overhead Lines ("**OHL Segment**"), High Voltage Cable Accessories ("**HVA Segment**"), and High Voltage Direct Current Cable Accessories ("**HVD Segment**").

COM Segment. Our COM Segment offers screw connection solutions for conductors of up to 4,000mm² cross-sectional area depending on the voltage level (from low to extra-high voltage), as well as branching and connection systems for low voltage cables using insulation piercing contact systems. The portfolio is complemented by products required for the safety of persons and equipment, as well as low voltage distribution cabinets.

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

OHL Segment. Our OHL Segment offers products, solutions and services for overhead lines that ensure highly reliable mechanical connections and insulation. The solutions offered are an essential building block for reliably mechanically fastening the high voltage lines to the earthed masts and at the same time safely insulating them electrically.

HVA Segment. Our HVA Segment provides a wide range of cable accessories, including cable terminations, cable joints, as well as connections for transformers and switchgear, such as plug-in bushings, plug-in surge arresters, and the CONNEX cable plug-in system. These solutions cover voltage levels from 72.5 kV to 550 kV (high to extra-high voltage). All components undergo type and routine testing in accordance with various international standards.

HVD Segment. Our HVD Segment includes cable accessories for high voltage direct current (HVDC) transmission, specifically one-piece slip-on joints, outdoor cable terminations, and plug-in connectors for transformers and switchgear. These solutions cover voltage levels up to 525 kV (high to extra-high voltage). All components are type and routine tested in accordance with various international standards.

Major Shareholders – As of the date of this Prospectus, Karl-Heinz Pfisterer directly holds 69.45% of the Company's share capital and voting rights and Anna Dorothee Stängel directly holds 25.82% of the Company's share capital and voting rights.

Controlling Shareholders – Karl-Heinz Pfisterer controls the Company within the meaning of Section 29 para. 2 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*).

Management Board – At the date of this Prospectus, the members of the Company's management board (*Vorstand*) are Johannes Linden (Co-CEO, Management Board Member and speaker of the Management Board, Head of Finance and Head of Operations) and Dr. Konstantin Kurfiss (Co-CEO, Management Board Member, Head of Sales and Head of Technology).

Statutory Auditors – BDO AG Wirtschaftsprüfungsgesellschaft ("**BDO**"), Hanauer Landstraße 115, 60314 Frankfurt am Main, Germany.

What is the key financial information regarding the issuer?

The financial information contained in the following tables is taken or derived from (i) the Company's audited consolidated financial statements as of and for the financial year ended December 31, 2024 (including comparative financial information as of and for the financial year ended December 31, 2023) prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**") and the additional requirements of German commercial law pursuant to Section 315e para. 1 of the German Commercial Code (*Handelsgesetzbuch* – "**HGB**") (the "**Audited Consolidated Financial Statements 2024**"), (ii) the Company's audited consolidated financial statements as of and for the financial year ended December 31, 2023 prepared in accordance with the German generally accepted accounting principles of the German Commercial Code (HGB) (the "**Audited Consolidated Financial Statements 2023**"), and (iii) the Company's audited consolidated financial statements as of and for the financial year ended December 31, 2022 prepared in accordance with the German generally accepted accounting principles ("**German GAAP**") of the German Commercial Code (HGB) (the "**Audited Consolidated Financial Statements 2022**" and, together with the Audited Consolidated Financial Statements 2024 and the Audited Consolidated Financial Statements 2023, the "**Consolidated Financial Statements**"), as well as (iv) the Company's accounting records or internal reporting systems. BDO audited the Consolidated Financial Statements in accordance with Section 317 HGB and in compliance with German generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.*) and issued unqualified independent auditors' reports (*Bestätigungsvermerke des unabhängigen Abschlussprüfers*) thereon. The Audited Consolidated Financial Statements 2024 were prepared for the first time in accordance with IFRS, including the comparative financial information as of and for the financial year ended December 31, 2023, included therein. The following financial information as of and for the financial year ended December 31, 2023, is therefore presented in accordance with German GAAP and IFRS. Thus, all financial information as of December 31, 2023, which is labeled "IFRS" in the following tables is taken or derived from the comparative financial information included in the Audited Consolidated Financial Statements 2024 and all financial information as of December 31, 2023, which is labeled "German GAAP" in the following tables is taken or derived from the Audited Consolidated Financial Statements 2023. Where financial information in the following tables is labeled "audited", this means that it has been taken from the Consolidated Financial Statements. The label "unaudited" is used in the following tables to indicate financial information that has not been taken from the Consolidated Financial Statements but has been taken or derived from the Company's accounting records or internal reporting systems or has been calculated based on financial information from the above-mentioned sources. The German GAAP and IFRS figures cannot be directly compared. German GAAP differs in certain significant respects from IFRS. We have not prepared a full reconciliation of the Audited Consolidated Financial Statements 2023 and the Audited Consolidated Financial Statements 2022 to IFRS.

Key financial information from the consolidated income statements

	For the financial year ended December 31,			
	2024 (IFRS)	**2023 (IFRS)**	**2023 (German GAAP)**	**2022 (German GAAP)**
	in € thousands (audited, unless indicated otherwise)			
Revenue from contracts with customers[1]	383,116	334,140	334,160	288,760
Gross profit[2]	151,885	128,758	165,367*	138,311*
Operating result[2]	47,954	41,594	37,372	6,688
Financial result[2] [3]	-3,624	-8,313	-7,329	-6,213
Earnings before taxes[2]	44,330	33,281	30,044*	475*
Result for the year[2] [4]	33,764	25,908	23,398	-101
Other comprehensive income for the year, net of tax[2]	1,578	-4,601	0*	0*
Total comprehensive income for the year[2] [4]	35,343	21,307	23,398*	-101*

* Unaudited

(1) Revenue under German GAAP is not necessarily comparable with revenue from contracts with customers under IFRS, as different accounting and valuation methods apply in the accounting standards.

(2) Due to the application of the total cost method under German GAAP and the application of the cost of sales method under IFRS and different accounting and valuation methods, German GAAP figures are not directly comparable with IFRS figures. The operating result based on German GAAP financials is defined as the sum of revenue, increase or reduction of stocks of finished goods and work in progress, work performed by the undertaking for its own purposes and carried as an asset and other operating income less the sum of cost of materials, personnel expenses, amortization / depreciation of intangible assets and items of property, plant and equipment and other operating expenses. We have defined operating result based on IFRS financials as the sum of revenue from contracts with customers and other income less the sum of cost of sales, marketing and distribution costs, research and development costs, administrative costs, other expenses and impairment losses/gains on impairment of financial assets.

Gross profit based on German GAAP financials is defined as total of revenue less total of cost of materials as per Audited Consolidated Financial Statements 2023. As per German GAAP there is no statement of other comprehensive income, therefore the values are not comparable for IFRS and German GAAP.

(3) For comparison purposes, the line-item financial result for the financial years 2023 and 2022 includes other interest and similar income and other interest and similar expenses as per Audited Consolidated Financial Statements 2023 and 2022 in accordance with German GAAP.

(4) Net profit/loss for the year before non-controlling interests.

Key financial information from the consolidated statements of financial position

	As of December 31,			
	2024 (IFRS)	**2023 (IFRS)**	**2023 (German GAAP)**	**2022 (German GAAP)**
	in € thousands (audited, unless indicated otherwise)			
Non-current assets[1] [2] [3]	80,142	70,090	43,074*	45,801*
Current assets[1] [2] [3]	162,528	141,048	133,660*	127,112*
Total assets[1] [2] [3]	242,670	211,138	176,734*	172,913*
Equity	83,696	43,897	34,049	12,580
Non-current liabilities[1] [2] [3]	39,942	98,199	74,865*	60,658*
Current liabilities[1] [2] [3]	119,032	69,041	67,820*	99,675*
Equity and liabilities[1] [2] [3]	242,670	211,138	176,734*	172,913*

* Unaudited.

(1) To provide a more meaningful overview of the key financial information in the consolidated statements of financial position, individual line items of the German GAAP statement of financial position have been aggregated into current and non-current line items in order to make them comparable with IFRS line items in terms of presentation, not for accounting and/or valuation purposes.

The non-current and current assets and liabilities in accordance with German GAAP only summarize the figures included in the Audited Consolidated Financial Statements 2023 and Audited Consolidated Financial Statements 2022 in accordance with German GAAP.

The comparative figures for 2023 and 2022 in accordance with German GAAP were adjusted for the purposes of presentation in this table. Where items are presented in summary amounts, these are not audited.

(2) The total of non-current and current assets and liabilities according to German GAAP can be found in the individual balance sheet items of the Audited Consolidated Financial Statements 2023 and the Audited Consolidated Financial Statements 2022, while for the purposes of the presentation in this summary of key financial information, in contrast to accounting according to German GAAP, advance payments on orders are not offset against the inventories, but are recognized as current liabilities, thereby extending the balance sheet.

(3) Due to the application of different accounting and valuation methods, the figures cannot be directly compared between German GAAP and IFRS.

Key financial information from the consolidated statements of cash flows

	For the financial year ended December 31,			
	2024 (IFRS)	2023 (IFRS)	2023 (German GAAP)	2022 (German GAAP)
	in € thousands (audited)			
Cash flows from operating activities	42,587	20,819	8,048	-9,570
Cash flows from investing activities	-17,919	-4,114	-2,895	-9,027
Cash flows from financing activities	-25,323	6,574	11,815	3,636
Net increase / decrease in cash and cash equivalents	-655	23,278	16,968	-14,961
Effect of foreign exchange-rate changes on cash and cash equivalents	4,526	336	2,769	6,352
Cash and cash equivalents at the end of the year	10,186	6,314	6,637	-13,100

Selected key performance indicators and alternative performance measures

	For the financial year ended December 31,			
	2024 (IFRS)	2023 (IFRS)	2023 (German GAAP)	2022 (German GAAP)
Key Performance Indicators and Alternative Performance Measures	in € thousands (unaudited, unless indicated otherwise)			
EBITDA[(1) (2)]	60,145	51,886	43,693	13,082
EBITDA Margin[(1) (3)]	15.7%	15.5%	13.1%	4.5%
Adjusted EBITDA[(1) (2)]	64,601	52,258	43,693	13,082
Adjusted EBITDA Margin[(1) (3)]	16.9%	15.6%	13.1%	4.5%
Net Financial Debt[(1) (4)]	45,053	63,914	36,819	45,880
Net Debt, including Employee Benefits[(1) (5)]	63,709	89,456	63,296	73,212
Leverage[(1) (6)]	1.0	1.7	1.4	5.6
Order Intake[(7)]	423,200*	354,500	354,500	329,500*
Order Backlog[(8)]	234,900*	194,100*	194,100*	176,700*
Net Working Capital[(1) (9)]	98,948	90,617	83,689	60,905

* Audited.

(1) Due to the application of the total cost method under German GAAP and the application of the cost of sales method under IFRS and different accounting and valuation methods, the figures cannot be directly compared between German GAAP and IFRS.

(2) **EBITDA** based on IFRS financials is defined as result for the year before financial result, income taxes and depreciation and amortization. **EBITDA** based on German GAAP financials is defined as consolidated net profit or loss for the year before non-controlling interests, other taxes, financial result, income taxes and depreciation and amortization. **Adjusted EBITDA** is defined as **EBITDA** and adjusted for personnel expenses related to share-based payments. In accordance with German GAAP, personnel expenses related to share-based payments are not recognized. The management intends, both historically and going forward, not to adjust EBITDA for any gains or losses related to non-recurring or unusual items, regardless of their nature or characteristics. Therefore, the management intends, both historically and going forward, to adjust EBITDA solely for personnel expenses related to equity-settled share-based payments, if any, as also stated in the Audited Consolidated Financial Statements 2024, and refrains from any further adjustments.

(3) **EBITDA Margin** is defined as EBITDA divided by revenue, expressed as a percentage. **Adjusted EBITDA Margin** is defined as Adjusted EBITDA divided by revenue expressed as a percentage.

(4) **Net Financial Debt** is defined as the sum of financial liabilities and lease liabilities (Total Financial Debt), less cash and cash equivalents, including restricted bank balances and cash investments at credit institutions. Financial liabilities based on IFRS financials pertain to current and non-current portion of the financial liabilities as per the Audited Consolidated Financial Statements 2024. Financial liabilities based on German GAAP financials pertain to liabilities to credit institutions as per the Audited Consolidated Financial Statements 2023.

(5) **Net Debt, including Employee benefits** is defined as the sum of financial liabilities and lease liabilities (Total Financial Debt), less cash and cash equivalents, including restricted bank balances and cash investments at credit institutions plus pension liabilities and long-term employee benefits. For IFRS pension liabilities and long-term employee benefits pertain to non-current employee benefits (incl. pensions), while for German GAAP they pertain to the total provisions for pensions and similar obligations.

(6) **Leverage** is defined as Net Debt, including Employee benefits divided by Adjusted EBITDA.

(7) **Order Intake** is defined as the receipt of customer orders. It is measured in the amount of order value.

(8) **Order Backlog** is defined as the sum of all undelivered customer orders at a certain point in time at the order value. The scheduled order backlog represents the backlog on the timeline (by expected delivery date).

(9) **Net Working Capital** is defined as the total amount of inventories and trade receivables less trade payables and advances from customers (consisting of contract liabilities, long-term and short-term). For the German GAAP 2023 and 2022 figures, the advance payments received on inventories are offset against inventories in accordance with German GAAP. Net Working Capital based on IFRS figures does not include financial assets, other non-financial assets, income tax receivables and cash and cash equivalents, financial liabilities, employee benefits, lease liabilities, contract liabilities, income tax liabilities, other financial liabilities, other non-financial liabilities and provisions. Net Working Capital based on German GAAP figures does not include other assets, securities, cash and cash equivalents, tax provisions, other provisions, and other payables.

What are the key risks that are specific to the issuer?

- We are exposed to the performance of the global economy, macroeconomic trends, political uncertainties, and the performance of the general economy in the markets in which we are active.

- The introduction of trade barriers, in particular import tariffs, may adversely affect our ability to produce, market and sell our products.
- We are exposed to political uncertainties and global crises.
- We could fail to refinance our financial indebtedness.
- We could fail to obtain or maintain sufficient financing, including working capital financing, and credit insurance.
- We could fail to maintain the high quality of our products and processes and the timely delivery of ordered goods.
- A disruption in our supply or delivery chain may cause us or one or more of our suppliers or customers to halt production.
- Delivery bottlenecks can occur due to reduced production plant availability, production plant breakdowns or phases of high production utilization.
- Our business and future growth depend on our ability to attract and retain qualified executives, key employees and other personnel.
- We are exposed to warranty and product liability claims.
- We may fail to comply with applicable laws and regulations, or changes in such laws and regulations.

C. Key information on the securities

What are the main features of the securities?

This Prospectus relates to bearer shares of the Company with no par value (*Stückaktien*), each such share representing a notional value of €1.00 in the share capital and with full dividend rights from January 1, 2025.

Number and Nature of Shares – As of date of this Prospectus, 14,595,238 Shares are outstanding. All Shares are bearer shares with no par value (*Stückaktien*), each such Share representing a notional value of €1.00.

ISIN, WKN, Trading symbol and Denomination – The ISIN of the Shares is DE000PFSE212, German Securities Code (*Wertpapierkennnummer* (WKN)) PFSE21, Trading symbol: PFSE and the Shares are denominated in Euro.

Rights Attached to the Shares and Transferability – All Shares carry full dividend rights since January 1, 2025. Each Share carries one vote at the Company's shareholders' meeting. The Shares are subordinated to all other securities and claims in case of an insolvency of the Company and freely transferable in accordance with the legal requirements for shares.

Dividend Policy – The Company intends to pay dividends in the ordinary course of business beginning with the financial year 2026, i.e., for the financial year 2025 onwards. Subject to the availability of distributable profit (*Bilanzgewinn*) and distributable funds, the Company targets to distribute up to approximately 30% of the consolidated net income for the financial year ended December 31, 2025 and the following years. On April 11, 2025, the shareholders of the Company agreed to pay out a dividend for the financial year ended December 31, 2024 of €0.80 per share resulting in a total dividend pay-out of €11,676 thousand (equivalent to a payout ratio of 36.2%). The dividends were paid on April 16, 2025.

Where will the securities be traded?

All Shares are expected to be included to trading on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) with simultaneous inclusion in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

What are the key risks that are specific to the securities?

- Karl-Heinz Pfisterer and, to a certain extent, Anna Dorothee Stängel, will continue to exercise significant influence over us upon completion of the Offering, and the interests of Karl-Heinz Pfisterer and Anna Dorothee Stängel may conflict with the interests of our other shareholders.
- The Company's Shares have not previously been publicly traded, and a liquid trading market for the Company's Shares could fail to develop.
- The price and trading volume of the Company's Shares could fluctuate significantly.
- Any future sales of a substantial number of Shares in the Company by Karl-Heinz Pfisterer or Anna Dorothee Stängel or the Company's other shareholders could depress the market price of the shares.

D. Key information on the offer of securities to the public

Under which conditions and timetable can I invest in this security?

Offer conditions – The Offering relates to the sale of the Offer Shares, i.e., a total of 6,967,378 Shares, consisting of (i) 3,500,000 New Shares, (ii) 1,689,025 Secondary Base Shares from the holdings of the Selling Shareholders, (iii) 1,000,000 Upsize Shares in equal parts from the holdings of each of Karl-Heinz Pfisterer and Anna Dorothee Stängel, subject to the exercise of an Upsize Option, and (iv) 778,353 Over-Allotment Shares from the holdings of the Lending Shareholder.

The total number of Over-Allotment Shares will not exceed 15% of the final number of New Shares and Secondary Base Shares placed in the Offering.

Scope of the Offering – The offering consists of (i) a public offering in Germany, and (ii) private placements in certain jurisdictions outside of Germany ("**Offering**"). Outside of the United States, the Offer Shares will be offered and sold in "offshore transactions" within the meaning of and in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). In the United States, the Offer Shares will be offered and sold only to persons reasonably believed to be qualified institutional buyers as defined in and in reliance on Rule 144A under the Securities Act. The Offer Shares have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold, or otherwise transferred to or within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

Offer period – The offer period during which purchase orders for the Offer Shares may be submitted within the price range is expected to commence on May 6, 2025 and is expected to end on May 12, 2025 ("**Offer Period**"). On the last day of the Offer Period, purchase orders may be submitted (i) until 14:00 hrs Central European Summer Time ("**CEST**") by retail investors (natural persons) and (ii) until 14:00 hrs CEST by institutional investors. Institutional investors may place purchase orders directly with the Joint Bookrunners during the Offer Period. Retail clients (natural persons) may submit purchase orders for the public offering in Germany during the Offer Period through the following banks at their respective branch offices or online: COMMERZBANK (including comdirect), Berenberg, LBBW, BW Bank and at most savings banks of Deutsche Sparkassen/S-Finanzgruppe (including S Broker). In addition, retail investors (natural persons) may make purchase orders in the Offering two days after the commencement of the Offer Period, i.e. beginning on May 8, 2025, through the subscription functionality (*Zeichnungsfunktionalität*) DirectPlace© of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) ("**DirectPlace©**").

Timetable – The following is the expected timetable of the Offering, which may be extended or shortened:

May 5, 2025	Approval of the Prospectus by BaFin; Publication of the Prospectus on the Company's website.
May 6, 2025	Commencement of the Offer Period.
May 8, 2025	Commencement of the use of the subscription functionality DirectPlace©.
May 12, 2025	Close of the Offer Period and the use of DirectPlace© at (i) 14:00 (CEST) for retail investors and (ii) 14:00 (CEST) for institutional investors. Determination and publication of the Offer Price and final number of Offer Shares to be allocated.
May 13, 2025	Expected registration of the implementation of the IPO Capital Increase. Inclusion decision of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) on the Listing.
May 14, 2025	Inclusion to trading of the Company's shares in the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) and, simultaneously, in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).
May 15, 2025	Book-entry delivery of the Offer Shares against payment of the Offer Price (settlement and closing).

Price Range – €25.00 to €29.00 per Offer Share ("**Price Range**").

Offer price – The offer price for the Offering ("**Offer Price**") has not yet been fixed as of the date of the Prospectus and is expected to be determined by the Company, acting also on behalf of the Selling Shareholders and the Lending Shareholder, after consultation with the Joint Global Coordinators, on or about May 12, 2025. The Offer Price will be set on the basis of purchase orders submitted by investors during the Offer Period that have been collected in the order book during the bookbuilding process. These orders will be evaluated according to the prices offered and the expected investment horizons of the respective investors. This method of setting the Offer Price is, in principle, aimed at achieving the highest Offer Price.

Amendments to the terms of the Offering – The Company, acting also on behalf of the Selling Shareholders and the Lending Shareholder, reserves the right, after consultation with the Joint Global Coordinators, to increase or decrease the total number of Offer Shares, to increase or decrease the upper limit and/or the lower limit of the Price Range, and/or to extend or shorten the Offer Period. Changes in relation to the number of Offer Shares, changes in the Price Range and/or the extension or shortening of the Offer Period will not invalidate any offers to purchase that have already been submitted. Under certain conditions, the Underwriters may terminate the Underwriting Agreement (as defined below), even after inclusion to trading of the Shares in the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) up to delivery and settlement. In such case, the Offering will not take place and any allotments already made to investors will be invalidated.

Stabilization measures, Over-Allotment, Greenshoe Option – In connection with the placement of the Offer Shares and to the extent permitted by the applicable legal requirements, Berenberg will act as stabilization manager ("**Stabilization Manager**") and may make over-allotments and take stabilization measures to support the market price of the Shares and thereby counteract any selling pressure. The Stabilization Manager is under no obligation to take any stabilization measures. Where stabilization measures are taken, these may be terminated at any time and without notice. Such measures must be terminated no later than 30 calendar days from the date of the Listing. Under the possible stabilization measures, investors may, in addition to the New Shares and the Sale Shares, be allotted the Over-Allotment Shares (up to 15% of the total number of the New Shares and Secondary Base Shares placed in the Offering) from the holdings of the Lending Shareholder provided by the Lending Shareholder to the Stabilization Manager, acting for the account of the Underwriters, under a securities loan. In order to cover a potential over-allotment, the Lending Shareholder granted the Underwriters an option to purchase up to 778,353 existing shares of the Company at the Offer Price (less agreed commissions) in order to satisfy the retransfer obligation of the Stabilization Manager under the securities loan ("**Greenshoe Option**").

Plan for distribution – The allotment of Offer Shares to retail investors and institutional investors will be decided by the Company after consultation with the Joint Global Coordinators. With respect to the purchase orders of retail investors and orders via DirectPlace©, the Company and the Joint Global Coordinators will adhere to the "Principles for the Allotment of Share Issues to Private Investors" (*Grundsätze für die Zuteilung von Aktienemissionen an Privatanleger*) issued on June 7, 2000 by the German Commission of Stock Exchange Experts (*Börsensachverständigenkommission*).

Dilution – The percentage of the Company's share capital and voting rights attributable to the shareholders will be diluted by 38.5% if all New Shares are placed. For investors, the Offering would result in a dilution of €17.63 per Share, or 65.3% per Share, as the adjusted net book value of the Company per Share attributable to shareholders would fall short of the assumed Offer Price (assuming that all New Shares are placed at the mid-point of the Price Range) by this amount or percentage.

Total expenses and expenses charged to investors – Expenses in relation to the Offering are expected to amount to approximately €8.6 million attributable to the Company, approximately €3.5 million attributable to the Selling Shareholders and approximately €1.0 million attributable to the Lending Shareholder assuming (i) an Offer Price at the mid-point of the Price Range, (ii) placement of the maximum number of Offer Shares, (iii) full exercise of the Upsize Option, (iv) full exercise of the Greenshoe Option, and (v) payment of the commission fee to the Underwriters in full. Only customary transaction and handling fees will be charged by the investors' brokers or depositary banks (*Depotbanken*).

Who is the offeror and/or person asking for Admission to Trading?

Offeror – The offerors are the Company and the Underwriters.

Admission to trading – The Company, together with ICF BANK AG, intends to apply for the Listing on May 5, 2025.

Why is this Prospectus being produced?

Reasons for the Offering – The Company intends to pursue the Offering to receive the net proceeds resulting from the sale of the New Shares in order to finance further growth, to strengthen its financial capabilities and to maintain its independence as pure-play supplier of electrical connection and insulation solutions. The Selling Shareholders intend to partially divest their shareholding in the Company to receive the net proceeds from the sale of the Sale Shares and to ensure sufficient free float and trading liquidity in the Shares. The Lending Shareholder intends to receive the net proceeds from the potential sale of the Over-Allotment Shares and to facilitate stabilization measures.

Use of proceeds – Assuming completion of the Offering at the mid-point of the Price Range and payment of the commission fee to the Underwriters in full, the Company would receive net proceeds of approximately €85.9 million from the Offering. We currently intend to use these net proceeds in the following order of priority: (i) approximately 60% for investments, in Germany and abroad, in the expansion of our manufacturing capacities, particularly by enhancing our existing production sites and/or by acquisitions, upgrading machinery and equipment, advancing automation, and improving infrastructure and logistics (including investments in warehouse technology and the modernization of key facilities to support increased production efficiency and scalability), (ii) approximately 30% for investments in the development of innovative technologies, products and solutions, particularly in the field of high voltage direct current (HVDC) technology, and in a high voltage innovation development and testing laboratory, as well as developing other innovative product solutions to meet evolving market demands, and (iii) approximately 10% for strategic M&A investments in order to drive international market growth and strengthen our technological leadership.

Total net proceeds – Approximately €85.9 million attributable to the Company, approximately €69.1 million attributable to the Selling Shareholders and approximately €20.0 million attributable to the Lending Shareholder assuming (i) an Offer Price at the mid-point of the Price Range, (ii) placement of the maximum number of Offer Shares, (iii) full exercise of the Upsize Option, (iv) full exercise of the Greenshoe Option, and (v) payment of the commission fee to the Underwriters in full.

Underwriting agreement – On May 5, 2025, the Company, the Selling Shareholders, the Lending Shareholder and the Underwriters entered into an underwriting agreement pursuant to which the Underwriters have undertaken to use their best efforts to place the Offer Shares with investors in the Offering, subject to certain conditions, in particular the execution of a pricing agreement.

Material conflicts of interest – The Selling Shareholders will receive the net proceeds from the sale of the Sale Shares. Accordingly, the Selling Shareholders have an interest in the successful completion of the Offering on the best possible terms. Existing shares from holdings of (i) Johannes Linden and Dr. Konstantin Kurfiss, who are members of the management board (*Vorstand*) of the Company, and (ii) Prof. Dr. Wolfgang Blättchen, Prof. Dr. Petra Denk, Erich Anton Schefold and Dr. Stefan Seipl, who are members of the supervisory board (*Aufsichtsrat*) of the Company, are part of the Offering. In addition, the members of the management board participate in the virtual share option program of the Company, which was set up in order to retain the management team and key employees, and the completion of the Offering will constitute an exit event for 50% of the virtual shares. Accordingly, their interests with respect to the Offering, may not be aligned with those of the Company or the Company's other shareholders, which constitutes a potential conflict of interest. In connection with the Offering and the Listing, the Underwriters have entered into the Underwriting Agreement with the Company, the Selling Shareholders and the Lending Shareholder and are acting for the Company, the Selling Shareholders and the Lending Shareholder on the Offering and coordinate the structuring and execution of the Offering and receive a commission fee. The Underwriters therefore have a financial interest in the success of the Offering. Furthermore, COMMERZBANK and LBBW are mandated as lead arrangers and bookrunners and lenders under our senior facilities agreement, in respect of which they will receive fees and commissions. Therefore, COMMERZBANK and LBBW have a financial interest in the successful completion of the Offering.

ZUSAMMENFASSUNG DES PROSPEKTS

A. Einleitung mit Warnhinweisen

Dieser Prospekt (der "**Prospekt**") bezieht sich auf Inhaberaktien ohne Nennwert (*Stückaktien*) der PFISTERER Holding SE, einer Europäischen Gesellschaft (*Societas Europaea – SE*) mit Satzungssitz in Winterbach und der Geschäftsanschrift Rosenstraße 44, 73650 Winterbach, Deutschland, Rechtsträgerkennung ("**LEI**") 529900APPYG9TGZYS639 (Telefon: +49 7181 7005-0; Website: www.pfisterer.com) (die "**Gesellschaft**" und, zusammen mit ihren Tochterunternehmen, "**PFISTERER**", die "**PFISTERER Gruppe**", "**Gruppe**", "**wir**", "**uns**", "**unser**"), mit der internationalen Wertpapier-Identifikationsnummer ("**ISIN**") DE000PFSE212 ("**Aktien**").

Gegenstand dieses Prospekts ist das öffentliche Angebot in Deutschland von 6.967.378 Aktien, bestehend aus (i) 3.500.000 neuen Aktien aus einer Kapitalerhöhung gegen Bareinlage, die voraussichtlich vom Vorstand der Gesellschaft ("**Vorstand**") am 12. Mai 2025 mit Zustimmung des Aufsichtsrats vom selben Tag, beschlossen wird, unter Ausnutzung des von der Hauptversammlung der Gesellschaft am 31. Januar 2025 beschlossenen Genehmigten Kapitals 2025/I ("**IPO-Kapitalerhöhung**"), ("**Neue Aktien**"), (ii) 1.689.025 bestehenden Aktien, von denen (a) 498.247 bestehende Aktien aus dem Bestand von Karl-Heinz Pfisterer, (b) 1.000.000 bestehende Aktien aus dem Bestand von Anna Dorothee Stängel, (c) 30.628 bestehende Aktien aus dem Bestand von Johannes Linden, (d) 6.819 bestehende Aktien aus dem Bestand von Dr. Konstantin Kurfiss, (e) 119.047 bestehende Aktien aus dem Bestand von Prof. Dr. Wolfgang Blättchen, (f) 11.428 bestehende Aktien aus dem Bestand von Prof. Dr. Petra Denk, (g) 11.428 bestehende Aktien aus dem Bestand von Erich Anton Schefold und (h) 11.428 bestehende Aktien aus dem Bestand von Dr. Stefan Seipl in einem Base Deal (die unter (a) bis (h) genannten Personen zusammen die "**Veräußernden Aktionäre**" und die von den Veräußernden Aktionären angebotenen Aktien die "**Sekundären Basisaktien**") stammen, (iii) 1.000.000 bestehenden Aktien zu gleichen Teilen aus den jeweiligen Beständen von Karl-Heinz Pfisterer und Anna Dorothee Stängel, vorbehaltlich der Ausübung einer Aufstockungsoption ("**Aufstockungsoption**"), über die sie am Tag der Preisfestlegung, in Abstimmung mit den Joint Global Coordinators (wie unten definiert), basierend auf der Marktnachfrage entscheiden werden ("**Aufstockungsaktien**" und, zusammen mit den Sekundären Basisaktien, "**Verkaufsaktien**"); und (iv) 778.353 bestehenden Aktien aus dem Bestand von Karl-Heinz Pfisterer ("**Verleihender Aktionär**") im Zusammenhang mit einer möglichen Mehrzuteilung ("**Mehrzuteilungsaktien**" und, zusammen mit den Neuen Aktien und den Verkaufsaktien, "**Angebotsaktien**"). Die Gesamtanzahl der Mehrzuteilungsaktien wird 15% der endgültigen Anzahl der im Angebot platzierten Neuen Aktien und Sekundären Basisaktien (wie unten definiert), nicht überschreiten.

Die Angebotsaktien werden von der Gesellschaft, Joh. Berenberg, Gossler & Co. KG, Neuer Jungfernstieg 20, 20354 Hamburg, Deutschland, LEI 529900UC2OD7II24Z667 ("**Berenberg**"), COMMERZBANK Aktiengesellschaft, Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Deutschland, LEI 851WYGNLUQLFZBSYGB56 ("**COMMERZBANK**" und zusammen mit Berenberg die "**Joint Global Coordinators**"), Landesbank Baden-Württemberg, Am Hauptbahnhof 2, 70173 Stuttgart, Deutschland, LEI B81CK4ESI35472RHJ606 ("**LBBW**" oder "**Co-Global Coordinator**" und zusammen mit Berenberg und COMMERZBANK die "**Joint Bookrunners**"), sowie der ICF BANK AG, Neue Mainzer Straße 32-36, 60311 Frankfurt am Main, Deutschland, LEI 529900E89HA1I45HB613 (der "**Co-Manager**" und zusammen mit den Joint Bookrunners, die "**Underwriter**") angeboten.

Die im Zuge des Angebots (wie nachstehend definiert) platzierten Neuen Aktien und 14.595.238 bestehenden Aktien der Gesellschaft sollen in den Handel im Freiverkehr der Frankfurter Wertpapierbörse (Scale Segment) mit gleichzeitiger Einbeziehung in das Basic Board des Freiverkehrs der Frankfurter Wertpapierbörse einbezogen werden ("**Einbeziehung**").

Dieser Prospekt datiert vom 5. Mai 2025 und wurde von der Bundesanstalt für Finanzdienstleistungsaufsicht ("**BaFin**") als zuständige Behörde gemäß Verordnung (EU) 2017/1129 des Europäischen Parlaments und des Rates vom 14. Juni 2017 über den Prospekt, der beim öffentlichen Angebot von Wertpapieren oder bei deren Zulassung zum Handel an einem geregelten Markt zu veröffentlichen ist und zur Aufhebung der Richtlinie 2003/71/EG in der geänderten Fassung ("**Prospektverordnung**") an diesem Tag gebilligt. Die BaFin ist unter ihrer Postanschrift Marie-Curie-Straße 24-28, 60439 Frankfurt am Main, Deutschland, telefonisch +49 228 4108-0 oder über ihre Website "http://www.bafin.de/" erreichbar.

Warnhinweise:

a) Diese Zusammenfassung sollte als Einleitung zu diesem Prospekt verstanden werden. b) Bei jeder Entscheidung, in die Wertpapiere der Gesellschaft zu investieren, sollte sich der Anleger auf den Prospekt als Ganzes stützen. c) Der Anleger könnte das investierte Kapital ganz oder teilweise verlieren. d) Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in dem Prospekt enthaltenen Informationen geltend gemacht werden, könnte der als Kläger auftretende Anleger nach nationalem Recht die Kosten für die Übersetzung des Prospekts zu tragen haben, bevor das Gerichtsverfahren eingeleitet wird. e) Zivilrechtlich haften nur diejenigen Personen, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt haben, und dies auch nur für den Fall, dass die Zusammenfassung, wenn sie zusammen mit anderen Teilen des Prospekts gelesen wird, irreführend, unrichtig oder widersprüchlich ist oder dass sie, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, nicht die Basisinformationen vermittelt, die in Bezug auf Anlagen in die Aktien der Gesellschaft für die Anleger eine Entscheidungshilfe darstellen würden.

B. Basisinformationen über den Emittenten

Wer ist der Emittent der Wertpapiere?

Die Gesellschaft hat ihren Sitz in Winterbach und ihre Geschäftsanschrift in der Rosenstraße 44, 73650 Winterbach, Deutschland. Sie ist eingetragen im Handelsregister des Amtsgerichts Stuttgart unter HRB 790497. Die LEI der Gesellschaft lautet 529900APPYG9TGZYS639. Als Europäische Gesellschaft (*Societas Europaea – SE*), die in Deutschland gegründet ist, unterliegt die Gesellschaft europäischen Rechtsvorschriften sowie deutschem Recht.

PFISTERER ist als Familienunternehmen ein weltweit tätiges Technologieunternehmen, das Produkte zur Verbindung und Isolierung von elektrischen Leitern für Stromnetzschnittstellen entwickelt, produziert und vertreibt. In gewissem Umfang bieten wir auch Reparaturlösungen sowie Wartungsdienstleistungen an, die die Anforderungen unserer Kunden in den jeweiligen Geschäftsfeldern abdecken. Mit unseren Produktionsstandorten in Deutschland, der Tschechischen Republik und den Vereinigten Staaten von Amerika (die "**Vereinigten Staaten**") sowie einer globalen Präsenz von 17 operativen Standorten in 15 Ländern glauben wir, für zukünftiges Wachstum gut positioniert zu sein.

Wir betreiben unsere Geschäftsaktivitäten in den folgenden fünf Segmenten: Components ("**COM Segment**"), Medium Voltage Cable Accessories ("**MVA Segment**"), Overhead Lines ("**OHL Segment**"), High Voltage Cable Accessories ("**HVA Segment**") und High Voltage Direct Current Cable Accessories ("**HVD Segment**").

COM Segment. Unser COM Segment bietet Schraubverbindungslösungen für Leiter bis zu 4.000 mm Querschnittsfläche je nach Spannungsklasse (von Nieder- bis Höchstspannung) sowie Abzweig- und Anschlusssysteme für Niederspannungskabel mit Schneidklemmtechnik. Ergänzt wird das Portfolio durch Produkte für die Sicherheit von Personen und Geräten sowie durch Niederspannungsverteilerkästen.

MVA Segment. Unser MVA Segment erstreckt sich neben der Hauptproduktlinie MV-CONNEX, die die Spannungsebene von 12 kV bis 52 KV abdeckt und Lösungen für den Anschluss von Transformatoren oder die Verbindung von Kabeln ermöglicht, auf eine Vielzahl von Systemlösungen und Zubehör, die das Produktsortiment ergänzen.

OHL Segment. Unser OHL Segment bietet Produkte, Lösungen und Dienstleistungen für Freileitungen an, die eine zuverlässige mechanische Verbindung und Isolierung gewährleisten. Die angebotenen Lösungen sind ein wesentlicher Baustein, um die Hochspannungsleitungen mechanisch an den geerdeten Masten zu befestigen und sie gleichzeitig sicher elektrisch zu isolieren.

HVA Segment. Unser HVA Segment offeriert eine breite Palette von Kabelgarnituren, darunter Kabelendverschlüsse, Kabelmuffen sowie Anschlüsse für Transformatoren und Schaltanlagen, wie steckbare Durchführungen, steckbare Überspannungsableiter und das Kabelstecksystem CONNEX. Diese Lösungen decken Spannungsebenen von 72,5 kV bis 550 kV (Hoch- bis Höchstspannung) ab. Alle Komponenten werden gemäß internationalen Normen einer Typ- und Stückprüfung unterzogen.

HVD Segment. Unser HVD Segment umfasst Kabelgarnituren für die Hochspannungs-Gleichstromübertragung, insbesondere einteilige Aufziehmuffen, Freiluft-Kabelendverschlüsse sowie steckbare Anschlüsse für Transformatoren und Schaltanlagen. Die Lösungen decken Spannungsebenen bis 525 kV (Hoch- bis Höchstspannung) ab. Alle Komponenten werden gemäß verschiedenen internationalen Normen typ- und stückgeprüft.

Hauptanteilseigner – Zum Datum dieses Prospekts halten Karl-Heinz Pfisterer unmittelbar 69,45% des Grundkapitals und der Stimmrechte der Gesellschaft und Anna Dorothee Stängel unmittelbar 25,82% des Grundkapitals und der Stimmrechte der Gesellschaft.

Beherrschende Anteilseigner – Karl-Heinz Pfisterer kontrolliert die Gesellschaft im Sinne von § 29 Absatz 2 des Wertpapiererwerbs- und Übernahmegesetzes (WpÜG).

Vorstand – Zum Datum dieses Prospekts sind Mitglieder des Vorstands der Gesellschaft Johannes Linden (Co-CEO, Vorstandsmitglied und Vorstandssprecher, Head of Finance und Operations) und Dr. Konstantin Kurfiss (Co-CEO, Vorstandsmitglied, Head of Sales und Head of Technology).

Abschlussprüfer – BDO AG Wirtschaftsprüfungsgesellschaft ("**BDO**"), Hanauer Landstraße 115, 60314 Frankfurt am Main, Deutschland.

Welches sind die wesentlichen Finanzinformationen über den Emittenten?

Die in den folgenden Tabellen enthaltenen Finanzinformationen sind (i) dem geprüften Konzernabschluss der Gesellschaft zum und für das am 31. Dezember 2024 endende Geschäftsjahr (einschließlich der Vergleichsinformationen zum und für das am 31. Dezember 2023 endende Geschäftsjahr), der in Übereinstimmung mit den *International Financial Reporting Standards*, wie sie in der EU anzuwenden sind ("**IFRS**"), und den ergänzend nach § 315e Absatz 1 des Handelsgesetzbuchs ("**HGB**") anzuwendenden deutschen gesetzlichen Vorschriften aufgestellt wurde (der "**Geprüfte Konzernabschluss 2024**"), (ii) dem geprüften Konzernabschluss der Gesellschaft zum und für das am 31. Dezember 2023 endende Geschäftsjahr, der in Übereinstimmung mit den deutschen allgemein anerkannten Rechnungslegungsgrundsätzen des HGB aufgestellt wurde (der "**Geprüfte Konzernabschluss 2023**") und (iii) dem geprüften Konzernabschluss der Gesellschaft zum und für das am 31. Dezember 2022 endende Geschäftsjahr, der in Übereinstimmung mit den deutschen allgemein anerkannten Rechnungslegungsgrundsätzen des HGB aufgestellt wurde (der "**Geprüfte Konzernabschluss 2022**" und zusammen mit dem Geprüften Konzernabschluss 2024 und dem Geprüften Konzernabschluss 2023 die "**Konzernabschlüsse**"), sowie (iv) der Buchführung oder den internen Berichtssystemen der Gesellschaft entnommen oder daraus abgeleitet. BDO hat die Konzernabschlüsse jeweils in Übereinstimmung mit § 317 HGB und unter Beachtung der vom Institut der Wirtschaftsprüfer in Deutschland e.V. festgestellten deutschen Grundsätze ordnungsgemäßer Abschlussprüfung geprüft und jeweils mit einem uneingeschränkten Bestätigungsvermerk des unabhängigen Abschlussprüfers versehen. Der Geprüfte Konzernabschluss 2024 wurde erstmals nach IFRS erstellt, einschließlich der darin enthaltenen Vergleichszahlen zum und für das am 31. Dezember 2023 endende Geschäftsjahr. Die folgenden Finanzinformationen zum und für das am 31. Dezember 2023 endende Geschäftsjahr werden daher in Übereinstimmung mit HGB und IFRS dargestellt. Entsprechend sind alle Finanzinformationen zum 31. Dezember 2023, die in den folgenden Tabellen mit "IFRS" gekennzeichnet sind, den Vergleichszahlen im Geprüften Konzernabschluss 2024 entnommen oder daraus abgeleitet, und alle Finanzinformationen zum 31. Dezember 2023, die in den folgenden Tabellen mit "HGB" gekennzeichnet sind, sind dem Geprüften Konzernabschluss 2023 entnommen oder daraus abgeleitet. Sofern Finanzinformationen in den folgenden Tabellen mit "geprüft" gekennzeichnet sind, bedeutet dies, dass sie den Konzernabschlüssen entnommen worden sind. Die Bezeichnung "ungeprüft" wird in den folgenden

Tabellen verwendet, um Finanzinformationen zu kennzeichnen, die nicht aus den Konzernabschlüssen entnommen worden sind, sondern die der Buchführung oder internen Berichtssystemen der Gesellschaft entnommen oder daraus abgeleitet oder auf der Grundlage von Zahlen aus den vorgenannten Quellen berechnet worden sind. Die Zahlen nach HGB und IFRS können nicht direkt verglichen werden. HGB unterscheidet sich in einigen wesentlichen Punkten von IFRS. Wir haben keine vollständige Überleitung des Geprüften Konzernabschlusses 2023 und des Geprüften Konzernabschlusses 2022 zu IFRS erstellt.

Wesentliche Finanzinformationen aus der Konzern Gewinn- und Verlustrechnung

	Für das am 31. Dezember endende Geschäftsjahr			
	2024 (IFRS)	**2023 (IFRS)**	**2023 (HGB)**	**2022 (HGB)**
	in Tausend € (geprüft, soweit nicht anders angegeben)			
Erlöse aus Verträgen mit Kunden[(1)]	383.116	334.140	334.160	288.760
Bruttoergebnis vom Umsatz[(2)]	151.885	128.758	165.367*	138.311*
Betriebsergebnis[(2)]	47.954	41.594	37.372	6.688
Finanzergebnis[(2) (3)]	-3.624	-8.313	-7.329	-6.213
Ergebnis vor Steuern[(2)]	44.330	33.281	30.044*	475*
Periodenergebnis nach Steuern[(2) (4)]	33.764	25.908	23.398	-101
Sonstiges Ergebnis für die Periode, nach Steuern[(2)]	1.578	-4.601	0*	0*
Gesamtergebnis für die Periode[(2) (4)]	35.343	21.307	23.398*	-101*

* Ungeprüft.

(1) Umsatzerlöse nach HGB müssen nicht zwingenderweise vergleichbar mit den Erlösen aus Verträgen mit Kunden nach IFRS sein, da unterschiedliche Bilanzierungs- und Bewertungsmethoden in den jeweiligen Rechnungslegungsrahmen angewendet werden.

(2) Aufgrund der Umstellung vom Gesamtkostenverfahren nach HGB auf das Umsatzkostenverfahren nach IFRS sowie der Anwendung unterschiedlicher Bilanzierungs- und Bewertungsmethoden in den jeweiligen Rechnungslegungsrahmen sind die HGB-Zahlen nicht direkt mit den IFRS-Zahlen vergleichbar. Wir haben **das Betriebsergebnis** auf Basis IFRS-Zahlen als die Summe der Erlöse aus Verträgen mit Kunden und sonstigen Erträge abzüglich der Summe der Umsatzkosten, der Marketing- und Vertriebskosten, der Forschungs- und Entwicklungskosten, der Verwaltungskosten, der sonstigen Aufwendungen und der Wertminderungsaufwendungen/Wertminderungserträge auf finanziellen Vermögenswerten definiert. Wir haben **das Betriebsergebnis** auf Basis der HGB-Zahlen definiert als die Summe aus Umsatzerlösen, Erhöhung oder Verminderung des Bestands an fertigen und unfertigen Erzeugnissen, aktivierten Eigenleistungen und sonstigen betrieblichen Erträgen abzüglich der Summe aus Materialaufwand, Personalaufwand, Abschreibungen auf immaterielle Vermögenswerte und Sachanlagen sowie sonstigen betrieblichen Aufwendungen.

Das Bruttoergebnis vom Umsatz ist auf Basis der HGB-Zahlen als die Summe der Umsatzerlöse abzüglich der Summe des Materialaufwands des Geprüften Konzernabschlusses 2023 definiert. Nach HGB gibt es keine Aufstellung des sonstigen Gesamtergebnisses, sodass die Werte für IFRS und HGB nicht vergleichbar sind.

(3) Zu Vergleichszwecken sind in den Posten des Finanzergebnisses für die Geschäftsjahre 2023 und 2022 sonstige Zinsen und ähnliche Erträge sowie sonstige Zinsen und ähnliche Aufwendungen gemäß den Geprüften Konzernabschlüssen 2023 und 2022 nach HGB enthalten.

(4) Konzern-Jahresfehlbetrag/-gewinn vor Ergebnisanteilen nicht beherrschende Anteile.

Wesentliche Finanzinformationen aus der Konzern Bilanz

	Zum 31. Dezember			
	2024 (IFRS)	**2023 (IFRS)**	**2023 (HGB)**	**2022 (HGB)**
	in Tausend € (geprüft, soweit nicht anders angegeben)			
Langfristige Vermögenswerte[(1) (2) (3)]	80.142	70.090	43.074*	45.801*
Kurzfristige Vermögenswerte[(1) (2) (3)]	162.528	141.048	133.660*	127.112*
Summe Vermögenswerte[(1) (2) (3)]	242.670	211.138	176.734*	172.913*
Eigenkapital	83.696	43.897	34.049	12.580
Langfristige Schulden[(1) (2) (3)]	39.942	98.199	74.865*	60.658*
Kurzfristige Schulden[(1) (2) (3)]	119.032	69.041	67.820*	99.675*
Eigenkapital und Schulden[(1) (2) (3)]	242.670	211.138	176.734*	172.913*

* Ungeprüft.

(1) Um einen relevanteren Überblick über die wesentlichen Finanzinformationen aus der Konzern Bilanz zu geben, wurden einzelne Posten der HGB-Bilanz in kurz- und langfristige Posten zusammengefasst, um sie in Bezug auf die Darstellung, nicht aber in Bezug auf die Bilanzierung und Bewertung, mit den IFRS Posten vergleichbar zu machen.

Die langfristigen und kurzfristigen Vermögenswerte und Schulden nach HGB fassen nur die im Geprüften Konzernabschluss 2023 und Geprüften Konzernabschluss 2022 nach HGB geprüften Werte zusammen.

Die Vergleichszahlen für 2023 und 2022 nach HGB wurden für die Darstellung in dieser Tabelle angepasst. Wenn Posten in zusammengefassten Beträgen dargestellt werden, sind diese nicht geprüft.

(2) Die Summe der langfristigen und kurzfristigen Vermögenswerte und Schulden nach HGB ergibt sich aus den einzelnen Bilanzpositionen des Geprüften Konzernabschlusses 2023 und Geprüften Konzernabschlusses 2022, während für die Zwecke der Darstellung in dieser Zusammenfassung der wesentlichen Finanzinformationen im Gegensatz zur Rechnungslegung nach HGB die erhaltenen Anzahlungen auf Bestellungen nicht offen mit den Vorräten verrechnet, sondern als kurzfristige Verbindlichkeiten ausgewiesen sind, wodurch sich die Bilanz verlängert.

(3) Aufgrund der Anwendung unterschiedlicher Bilanzierungs- und Bewertungsmethoden in den jeweiligen Rechnungslegungsrahmen sind die Zahlen zwischen HGB und IFRS nicht direkt vergleichbar.

Wesentliche Finanzinformationen aus der Konzern-Kapitalflussrechnung

	Für das zum 31. Dezember endende Geschäftsjahr			
	2024 (IFRS)	2023 (IFRS)	2023 (HGB)	2022 (HGB)
	in Tausend € (geprüft)			
Cashflow aus der betrieblichen Tätigkeit	42.587	20.819	8.048	-9.570
Cashflow aus der Investitionstätigkeit	-17.919	-4.114	-2.895	-9.027
Cashflow aus der Finanzierungstätigkeit	-25.323	6.574	11.815	3.636
Zahlungswirksame Veränderungen des Finanzmittelfonds	-655	23.278	16.968	-14.961
Wechselkursbedingte und sonstige Wertänderungen des Finanzmittelfonds	4.526	336	2.769	6.352
Finanzmittelfonds am Ende der Periode	10.186	6.314	6.637	-13.100

Ausgewählte Wesentliche Leistungskennzahlen und alternative Leistungskennzahlen

	Zum 31. Dezember			
	2024 (IFRS)	2023 (IFRS)	2023 (HGB)	2022 (HGB)
Wesentliche Leistungskennzahlen und alternative Leistungskennzahlen	in Tausend € (ungeprüft, soweit nicht anders angegeben)			
EBITDA[(1)(2)]	60.145	51.886	43.693	13.082
EBITDA Marge[(1)(3)]	15,7%	15,5%	13,1%	4,5%
Bereinigtes EBITDA[(1)(2)]	64.601	52.258	43.693	13.082
Bereinigte EBITDA Marge[(1)(3)]	16,9%	15,6%	13,1%	4,5%
Nettofinanzverschuldung[(1)(4)]	45.053	63.914	36.819	45.880
Nettoverschuldung, einschließlich Leistungen an Arbeitnehmer[(1)(5)]	63.709	89.456	63.296	73.212
Leverage[(1)(6)]	1,0	1,7	1,4	5,6
Auftragseingang[(7)]	423.200*	354.500	354.500	329.500*
Auftragsbestand[(8)]	234.900*	194.100*	194.100*	176.700*
Net Working Capital[(1)(9)]	98.948	90.617	83.689	60.905

* Geprüft.

(1) Aufgrund der Umstellung vom Gesamtkostenverfahren nach HGB auf das Umsatzkostenverfahren nach IFRS sowie der Anwendung unterschiedlicher Bilanzierungs- und Bewertungsmethoden in den jeweiligen Rechnungslegungsrahmen sind die Zahlen zwischen HGB und IFRS nicht direkt vergleichbar.

(2) **EBITDA** auf Basis der IFRS-Zahlen ist definiert als Periodenergebnis vor Finanzergebnis, Ertragssteuern und vor Abschreibungen). **EBITDA** auf Basis der HGB-Zahlen ist definiert als Konzern-Jahresüberschuss/-Fehlbetrag vor Ergebnisanteilen nicht beherrschende Anteile, sonstigen Steuern, Finanzergebnis, Steuern vom Einkommen und Ertrag und vor Abschreibungen. **Bereinigtes EBITDA** ist definiert als EBITDA bereinigt um den Personalaufwand für anteilsbasierte Vergütungsvereinbarungen. Nach deutschem Handelsrecht wird der Personalaufwand im Zusammenhang mit anteilsbasierten Vergütungsvereinbarungen nicht erfasst. Das Management beabsichtigt, sowohl historisch als auch zukünftig, das EBITDA nicht für Erträge oder Aufwendungen im Zusammenhang mit nicht wiederkehrenden oder ungewöhnlichen Sachverhalten, unabhängig von ihrer Natur oder ihren Eigenschaften, zu bereinigen. Daher beabsichtigt das Management, sowohl historisch als auch zukünftig, das EBITDA ausschließlich für Personalaufwendungen im Zusammenhang mit anteilsbasierten Vergütungsvereinbarungen, falls vorhanden, wie auch im Geprüften Konzernabschluss 2024 angegeben, zu bereinigen und sieht von weiteren Bereinigungen ab.

(3) **EBITDA Marge** ist definiert als EBITDA dividiert durch die Umsatzerlöse. **Bereinigte EBITDA Marge** ist definiert als Bereinigtes EBITDA dividiert durch die Umsatzerlöse.

(4) **Nettofinanzverschuldung** ist definiert als die Summe der finanziellen Verbindlichkeiten und Leasingverbindlichkeiten (Total Financial Debt), abzüglich Zahlungsmittel und Zahlungsmitteläquivalente, inklusive verfügungsbeschränktes Guthaben und Geldanlagen bei Kreditinstituten. Finanzielle Verbindlichkeiten auf Basis der IFRS-Zahlen beinhalten die lang- und kurzfristigen finanziellen Verbindlichkeiten gemäß dem Geprüften Konzernabschluss 2024. Finanzielle Verbindlichkeiten auf Basis der HGB-Zahlen beinhalten die Verbindlichkeiten gegenüber Kreditinstituten gemäß des Geprüften Konzernabschlusses 2023.

(5) **Nettoverschuldung, einschließlich Leistungen an Arbeitnehmer** ist definiert als die Summe der finanziellen Verbindlichkeiten und Leasingverbindlichkeiten (Total Financial Debt), abzüglich Zahlungsmittel und Zahlungsmitteläquivalente, inklusive verfügungsbeschränktes Guthaben und Geldanlagen bei Kreditinstituten, zuzüglich Pensionsverpflichtungen und langfristigen Leistungen an Arbeitnehmer. Für IFRS beziehen sich Pensionsverpflichtungen und langfristige Leistungen an Arbeitnehmer auf langfristige Leistungen an Arbeitnehmer (einschließlich Pensionen), während sie sich für HGB auf die Summe der Rückstellungen für Pensionen und ähnliche Verpflichtungen beziehen. IFRS-Zahlen können nicht direkt mit HGB-Zahlen verglichen werden.

(6) **Leverage** ist definiert als Nettoverschuldung, einschließlich Leistungen an Arbeitnehmer dividiert durch das bereinigte EBITDA.

(7) **Auftragseingang** ist definiert als der Eingang von Kundenaufträgen. Er wird in der Höhe des Auftragswerts gemessen.

(8) **Auftragsbestand** ist die Summe aller noch nicht gelieferten Kundenaufträge zu einem bestimmten Zeitpunkt zum Auftragswert. Der terminierte Auftragsbestand bildet den Backlog auf der Zeitschiene ab (nach voraussichtlichem Lieferdatum).

(9) **Net Working Capital** ist definiert als der Gesamtbetrag der Vorräte und Forderungen aus Lieferungen und Leistungen abzüglich der Verbindlichkeiten aus Lieferungen und Leistungen und der Anzahlungen von Kunden (bestehend aus lang- und kurzfristigen Vertragsverbindlichkeiten). Für die Werte nach HGB 2023 und 2022 werden die erhaltenen Anzahlungen auf Vorräte nach HGB offen von den Vorräten abgesetzt. **Net Working Capital** auf Basis der IFRS-Zahlen beinhaltet nicht finanzielle Vermögenswerte, sonstige nicht-finanzielle Vermögenswerte, Ertragsteuerforderungen und Zahlungsmittel und Zahlungsmitteläquivalente, finanzielle Verbindlichkeiten, Leistungen an Arbeitnehmer, Leasingverbindlichkeiten, Vertragsverbindlichkeiten, Ertragsteuerschulden, sonstige finanzielle Verbindlichkeiten, sonstige nicht-finanzielle Verbindlichkeiten und Rückstellungen. Net Working Capital basierend auf den HGB-Zahlen umfasst nicht sonstige Vermögensgegenstände, Wertpapiere, Kassenbestand und Guthaben bei Kreditinstituten, Steuerrückstellungen, sonstige Rückstellungen und sonstige Verbindlichkeiten.

Welches sind die zentralen Risiken, die für den Emittenten spezifisch sind?

- Wir sind Entwicklungen in der Weltwirtschaft, makroökonomischen Trends, politischen Unsicherheiten und den allgemeinen wirtschaftlichen Entwicklungen in den Märkten, in denen wir tätig sind, ausgesetzt.
- Die Einführung von Handelsbarrieren, insbesondere von Einfuhrzöllen, kann sich negativ auf unsere Fähigkeit auswirken, unsere Produkte herzustellen, zu vermarkten und zu verkaufen.
- Wir sind politischen Unsicherheiten und globalen Krisen ausgesetzt.
- Wir könnten nicht in der Lage sein, unsere Finanzverbindlichkeiten zu refinanzieren.
- Wir könnten keine ausreichende Finanzierung erhalten oder aufrechterhalten, einschließlich einer Betriebsmittelfinanzierung und Kreditversicherung.
- Wir könnten nicht in der Lage sein, die hohe Qualität unserer Produkte und Prozesse sowie die pünktliche Lieferung bestellter Waren aufrechtzuerhalten.
- Eine Unterbrechung unserer Liefer- oder Vertriebsketten könnte dazu führen, dass wir oder einer oder mehrere unserer Lieferanten oder Kunden die Produktion einstellen müssen.
- Lieferengpässe können durch eine geringere Verfügbarkeit von Produktionsanlagen, durch Ausfälle von Produktionsanlagen oder durch Phasen hoher Produktionsauslastung entstehen.
- Unser Geschäft und unser zukünftiges Wachstum hängen von unserer Fähigkeit ab, qualifizierte Führungskräfte, Schlüsselmitarbeiter und andere Mitarbeiter zu gewinnen und zu halten.
- Wir könnten Gewährleistungs- und Produkthaftungsansprüchen ausgesetzt sein.
- Wir könnten geltende Gesetze und Vorschriften oder Änderungen dieser Gesetze und Vorschriften nicht einhalten.

C. Basisinformationen über die Wertpapiere

Welches sind die wichtigsten Merkmale der Wertpapiere?

Dieser Prospekt bezieht sich auf Inhaberaktien ohne Nennbetrag (Stückaktien), wobei jede dieser Aktien einen rechnerischen Anteil am Grundkapital von €1,00 repräsentiert, mit voller Dividendenberechtigung ab dem 1. Januar 2025.

Anzahl und Art der Aktien – Zum Datum dieses Prospekts sind 14.595.238 Aktien ausgegeben. Alle Aktien sind Inhaberaktien ohne Nennwert (Stückaktien) mit einem rechnerischen Anteil am Grundkapital von je €1,00.

ISIN, WKN, Handelssymbol und Währung – Die ISIN der Aktien lautet DE000PFSE212, die Wertpapierkennnummer (WKN) PFSE21, das Handelssymbol: PFSE. Die Aktien sind in Euro denominiert.

Mit den Aktien verbundene Rechte und Übertragbarkeit – Alle Aktien sind voll dividendenberechtigt seit dem 1. Januar 2025. Jede Aktie gewährt eine Stimme in der Hauptversammlung der Gesellschaft. Die Aktien sind gegenüber allen anderen Wertpapieren und Forderungen nachrangig im Falle einer Insolvenz der Gesellschaft und nach den gesetzlichen Bestimmungen für Inhaberaktien frei übertragbar.

Dividendenpolitik – Die Gesellschaft beabsichtigt, im Rahmen des üblichen Geschäftsgangs, ab dem Geschäftsjahr 2026, d. h. für das Geschäftsjahr 2025 und die folgenden Geschäftsjahre, Dividenden auszuschütten. Vorbehaltlich der Verfügbarkeit eines ausschüttbaren Bilanzgewinns und ausschüttungsfähiger Mittel strebt die Gesellschaft an, bis zu etwa 30% des konsolidierten Jahresüberschusses für das am 31. Dezember 2025 endende Geschäftsjahr und für die folgenden Jahre auszuschütten. Am 11. April 2025 beschlossen die Aktionäre der Gesellschaft, für das am 31. Dezember 2024 endende Geschäftsjahr eine Dividende in Höhe von €0,80 pro Aktie auszuschütten, was zu einer Gesamtdividendenausschüttung von €11.676 Tausend führt (entspricht einer Ausschüttungsquote von 36,2%). Die Dividenden wurden am 16. April 2025 ausgezahlt.

Wo werden die Wertpapiere gehandelt?

Es wird erwartet, dass alle Aktien in den Handel im Freiverkehr der Frankfurter Wertpapierbörse (Segment Scale) mit gleichzeitiger Einbeziehung in das Basic Board des Freiverkehrs der Frankfurter Wertpapierbörse einbezogen werden.

Welches sind die zentralen Risiken, die für die Wertpapiere spezifisch sind?

- Karl-Heinz Pfisterer und, bis zu einem gewissen Grad, Anna Dorothee Stängel werden nach Abschluss des Angebots weiterhin einen erheblichen Einfluss auf uns ausüben, und die Interessen von Karl-Heinz Pfisterer und Anna Dorothee Stängel könnten mit den Interessen unserer anderen Aktionäre kollidieren.
- Die Aktien der Gesellschaft wurden zuvor nicht öffentlich gehandelt und es besteht das Risiko, dass sich kein liquider Handelsmarkt entwickeln wird.
- Der Preis und das Handelsvolumen der Aktien der Gesellschaft könnten erheblich schwanken.
- Etwaige künftige Verkäufe einer beträchtlichen Anzahl von Aktien der Gesellschaft durch Karl-Heinz Pfisterer oder Anna Dorothee Stängel oder durch andere Aktionäre könnten den Marktpreis der Aktien drücken.

D. Basisinformationen über das öffentliche Angebot von Wertpapieren

Zu welchen Konditionen und nach welchem Zeitplan kann ich in dieses Wertpapier investieren?

Angebotskonditionen – Das Angebot bezieht sich auf den Verkauf der Angebotsaktien, d.h. insgesamt 6.967.378 Aktien, bestehend aus (i) 3.500.000 Neuen Aktien, (ii) 1.689.025 Sekundären Basisaktien aus dem Bestand der Veräußernden Aktionäre, (iii) 1.000.000 Aufstockungsaktien zu gleichen Teilen aus den Beständen von Karl-Heinz Pfisterer und Anna Dorothee Stängel, und (iv) 778.353 Mehrzuteilungsaktien aus dem Bestand des Verleihenden Aktionärs.

Die Gesamtanzahl der Mehrzuteilungsaktien wird 15% der endgültigen Anzahl an Neuen Aktien und Sekundären Basisaktien, die im Zuge des Angebots platziert werden, nicht überschreiten.

Umfang des Angebots – Das Angebot besteht aus (i) einem öffentlichen Angebot in Deutschland und (ii) Privatplatzierungen in bestimmten Jurisdiktionen außerhalb Deutschlands ("**Angebot**"). Außerhalb der Vereinigten Staaten werden die Angebotsaktien im Rahmen von "Offshore-Transaktionen" im Sinne und auf Grundlage der Regulation S des U.S. Securities Act von 1933 in der jeweils gültigen Fassung (der "**Securities Act**") angeboten und verkauft. Innerhalb der Vereinigten Staaten werden die Angebotsaktien ausschließlich Personen angeboten und an diese verkauft, von denen vernünftigerweise angenommen werden kann, dass es sich um qualifizierte institutionelle Käufer (*Qualified Institutional Buyers*) im Sinne und auf Grundlage von Rule 144A des Securities Act handelt. Die Angebotsaktien wurden nicht, sind nicht und werden nicht gemäß dem Securities Act oder den Wertpapiergesetzen eines Bundesstaates oder einer anderen Jurisdiktion der Vereinigten Staaten registriert werden und dürfen nicht in die oder innerhalb der Vereinigten Staaten angeboten, verkauft oder anderweitig übertragen werden, außer gemäß einer Ausnahme von den Registrierungsanforderungen des Securities Act oder im Rahmen einer Transaktion, die nicht den Registrierungsanforderungen des Securities Act unterliegt, und in Übereinstimmung mit etwaig geltenden Wertpapiergesetzen eines Bundesstaates oder einer anderen Jurisdiktion in den Vereinigten Staaten.

Angebotszeitraum – Die Angebotsfrist, innerhalb der Kaufangebote für die Angebotsaktien innerhalb der Preisspanne abgegeben werden können, beginnt voraussichtlich am 6. Mai 2025 und endet voraussichtlich am 12. Mai 2025 ("**Angebotszeitraum**"). Am letzten Tag des Angebotszeitraums können Kaufangebote übermittelt werden (i) bis um 14:00 Uhr Mitteleuropäische Sommerzeit ("**MESZ**") für Privatinvestoren (natürliche Personen) und (ii) bis um 14:00 Uhr MESZ für institutionelle Investoren. Institutionelle Investoren können während des Angebotszeitraums Kaufaufträge direkt bei den Joint Bookrunners abgeben. Privatkunden (natürliche Personen) können Kaufangebote für das öffentliche Angebot in Deutschland innerhalb des Angebotszeitraums bei den folgenden Banken über deren jeweilige Geschäftsstellen oder online abgeben: COMMERZBANK (auch über comdirect), Berenberg, LBBW, BW Bank und die meisten Sparkassen der Deutsche Sparkassen/S-Finanzgruppe (inklusive S Broker). Darüber hinaus können Privatinvestoren (natürliche Personen) über die Zeichnungsfunktionalität DirectPlace© der Frankfurter Wertpapierbörse ("**DirectPlace©**") Kaufaufträge im Rahmen des Angebots zwei Tage nach Beginn der Angebotsfrist, d.h. ab dem 8. Mai 2025, abgeben.

Zeitplan – Nachstehend ist der voraussichtliche Zeitplan des Angebots dargestellt, der verlängert oder verkürzt werden kann:

5. Mai 2025	Billigung des Prospekts durch die BaFin; Veröffentlichung des Prospekts auf der Webseite der Gesellschaft.
6. Mai 2025	Beginn des Angebotszeitraums.
8. Mai 2025	Eröffnung der Zeichnungsfunktionalität DirectPlace©.
12. Mai 2025	Ende des Angebotszeitraums und Verwendung der DirectPlace© um (i) 14:00 Uhr (MESZ) für Privatanleger und (ii) 14:00 Uhr (MESZ) für institutionelle Anleger. Festlegung und Veröffentlichung des Angebotspreises und der endgültigen Anzahl der zugeteilten Angebotsaktien.
13. Mai 2025	Voraussichtliche Eintragung der Durchführung der IPO-Kapitalerhöhung. Einbeziehungsbeschluss der Frankfurter Wertpapierbörse zum Listing.
14. Mai 2025	Einbeziehung der Aktien der Gesellschaft in den Handel im Freiverkehr der Frankfurter Wertpapierbörse (Scale Segment) und, gleichzeitig, im Basic Board des Freiverkehrs der Frankfurter Wertpapierbörse.
15. Mai 2025	Buchmäßige Lieferung der Angebotsaktien gegen Zahlung des Angebotspreises (Abwicklung und Vollzug).

Preisspanne – €25,00 bis €29,00 je Angebotsaktie ("**Preisspanne**").

Angebotspreis – Der Angebotspreis für das Angebot ("**Angebotspreis**") ist zum Datum des Prospekts noch nicht festgelegt worden und wird voraussichtlich am oder um den 12. Mai 2025 von der Gesellschaft, auch im Namen der Veräußernden Aktionäre und des Verleihenden Aktionärs handelnd, nach Rücksprache mit den Joint Global Coordinators festgelegt werden. Der Angebotspreis wird auf der Grundlage von Kaufaufträgen festgelegt, die von Investoren während des Angebotszeitraums eingereicht und während des Bookbuilding-Verfahrens im Orderbuch gesammelt wurden. Diese Aufträge werden entsprechend den angebotenen Preisen und den erwarteten Anlagehorizonten der jeweiligen Investoren bewertet. Diese Methode zur Festsetzung des Angebotspreises zielt grundsätzlich darauf ab, den höchsten Angebotspreis zu erzielen.

Änderungen der Angebotsbedingungen – Die Gesellschaft, die auch im Namen der Veräußernden Aktionäre und des Verleihenden Aktionärs handelt, behält sich das Recht vor, nach Rücksprache mit den Joint Global Coordinators die Gesamtzahl der Angebotsaktien zu erhöhen oder zu verringern, die Obergrenze und/oder die Untergrenze der Preisspanne, wobei die Preisbestimmung, auch für die Veräußernden Aktionäre und den Verleihenden Aktionär, durch die Gesellschaft festgesetzt wird, zu

erhöhen oder zu senken und/oder den Angebotszeitraum zu verlängern oder zu verkürzen. Änderungen in Bezug auf die Anzahl der Angebotsaktien, Änderungen der Preisspanne und/oder die Verlängerung oder Verkürzung des Angebotszeitraums machen bereits eingereichte Kaufangebote nicht ungültig. Unter bestimmten Bedingungen können die Underwriter den Übernahmevertrag (wie unten definiert) auch nach Aufnahme des Handels der Aktien im Freiverkehr der Frankfurter Wertpapierbörse (Scale Segment) bis zur Lieferung und Abwicklung kündigen. In einem solchen Fall findet das Angebot nicht statt, und bereits erfolgte Zuteilungen an Anleger werden für ungültig erklärt.

Stabilisierungsmaßnahmen, Mehrzuteilung, Greenshoe-Option – Im Zusammenhang mit der Platzierung der Angebotsaktien und im Rahmen der anwendbaren gesetzlichen Bestimmungen wird Berenberg als Stabilisierungsmanager ("**Stabilisierungsmanager**") fungieren und kann Mehrzuteilungen vornehmen und Stabilisierungsmaßnahmen ergreifen, um den Marktpreis der Aktien zu stützen und dadurch einem Verkaufsdruck entgegenzuwirken. Der Stabilisierungsmanager ist nicht verpflichtet, Stabilisierungsmaßnahmen zu ergreifen. Sofern Stabilisierungsmaßnahmen ergriffen werden, können diese jederzeit und ohne Vorankündigung beendet werden. Solche Maßnahmen müssen spätestens 30 Kalendertage nach dem Datum der Einbeziehung beendet werden. Im Rahmen der möglichen Stabilisierungsmaßnahmen können Investoren zusätzlich zu den Neuen Aktien und den Verkaufsaktien die Mehrzuteilungsaktien (bis zu 15% der Gesamtzahl der Neuen Aktien und der Sekundären Basisaktien) aus dem Bestand des Verleihenden Aktionärs zugeteilt werden, die der Verleihende Aktionär dem Stabilisierungsmanager im Rahmen eines Wertpapierdarlehens gewährt hat. Um eine potentielle Mehrzuteilung abzudecken, hat der Verleihende Aktionär den Underwritern eine Option zum Kauf von bis zu 778.353 bestehenden Aktien der Gesellschaft zum Angebotspreis (abzüglich vereinbarter Provisionen) gewährt, um die Rückübertragungsverpflichtung des Stabilisierungsmanager im Rahmen des Wertpapierdarlehens zu erfüllen ("**Greenshoe-Option**").

Plan für den Vertrieb – Über die Zuteilung von Angebotsaktien an Privatanleger und institutionelle Anleger entscheidet die Gesellschaft nach Rücksprache mit den Joint Global Coordinators. Bei Kaufaufträgen von Privatanlegern und Aufträgen über DirectPlace© werden die Gesellschaft und die Joint Global Coordinators die "Grundsätze für die Zuteilung von Aktienemissionen an Privatanleger" der Börsensachverständigen-Kommission vom 7. Juni 2000 beachten.

Verwässerung - Der prozentuale Anteil der Aktionäre am Grundkapital und den Stimmrechten der Gesellschaft wird um 38,5% verwässert, wenn sämtliche Neuen Aktien platziert werden. Für Investoren würde sich aufgrund des Angebots eine Verwässerung in Höhe von €17,63 je Aktie, das entspricht 65,3% je Aktie, ergeben, da der auf die Aktionäre entfallende angepasste Nettobuchwert der Gesellschaft je Aktie den angenommenen Angebotspreis (unter der Annahme, dass sämtliche Neuen Aktien zur Mitte der Preisspanne platziert werden) um diesen Betrag bzw. Prozentsatz unterschreitet.

Gesamtkosten und Kosten für Investoren – Die Kosten im Zusammenhang mit dem Angebot werden sich voraussichtlich auf etwa €8,6 Millionen belaufen, die der Gesellschaft zuzurechnen sind, etwa €3,5 Millionen, die den Veräußernden Aktionären zuzurechnen sind und etwa €1,0 Millionen, die dem Verleihenden Aktionär zuzurechnen sind unter der Annahme (i) eines Angebotspreises in der Mitte der Preisspanne, (ii) der Platzierung der maximalen Anzahl von Angebotsaktien, (iii) der vollständigen Ausübung der Aufstockungsoption, (iv) der vollständigen Ausübung der Greenshoe-Option und (v) der vollständigen Zahlung der Vergütung an die Underwriter. Investoren werden ausschließlich marktübliche Transaktions- und Abwicklungskosten durch ihre Broker oder Depotbanken in Rechnung gestellt.

Wer ist der Anbieter und/oder die Zulassung zum Handel beantragende Person?

Anbieter – Die Anbieter sind die Gesellschaft und die Underwriter.

Zulassung zum Handel – Die Gesellschaft, zusammen mit ICF BANK AG, beabsichtigt, die Einbeziehung am 5. Mai 2025 zu beantragen.

Weshalb wird dieser Prospekt erstellt?

Gründe für das Angebot – Die Gesellschaft beabsichtigt, das Angebot durchzuführen, um die Nettoerlöse aus der Veräußerung der Neuen Aktien zu erhalten um weiteres Wachstum zu finanzieren, die finanziellen Möglichkeiten der Gesellschaft zu stärken und die Unabhängigkeit der Gesellschaft als reiner Anbieter von elektrischen Verbindungs- und Isolationslösungen zu bewahren. Die Veräußernden Aktionäre beabsichtigen, ihre Beteiligung an der Gesellschaft teilweise zu veräußern, um die Nettoerlöse aus der Veräußerung der Verkaufsaktien zu erhalten und um einen ausreichenden Streubesitz und Handelsliquidität in den Aktien sicherzustellen. Der Verleihende Aktionär beabsichtigt, die Nettoerlöse aus dem möglichen Verkauf der Mehrzuteilungsaktien zu erhalten und Stabilisierungsmaßnahmen zu erleichtern.

Verwendung der Erlöse – Unter der Annahme, dass das Angebot in der Mitte der Preisspanne vollzogen wird und die Vergütung an die Underwriter in voller Höhe gezahlt wird, würde der Gesellschaft einen Nettoerlös von etwa €85,9 Millionen aus dem Angebot erhalten. Wir beabsichtigen, diese Nettoerlöse in der folgenden Reihenfolge zu verwenden: (i) ca. 60% für Investitionen, im In- und Ausland, in die Erweiterung unserer Produktionskapazitäten, insbesondere durch die Verbesserung unserer bestehenden Produktionsstandorte und/oder Akquisitionen, die Modernisierung von Maschinen und Anlagen, die Förderung der Automatisierung sowie die Verbesserung der Infrastruktur und Logistik (einschließlich Investitionen in Lagertechnik und die Modernisierung wichtiger Anlagen zur Unterstützung einer höheren Produktionseffizienz und Skalierbarkeit), (ii) ca. 30% für Investitionen in die Entwicklung innovativer Technologien, Produkte und Lösungen, insbesondere im Bereich der Hochspannungs-Gleichstrom-Übertragungstechnik (HGÜ), in ein Entwicklungs- und Testlabor für Hochspannungstechnologie, sowie die Entwicklung anderer innovativer Produktlösungen, um den sich entwickelnden Marktanforderungen gerecht zu werden und (iii) etwa 10% für strategische M&A-Investitionen, um das internationale Marktwachstum voranzutreiben und unsere technologische Führungsposition zu stärken.

Gesamtnettoerlöse – Etwa €85,9 Millionen, die der Gesellschaft zuzurechnen sind, etwa €69,1 Millionen, die den Veräußernden Aktionären zuzurechnen sind, etwa €20,0 Millionen, die dem Verleihenden Aktionär zuzurechnen sind unter der Annahme (i) eines

Angebotspreises in der Mitte der Preisspanne, (ii) der Platzierung der maximalen Anzahl von Angebotsaktien, (iii) der vollständigen Ausübung der Aufstockungsoption, (iv) der vollständigen Ausübung der Greenshoe-Option und (v) der vollständigen Zahlung der Vergütung an die Underwriter.

Übernahmevertrag – Am 5. Mai 2025 schlossen die Gesellschaft, die Veräußernden Aktionäre, der Verleihende Aktionär und die Underwriter einen Übernahmevertrag ab, in dem sich die Underwriter unter bestimmten Bedingungen, insbesondere dem Abschluss Preisfestsetzungsvereinbarung, verpflichtet haben, sich nach besten Kräften zu bemühen, die Angebotsaktien Investoren im Rahmen des Angebots anzubieten.

Wesentliche Interessenkonflikte – Die Veräußernden Aktionäre erhalten den Nettoerlös aus dem Verkauf der Verkaufsaktien. Die Veräußernden Aktionäre haben daher ein Interesse daran, dass das Angebot zu den bestmöglichen Bedingungen zustande kommt. Bestehende Aktien von (i) Johannes Linden und Dr. Konstantin Kurfiss, die Mitglieder des Vorstands der Gesellschaft sind, sowie (ii) Prof. Dr. Wolfgang Blättchen, Prof. Dr. Petra Denk, Erich Anton Schefold und Dr. Stefan Seipl, die Mitglieder des Aufsichtsrats der Gesellschaft sind, sind Teil des Angebots. Zudem sind die Mitglieder des Vorstands Begünstigte unter dem virtuellen Aktienoptionsprogramm der Gesellschaft, das eingerichtet wurde, um das Managementteam und die wichtigsten Mitarbeiter an das Unternehmen zu binden, und die Durchführung des Angebots begründet für 50% der virtuellen Anteile ein Exitereignis. Dementsprechend könnten ihre Interessen im Hinblick auf das Angebot nicht mit denen der Gesellschaft oder der anderen Aktionäre der Gesellschaft übereinstimmen, was einen potenziellen Interessenkonflikt begründet. Im Zusammenhang mit dem Angebot und der Einbeziehung haben die Underwriter mit der Gesellschaft, den Veräußernden Aktionären und dem Verleihenden Aktionär das Underwriting Agreement abgeschlossen und handeln für die Gesellschaft, die Veräußernden Aktionäre und den Verleihenden Aktionär im Rahmen des Angebots, koordinieren die Strukturierung und Durchführung des Angebots und erhalten eine Vergütung. Die Underwriters haben daher ein finanzielles Interesse am Erfolg des Angebots. Die COMMERZBANK und die LBBW sind ferner Mandated Lead Arranger und Bookrunner sowie Darlehensgeber im Rahmen unseres Senior Facilities Agreement, wofür sie Gebühren und eine Vergütung erhalten. Daher haben die COMMERZBANK und die LBBW ein finanzielles Interesse am Erfolg des Angebots.

1. RISK FACTORS

*In considering whether to invest in the shares (the "**Shares**") of PFISTERER Holding SE (hereinafter the "**Company**" and, together with its subsidiaries, "**PFISTERER**", "**PFISTERER Group**", "**Group**", "**we**", "**us**" or "**our**"), investors should carefully consider the following risks in this prospectus (the "**Prospectus**").*

In accordance with Article 16 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the Prospectus to be Published when Securities are Offered to the Public or Admitted to Trading on a Regulated Market and repealing Directive 2003/71/EC, as amended, the risk factors presented in the Prospectus are limited to risks specific to the Company or the Shares and material for taking an informed investment decision. Therefore, the following risks are only those risks that are – based on the Company's current assessment – material and specific to our Group and to the Company's shares. The materiality of the risk factors has been assessed based on the probability of their occurrence and their expected impact. The risk factors are presented in categories depending on their nature. The categories are divided into "Risks Related to the Company", describing risks that are specific to the Group and its business, and "Risks Related to the Shares", describing risks that are specific to the Company's shares. The category "Risks Related to the Company" is further divided into the following sub-categories: (i) Risks Related to Our Industry and Market;(ii) Risks Related to Our Financial Profile; (iii) Risks Related to our Business and Products; (iv) Risks Related to Laws, Regulation and Taxation. In each sub-category and in the category "Risks Related to the Shares", the two most material risk factors are mentioned first according to the Company's current assessment based on the estimated probability of their occurrence and the expected magnitude of their negative impact. The order of the remaining risk factors in each sub-category and in the category "Risks Related to the Shares" does not reflect a specific order of these factors in terms of materiality or severity. Investors could lose all or part of their investment. The risks mentioned could materialize individually or cumulatively.

1.1 Risks Related to the Company

1.1.1 Risk Related to Our Industry and Market.

1.1.1.1 We are exposed to the performance of the global economy, macroeconomic trends, and the performance of the general economy in the markets in which we are active.

As a global manufacturer of technology for insulating and connecting electrical conductors for power grid interfaces, we are exposed to fluctuations in the global economy. We offer solutions for power generation, power transmission, and power distribution serving a diverse range of customers in the energy sector. We operate our business through the following five segments: the Components Segment ("**COM Segment**"), the Medium Voltage Cable Accessories Segment ("**MVA Segment**"), the Overhead Lines Segment ("**OHL Segment**"), the High Voltage Cable Accessories Segment ("**HVA Segment**"), and the High Voltage Direct Current Cable Accessories Segment ("**HVD Segment**") – together the "**Segments**".

Generally, a slowdown in the global economy and elevated levels of private and public debt in various countries may cause demand for our products to decline in many of our key end-markets. With respect to the markets in which we are active, we are exposed to fluctuations in the overall investment climate given that our industrial products are part of the capital goods industry. Fluctuations in economic growth rates or forecasts, or alterations in government investments and government subsidies, can result in significant changes in demand for our

products or cancellations of orders already booked or the reorganization of longer-term business relationships. They can also lead to write-offs of our inventories, in case of excess capacity and declining end-product selling prices, and could have a material adverse impact on our business and results of operation. Therefore, our revenue and results of operations have been influenced, and will continue to be influenced, by macroeconomic trends and the general state and performance of the global economy. Such macroeconomic trends may have a bigger impact on certain of our markets, such as the European Union ("**EU**") or the United States of America ("**United States**" or "**U.S.**"), than on others.

1.1.1.2 The introduction of trade barriers, in particular import tariffs, may adversely affect our ability to produce, market and sell our products.

In the United States, the recent reorientation to a more protectionist trade policy resulted in the introduction of, and may result in the introduction of further, regional or international trade barriers, including tariffs for imported goods, e.g. from the EU and China, and anti-dumping customs duties imposed by the new U.S. administration or withdrawal from or renegotiation of multilateral trade agreements by the new U.S. administration. These actions could adversely impact our business operations and results of operations through less favorable conditions for the import of our products. The general tariffs imposed by the new U.S. administration on April 2, 2025 (so called "liberation day"), which have been partially postponed for 90 day as of April 9, 2025, could affect our revenues in the U.S. by increasing our sales prices in the U.S. market, having a negative impact on our sales volumes, or by decreasing our profit margin. Further, as certain of our customers in China export products from China to the U.S., particularly the increased 125% tariffs imposed on China on April 9, 2025 could negatively affect the results of our operations. In addition, on February 10 and 11, 2025, the new U.S. administration also announced the imposition or re-imposition of 25% tariffs on imported steel articles and aluminum articles into the United States which have come into force on March 12, 2025, and imposed further tariffs generally on cars and other imported goods from the EU. Counter tariffs imposed by China on February 10, 2025, could further disrupt global trade and slow down global economic growth and also have an adverse impact on the export of our products manufactured in the United States and elsewhere. The same could follow from any countermeasures by the EU, such as the counter tariffs imposed on certain goods from the U.S. (including steel and aluminum products) on April 9, 2025 (which have been partially postponed for 90 days as of April 10, 2025), or by regional or other global trading partners, in particular China which has imposed 125% counter tariffs on products from the U.S. as of April 11, 2025. It is not foreseeable how the current developments will affect the global economy in general and our business in particular. More generally, U.S. President Trump's agenda includes imposing tariffs to protect American labor, which may lead to further trade tensions affecting global markets. Additionally, his foreign policy approach, centered on the "America First" doctrine, may reshape existing alliances and geopolitical dynamics, potentially increasing uncertainty on the global markets. This might result in market access barriers, such as higher import duties or more complicated certification processes in order to reduce imports, up to an international trade war. The occurrence of any of the risks described above could have a material adverse effect on our business, financial condition, and results of operations.

1.1.1.3 We are exposed to political uncertainties and global crises.

The outlook for the world economy remains subject to multiple unknowns and uncertainties, particularly in light of developments in the last few years, which have had a significant impact on global macroeconomic conditions, including among other things, the coronavirus SARS-

CoV-2 ("**COVID-19**") pandemic, the Russian invasion in Ukraine (the "**Russia-Ukraine Conflict**"), persistent inflation, particularly in Argentina, rising energy prices and increasing interest rates as well as supply chain disruptions, including the attacks on shipping routes carried out by Houthi insurgents in the Red Sea beginning in November 2023. A volatile geopolitical environment has created additional challenges for global economies and global private enterprises such as PFISTERER. The Russia-Ukraine Conflict and the sanctions and export-control measures instituted by the EU, the United Kingdom, the United States, Canada and Japan, among others, against Russian and Belarusian persons and entities in response have contributed and may continue to contribute to increased inflationary pressures (including elevated prices for oil and natural gas), energy supply shortages, supply chain disruptions, e.g. with regard to the supply of cast and forged parts imported from China, financial market volatility and economic uncertainties, particularly in Europe. The ramifications of the prolonged Russia-Ukraine Conflict and related economic sanctions and export controls may also negatively impact markets and companies in other countries. This could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations. In addition, on October 7, 2023, an armed conflict between Israel and the Hamas terrorist organization commenced, leading to a series of extended hostilities in, and along the Israeli border with the Gaza Strip (the "**Israel-Hamas Conflict**"). The length, outcome and consequences of the Israel-Hamas Conflict remain highly unpredictable, and may further negatively impact international trade and business climate. The tensions arising from the Russia-Ukraine Conflict coupled with a potential escalation of the ongoing military confrontation between Israel and Hamas (and its spillover effects throughout the Middle East) could also further increase other political tensions. A further escalation of the Israel-Hamas Conflict throughout the Middle East region may negatively affect our subsidiaries in Saudi Arabia and in Dubai (United Arab Emirates). The occurrence of the risks described above could have a material adverse effect on our business, financial condition, and results of operations.

1.1.1.4 Export controls may adversely affect our ability to produce, market and sell our products.

As a global manufacturer of technology for insulating and connecting electrical conductors for power grid interfaces, we source our production inputs from across the world, in particular from China, Slovakia and Switzerland, occasionally relying on global supply chains, and maintain production and sales operations in a large number of markets globally. This requires an established and efficiently connected infrastructure in order to allow for the cross-border transport of supplies, parts, and products. At the same time, our customers are active across the globe, making it necessary for us to transport our products or parts of our products into different jurisdictions. For example, we deliver separate parts and components to our Chinese customers who assemble those goods in China for delivery to the end customers outside of China. Our supply chain, our sales as well as our long term cooperations in China and elsewhere are affected by laws and regulations regarding export controls. These laws may originate nationally, bilaterally, or even multilaterally between or among participating jurisdictions with a differing national or even extraterritorial application and relevance. Typically, export controls will apply to the transfer of pre-identified, listed products or categories of sensitive goods through the requirements of permits or licenses, limitations, or prohibitions of sale. Our business requires that we maintain the resources and means necessary to comply which such obligations. Failure to comply with laws and regulations may expose us to reputational harm as well as significant penalties, including criminal fines, civil fines, disgorgement of profits, denial of export privileges, injunctions, and debarment from

government contracts, blacklisting by customers as well as other remedial measures. Investigations of alleged violations can be expensive, lengthy, and disruptive. Despite our compliance efforts and activities, we cannot exclude the risk that our employees or representatives do not at all time comply with export control laws for which we may be held responsible, and any such violation could materially adversely affect our reputation, business, financial condition, and results of operations. Our supply chain may be subject to export control regulations. As a result, cross-border deliveries of subcomponents by our suppliers have been, and may continue to be, delayed or become more expensive because required approvals or licenses could not be obtained in time or at all. In recent years, political distress, warfare, terrorist attacks, changing attitudes regarding globalization and other economic and geopolitical developments have led to the introduction of new export controls or stricter application of existing export controls in a number of jurisdictions around the world. Export controls may change, be newly introduced on short notice, be difficult to interpret or be applied in an unexpected manner. The occurrence of any of the risks described above could have a material adverse effect on our business, financial condition, and results of operations.

1.1.1.5 We may face increasing protectionist measures in countries or major regions in which we or our customers operate.

Diplomatic tensions and protectionist measures between countries in which we or our customers operate can lead to unfavorable developments for global trade and industry. We particularly see the risk that individual countries might take protectionist measures to improve their competitiveness in the global market. For example, there are uncertainties connected to our engagement in Saudi Arabia due to protectionist measures, in particular the so-called Nitaqat Program. The Nitaqat Program was set up by the Saudi government in 2011 requiring local companies to hire a certain number of Saudi nationals. Under the Nitaqat Program, companies are categorized into different bands based on the percentage of Saudi nationals they employ. These bands determine the level of compliance with the program's targets. While the Nitaqat Program offers opportunities (i.e. preferential access to high volume public orders), it also sets high requirements, besides the requirement to hire Saudi nationals in particular the requirement to generate a certain revenue number in the country. If we fail to meet these requirements we cannot bid on public tenders in Saudi Arabia, which could limit our growth prospects in Saudi Arabia, as a result of which we could be required to write off our investments in Saudi Arabia.

Uncertainties also follow from budgetary constraints of public administrations in many other countries and resulting demands for local production and technology transfer, for example in the United States. Especially in volatile and uncertain times, countries are seeking to localize their spending (across the value chain) to support their own economies and reduce reliance on foreign imports and manufacturers. This trend can especially be observed in the aftermarket services business. Such trends can impact the decision-making and spending of potential new and existing customers and in turn impact our order intake as well as our revenue. Furthermore, such trends may impact our compliance and export control processes and increase the burden and cost for complying with the relevant laws and regulations. Although we are a manufacturer with a global footprint, we may need to engage and cooperate with local third-party contractors or establish subsidiaries in certain countries to address such localization requirements, to win contracts and remain competitive. The establishment of reliable partnerships and/or subsidiaries may incur additional expenses that cannot be passed on to customers and the set-up of this may take an extended period of time and/or result in

additional complexity. Also, such measures could fail to be successful in counteracting localization trends.

Any of the factors described above could adversely affect our ability to produce, market and sell our products, and may result in a possible decline in the demand for our products as well as negative effects on our supply chains which could result in an increase of our purchasing costs.

1.1.1.6 Competition in some of the markets in which we operate is intense and may further intensify in the future.

Some of the markets in which we operate, such as the cable accessories products market in China, Argentina or Brazil, or the overhead line accessories market in China and India (source: *Roland Berger General Study*), are highly competitive and characterized by sudden and unexpected changes in market penetration, price competition, and the development and introduction of new products, product designs and technologies. In these markets, we compete primarily on the basis of quality, innovation and technical design, as well as the ability to provide engineering support, repair know-how and services. Should we fail to secure the required quality and reliability of our products and our services as well as the reliability of our supply chains in the future, our customers may decide to procure products from our respective competitors. Further, we have observed that certain competitors are seeking to increase their market share by offering customers highly competitive prices which increases the pressure on us to make production more cost efficient.

With respect to the markets in which we are active, new or existing competitors with new innovative products may enter the markets we serve or expand their market position. For example, new developments and inventions in the field of artificial intelligence and digitalization may lead to new solutions for tracking cable accessories in the area of sensorics, enabling improved product monitoring and preventing cable accessory failures. Further, new customers may bring new, specific technical requirements and demands to which we may be unable to adapt. Consolidation among competitors and entry of new players in any of our markets may make it difficult for us to maintain or increase our market share. Regulatory frameworks in different geographic markets are often still evolving and uncertain and may lead to various innovation requirements at different paces in these markets.

In the markets we operate in, we continue to be faced with international competitors who are exerting downward pressure on market prices. In the past years, we have observed a rise in competitive and price pressures, including from Asian players which are newly established competitors or recently entered the markets in which we are active, in particular in the OHL Segment. So far, we have been able not to concede to such price pressures from our competitors due to our strong market position and quality of our products and services. However, our customers continue to be faced with competitive pressures, which are often passed on to their suppliers, including us. This requires us to continuously apply stringent design-to-cost practices on existing and new products. Increased price pressures may adversely affect our margins or lead to a loss of market shares and revenues for the Group, in particular in the OHL Segment.

If we are unable to offer our products and services on favorable terms to our customers, this could have a material adverse effect on our business, financial condition, and results of operations.

1.1.1.7 We could fail to adapt sufficiently or in a timely manner to market trends and technological developments.

Our success depends on our ability to recognize and predict market trends and technological changes and to consistently develop and bring new and improved products to the market in a timely manner. Although we invest in technology (for example in the field of sensorics and smart grid products), new materials, and innovation which we believe will be critical to our long-term growth and our needs to continually adapt our expertise in response to emerging technological innovations, industry standards and customer requirements or preferences, our predictions as to market trends or technological changes might be inaccurate or our investments might take more time than the expected time schedule or fail at all. For example, we cannot exclude that certain products, such as the HV CONNEX cable connector system, will be subject to increasing international standardization in the future which would result in an increased price competition.

Many of our products also require extensive and costly development, manufacturing, and testing processes. Due to the complex and advanced nature of our technology and products, we may face unforeseen technological challenges that arise in the development, manufacturing and testing of new products, which may lead to, for example, cost increases, quality issues, or delivery delays. In particular, the manufacturing of the new HVDC products requires enhanced testing processes and, due to their product size, more metal and silicone material.

The markets in which we are active are characterized by trends, such as electrification, power efficiency, automation, and renewable energies in the context of the ongoing global shift from fossil-based systems of energy production and consumption to renewable energy sources (the "**Energy Transition**"). As a result, we may face additional costs and challenges in developing new products or adapting our current products to respond to the additional demands and regulatory requirements that our customers and regulators impose on us.

Furthermore, we may be confronted with new competitors who seek to penetrate the new Energy Transition markets by leveraging their expertise with respect to Energy Transition technology or by achieving an incumbent position in the same markets that we are targeting.

In addition, digitalization is expected to further accelerate and has already transformed certain sectors. The pace at which we implement digital technologies and adapt to these trends represents an important success factor. If we are unable to keep pace with these trends, this might pose a risk to our market position.

We might be unsuccessful in developing new products or systems or in bringing them to market in a timely manner, including due to an inability to effectively implement our business strategy. Further, products or technologies developed by others may render our offerings obsolete or non-competitive or our customers may substitute competing products for our products or adopt alternative technologies to ours. Further, the market might not accept our innovations, or our competitors might be able to produce our non-patented products at lower cost. We could fail in anticipating our customers' needs and requirements and adjusting our cost structure in the event of contraction of demand. Should we fail to successfully react to such developments our growth opportunities or existing customers could be lost. Furthermore, if we devote resources to the pursuit of new technologies and products that fail to be successful, all or part of the associated costs may be lost, and our business may suffer.

The occurrence of a risk described above could have a material adverse effect on our business, financial condition, and results of operations.

1.1.1.8 Certain of our end customers operate in industries that are sensitive to changes in the economic environment, particularly a delay of the Energy Transition.

Some of the markets in which we operate, including the delivery of connectors and insulators for the distribution and transport of renewable electricity and energy distribution and transport generally, are sensitive to changes in the economic environment, in particular to politically or otherwise caused delays of the Energy Transition in key markets. A politically caused delay of the Energy Transition in some of our core markets could lead to a slow-down in the expansion and modernization of electrical grids and thus to a reduced or delayed demand for our products. In particular, the new U.S. administration has announced to slow down the Energy Transition in the United States which may lead to a lower than expected or delayed demand for our products in the U.S. market.

Demand for our products is largely driven by the developments in the markets we serve. If demand for output in these industries decreases, investments in new equipment decreases and subsequently the demand for our products is also likely to decrease. Demand in these industries is impacted by numerous factors, including prices of commodities, interest rates, fuel costs, energy demands as well as economic growth. Increases or decreases in these variables globally may significantly impact the demand for our products.

Our business is characterized by high fixed costs. We risk underutilization of our facilities if the markets in which we operate decline. An underutilization of our facilities could result in idle capacity costs (i.e., fixed costs), write-offs of inventories and losses on products due to falling average sale prices. Furthermore, falling production volumes cause declines in revenue and earnings.

An inability to predict the cyclicality in certain industries that results in a significant decrease in the demand for our products and the failure to plan for such cyclicality could have a material adverse effect on our business, financial condition and results of operations.

1.1.2 Risks Related to Our Financial Profile

1.1.2.1 We could fail to refinance our financial indebtedness.

As of December 31, 2024, our liabilities amounted to €158,974 thousand (audited), consisting of non-current liabilities in the amount of €39,942 thousand (audited) and current liabilities in the amount of €119,032 thousand (audited) (source: Company's audited consolidated financial statements as of and for the financial year ended December 31, 2024 prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**") and the additional requirements of German commercial law pursuant to Section 315e para. 1 of the German Commercial Code (*Handelsgesetzbuch* – "**HGB**") (the "**Audited Consolidated Financial Statements 2024**")).

A liability is qualified as current if it is due for settlement within twelve months after the reporting period or if the Company does not have a right to defer the settlement of the liability for a minimum of twelve months after the reporting period. Current liabilities therefore include outstanding amounts (principal and interest) under the senior facilities agreement dated December 20, 2022, and as amended on April 8, 2025, PFISTERER is party to that provides for aggregate borrowings of up to €90.0 million under (i) a €30.0 million term loan facility and (ii) a €60.0 million revolving credit facility (the "**Senior Facilities Agreement**").

As of February 28, 2025, the term loan facility was fully drawn in the amount of €30 million and the revolving cash credit facility was drawn in the amount of €9.967 million. Both the revolving credit facility and the term loan facility under the Senior Facilities Agreement mature on December 22, 2025.

As of the date of the Prospectus, we do not have sufficient funds, excluding the net proceeds from the Offering attributable to the Company, to cover the Company's working capital requirements for the next twelve months from the date of the Prospectus, including the repayment of the outstanding debt under the Senior Facilities Agreement. The working capital shortfall in December 2025 will amount to approximately €30 million.

Following the completion of the Offering, we intend to refinance the outstanding debt under the Senior Facilities Agreement by entering into new external financing arrangements which will reflect the adapted financing requirements of the Group.

We are very confident, based on current discussions with various debt providers, that we will be able to secure a refinancing of the Senior Facilities Agreement either by way of entering into a new credit agreement with current lenders under the Senior Facilities Agreement or by way of alternative financing sources from other debt providers, to refinance the Group's debt and meet the Group's overall financing requirements.

Our ability to refinance our current financial indebtedness will depend on, among other things, the conditions of the capital markets and our financial condition at such time. We could fail to refinance our outstanding indebtedness on terms as economically favorable as our current financing arrangements under the Senior Facilities Agreement or at all.

Should we fail to obtain additional financing, which we deem highly unlikely, we would try to agree to a standstill with our lenders under the Senior Facilities Agreement. We are very confident that the lenders would agree to a standstill, but if they do not, we would have to pursue alternative funding options. There is a risk that such options could fail to be available to us or could fail to be feasible to implement. Therefore, we could be forced to reduce or delay our business activities or capital expenditures, or to sell certain of our subsidiaries or other significant assets to rectify the working capital shortfall.

We are very confident that we will be successful in obtaining sufficient working capital to rectify our working capital shortfall through the above-mentioned measures. Should none of these measures to obtain additional working capital be successful, which we deem highly unlikely, the Company could become insolvent. This could result in shareholders losing part or all of their investment in the Company.

1.1.2.2 We could fail to obtain or maintain sufficient financing, including working capital financing, and credit insurance.

As of the date of the Prospectus, we are not in a position to repay the outstanding debt under our Senior Facilities Agreement and there is a risk that, excluding the net proceeds from the Offering attributable to the Company, we might not be able to refinance the Senior Facilities Agreement although we are very confident that we will be able to secure a refinancing of such financial debt (see "*1.1.2.1 We could fail to refinance our financial indebtedness.*"). Further, in the medium term, we will require additional letters of credit lines in the amount of €30.0 million in order to finance the further growth and expansion of our Group. In addition, we are currently applying for an investment development loan in the amount of €25.0 million in order to finance part of our planned investment into the in-house research and development laboratories for our HVDC products. While we are very confident to secure both additional

letters of credit lines and the investment development loan by the end of the second quarter of 2025, we could fail to obtain this additional financing in due time.

If we are unable to raise required capital on economically acceptable conditions or at all, we may be forced to limit operations, which in turn, may negatively affect our reputation and finances.

Further, our liquidity could be adversely impacted if our suppliers were to suspend normal trade credit terms and require payment in advance or on delivery. If our available cash flows from operating activities are not sufficient to fund our ongoing cash needs, we would be required to find additional sources of capital, which could fail to be available on satisfactory terms, in sufficient amount or at all. Interest rates have increased significantly in the past and may increase again in the future, thereby increasing our interest expenses associated with such borrowing and reducing future cash flow available for other purposes. We counter the risk resulting from our long-term loans with variable interest rates through interest rate hedging transactions. However, hedging could fail to continue to be available on commercially reasonable terms or will not always be effective in managing our interest rate risks.

If we fail to maintain a sufficient level of cash, third party financing, or credit insurance, our suppliers may suspend trade credit terms and/or require advance payments or our customers might decrease orders and we might be unable to finance our further growth, which could materially adversely affect our business, financial condition, and results of operations.

1.1.2.3 We might not be able to secure sufficient funding for our R&D activities.

We require sufficient funding to finance our research and development ("**R&D**") activities. Should we be unable to secure such funding, we could lose our competitive position in several important and rapidly growing sub-markets. E.g., we aim to compete with newly developed products in the market for high voltage direct current (HVDC) cable accessories and aim to generate revenues with our new product portfolio starting from the financial year 2026. We incurred €21,295 thousand (*audited*) in engineering, research and development costs ("**R&D Costs**") in the financial year ended December 31, 2024, for the development of new and existing products and technology (which includes a significant amount for third party testing studies). In addition, we conduct similar research and development activities on an order-specific basis depending on our customers' demands and needs. These costs are recognized within our cost of sales and are assigned to the respective customer order.

An inability to obtain funding for R&D activities could have a material adverse effect on our business, financial condition and results of operations.

1.1.2.4 Our debt agreements and those of our subsidiaries contain customary financial and restrictive covenants that limit our operating flexibility.

The Senior Facilities Agreement requires compliance with certain customary affirmative covenants, such as covenants relating to compliance with laws and sanctions and maintenance of insurances and of intellectual property rights. It also contains operating covenants, subject to certain agreed exceptions, including amongst others covenants restricting the ability of certain members of the Group to create security, make investments (including granting loans and guarantees), dispose of assets, incur indebtedness, consolidate or merge with other entities or change the business, enter into acquisitions or joint ventures, or make restricted payments (including dividends and other distributions). In addition, the Senior Facilities Agreement contains certain financial covenants relating to the Company's net debt ratio and the equity ratio. Non-compliance with these covenants could result in immediate maturity and thus

repayment of our debt or payment of waiver fees or lead to increases of the interest rate. In addition, the interest to be paid under the Senior Facilities Agreement depends on the development of the EURIBOR and a defined margin. Therefore, an increase in the EURIBOR may increase our interest payments and, thus, have a negative impact affecting our financial result.

Any future debt agreements that we or any of our subsidiaries enter into may have covenants that are even more restrictive. The requirement that we and our subsidiaries comply with these, and any future provisions may materially adversely affect our ability to react to changes in market conditions, to take advantage of business opportunities that we believe to be desirable, to obtain future financing, to fund needed capital expenditure, or to withstand a continuing or future downturn in our business.

1.1.2.5 We have assumed significant pension liabilities.

Pension benefits are granted to a number of employees of PFISTERER. The provisions for pensions and similar obligations may be affected by changes in actuarial assumptions, including life expectancy, the discount rate, as well as by movements in financial markets.

Actual developments may differ from assumptions, e.g., due to changing market and economic conditions, thereby resulting in an increase or decrease in the actual obligations. Significant fluctuations in the financial markets or a change in the portfolio mix of plan assets can result in significant increases or decreases in the attributable fair value of plan assets over time. This applies particularly to equity securities. Also, changes in the valuation assumptions of pension obligations can affect the defined benefit obligation. For example, a change in discount rates, in particular, may result in changes in the defined benefit obligation.

As of December 31, 2024, our defined benefit obligations amounted to €43,948 thousand while the fair value of plan assets amounted to €26,274 thousand. As a result, we recorded a provision for pensions and similar obligations of €17,675 thousand.

Furthermore, the legal conditions governing our pension obligations are subject to changes in applicable legislation or case law. We may incur new or more extensive pension obligations in the future due to changes in such legislation and case law, or such changes may negatively impact previous calculations with respect to our pension obligations. Moreover, future amendments to accounting standards may affect our pension obligations.

1.1.2.6 We may need to recognize impairment charges related to goodwill and intangible assets.

As of December 31, 2024, we recognized €209 thousand of licenses, software and similar rights and €7,769 thousand of other intangible assets, including internally generated intellectual property rights and similar rights, goodwill and advance payments made in our consolidated statement of financial position. We are required to test goodwill and similar intangible assets in regular intervals (at least annually) and on an interim basis if there are indicators of a possible impairment. There is significant judgment required in the analysis of a potential impairment of goodwill or other intangible assets. If, as a result of a general economic slowdown, deterioration of one or more of the markets in which we operate or impairment of our financial performance, the estimated value of our intangible assets decreases, we may determine that our goodwill or other intangible assets are impaired. An impairment charge could have a material adverse effect on our results of operations and financial condition.

1.1.3 Risks Related to Our Business and Products

1.1.3.1 We could fail to maintain the high quality of our products and processes and the timely delivery of ordered goods.

Our products are mission-critical for electrical power grid and other applications in which they are used. We produce technologically complex products which must meet high quality standards and low tolerance ranges on account of their applications and the markets in which they are used. Products that have already been introduced on the market are subject to risks related to the product quality expected by customers. A decline in the actual or perceived quality of our products and processes could damage our image and reputation, including due to an inability to effectively implement our business strategy. In addition, defective products could result in loss of revenues, compensation claims for damages, including for consequential damages, loss of customers and loss of market acceptance or could damage our reputation and market perception, which, in turn, could have an adverse effect on our revenues and results of operations. Moreover, product or design defects or quality issues could result in costs to remedy or repair such defects or issues, which are typically not covered by our insurance policies and may require us to establish provisions. These costs may increase if any defects in or issues with our products are only detected after they have been installed in electrical equipment, offshore wind platforms, underground power lines (cables), electrical substations, onshore wind farms, and overhead lines and may therefore require complex, time-consuming and/ or costly re-works. Furthermore, our customers could potentially bring claims for damages. As a manufacturer, we are currently and may, in the future, also be subject to regulatory inquiries and consequent proceedings if necessary specifications and quality assurances in respect of our products are not met.

In some countries and for certain customers, certain product certifications or (factory) homologations with regard to specifications and quality standards are necessary or advantageous in order for our products to be accepted by customers and markets. As such, we need to be able to obtain and maintain the relevant certifications or homologations. In addition, some customers also require us to maintain certain standards and conduct inspections at regular intervals to ensure we maintain these standards. Any failure to meet or maintain the requirements needed to secure or renew such certifications or homologations could result in a material adverse effect on our business, financial condition, and results of operations.

In addition, timely delivery performance represents a key competitive factor. Our products usually have a long implementation period. A failure by us to meet contractual delivery dates could result in contractual penalties, expose us to damage claims from our clients, lead to a loss of customers or negatively impact our reputation.

If we are not able to maintain the high quality of our products and processes and the punctual delivery of ordered goods, this could have a material adverse effect on the demand for our products and could adversely affect our reputation, business, results of operations and financial condition.

1.1.3.2 A disruption in our supply or delivery chain may cause us or one or more of our suppliers or customers to halt production.

The logistics processes in our industries and end-markets are exposed to potential disruption in our supply and delivery chains. From time to time, we experience supply chain disruptions, for example regarding the delivery of certain components that are used for our insulators and connectors. Such disruptions could significantly delay our production due to the tight

production schedules or force us to maintain inventory at levels that are higher than the desirable level of inventory. Such disruptions may occur for various reasons, which, both individually and in the aggregate, can increase pressure on the supply and delivery chains and lead to production delays as well as delayed acceptance by our customers. These interruptions can also result in increased costs for raw materials and logistics, which can erode profit margins and negatively influence our competitive position in the market. Reasons for such disruptions include the closure of supplier facilities or critical manufacturing facilities due to strikes, insolvencies or other financial instability, mechanical breakdowns, electrical outages, fire, flood, explosions, public health crises, international conflicts, and extraordinary events such as the temporary Suez Canal closure in March 2021. Any shortage of transport capacity on our core routes can lead to a significant increase in transportation and logistics costs and a shortage of available raw materials and sub-components. We may also face interruptions in supply and delivery chains if the quality of the subcomponents or raw materials delivered to us by our suppliers does not meet our requirements. The same may occur if we do not meet customer requirements, e.g. during a factory acceptance test prior to delivery and are required to manufacture products anew or require our suppliers to do so.

Disruptions may further result from shortages of raw materials and subcomponents, the prohibition of certain raw materials (such as silicone) or subcomponents, and/ or energy shocks. In turn, closure or disruptions along the supply and delivery chains may lead to additional pressures on other suppliers and the transportation infrastructure due to higher-than-expected order volumes, which suppliers or logistics companies may be unable to process in a timely manner due to *e.g.,* an unavailability or failures of skilled labor or production facilities. Furthermore, extreme weather conditions, in particular periods of drought and heat, have repeatedly impeded business and industrial activities during the last years, resulting in regional shortages of water and power as well as difficult transport conditions and scarcity of certain goods and resources. Additional relevant factors may be logistical complications resulting from other natural disasters, mechanical failures, and delayed customs processing as well as the ongoing Russia-Ukraine Conflict and the Israel-Hamas Conflict.

While we would be able to substitute certain raw materials and subcomponents on a mid-term, the lack of critical subcomponents or raw materials (such as silicone) necessary to manufacture our products could require us to prolong our production period. Missing subcomponents or raw materials have caused us to experience from time to time and may further cause us to experience a backlog in our production, assembly, and testing operations as well as assembly interruptions. In such cases we could fail in identifying supply and delivery alternatives in a timely manner or at all. Due to supply chain disruptions, inventory levels have increased in the past, which has had and continues to have a negative effect on our working capital and therefore our operating and free cash flow.

Even when products are ready to be shipped, or have been shipped, delays may arise before they reach our customers. If we are not able to deliver our products in time, we have to absorb our own costs for identifying and solving the cause of the problem, as well as expeditiously producing and shipping replacement products. In addition, any such disruption in our supply and delivery chains may result in a delay and trigger penalty payments under our existing customer contracts.

Any disruption in our supply and delivery chains could negatively affect our production and have a material adverse effect on our business, financial condition, and results of operations.

1.1.3.3 Delivery bottlenecks can occur due to reduced production plant availability, production plant breakdowns or phases of high production utilization.

We can experience delivery bottlenecks due to reduced production plant availability or production plant breakdowns, which may be caused, e.g. by fire, flood or by other hazardous events. For example, in September 2024 our Wunsiedel production facility was damaged by a fire and had to be closed, which required a relocation of the silicone insulators production to our production site in Kadaň, Czech Republic, and led to delay in the production and delivery of products, a loss of inventory and machinery as well as a restructuring of the workforce employed at the Wunsiedel site.

Furthermore, delivery bottlenecks may occur in phases of temporarily high production utilization.

Any delivery bottlenecks could negatively affect our production and have a material adverse effect on our business, financial condition, and results of operations.

1.1.3.4 Our business and future growth depend on our ability to attract and retain qualified executives, key employees and other personnel.

Our success and growth ambition depend on attracting and retaining directors, executive officers, senior management, key employees and other personnel, including personnel for our engineering or R&D activities. The loss of executives, key employees and other personnel or the failure to hire the additional personnel that we require could have a material adverse effect on our market and financial position. Due to intense competition within the industry as well as demographic challenges, there is a risk of losing qualified employees to competitors or being unable to find a sufficient number of appropriate new employees. Considerable expertise could be lost, or access thereto gained by competitors.

While we have taken different measures to retain our executives and key employees, such as setting up a virtual share option program, an employee stock option program as well as performance-based remuneration systems, we may be unsuccessful in retaining our executives and the employees in key positions or in attracting new employees with corresponding qualifications. In particular, the labor markets for production staff in some of the countries in which we are active, such as Germany, the Czech Republic, Switzerland and the United States, are characterized by low unemployment rates, resulting in intense competition for personnel.

In addition, we are a U.S. federal contractor for the purposes of affirmative action plan requirements, which could impose elevated staffing burdens on us, including restrictions on our recruiting, hiring, promoting, terminating, and compensating employees. We are further subject to annual audits by the U.S. Office of Federal Contract Compliance Programs that is part of the U.S. Department of Labor, and there is a risk of attendant exposure to potential damages for discrimination or other non-compliance with plan requirements imposed in connection with these audits.

If we are not able to attract and retain executives, key employees, and other personnel, this could hinder our growth, undermine our competitive position and have a material and adverse effect on our business, financial condition, and results of operations.

1.1.3.5 Our operations rely on complex IT systems and networks, which may be breached, attacked, or impaired.

As a manufacturing company we are increasingly integrating internet of things (IoT) technology, cloud-based systems, and automated production lines. We rely on centralized, standardized information technology ("**IT**") systems and networks to support business processes, as well as internal and external communications. Although we analyze our IT systems on a regular basis we could incorrectly assess how prone to errors or viruses our IT systems are and we might not have the know-how to fix any malfunctions. Any failure in the operation or breach of our IT systems could result in material adverse consequences, including disruption of operations, loss of information or an unanticipated increase in costs.

Moreover, there is the risk of unauthorized access, theft and destruction or misuse of business data and information. We have in the past experienced, and continue to experience, attempts to compromise our IT systems with a view to accessing our data or otherwise interfering with our operations, including through the use of malware, ransomware and social engineering. While we have not suffered any material loss of data or significant interruptions to our business operations to this date, such failure of our IT systems or failure by us to prevent the compromising of our IT systems could cause economic loss for which we could be liable and may expose us to governmental investigations, disciplinary actions, and fines. A malfunction of our data security measures, or a cyber-attack could allow unauthorized persons to access sensitive business or personal data, including information on our intellectual property or business strategy or those of our customers. This is an evolving risk due to increasing global cyber-crime activity. At the same time, increasing dependence on digital sales and customer care increases our exposure and susceptibility to cyber-attacks. Cyber-attacks may also lead to production downtimes and delivery bottlenecks, which may have a negative impact on our business reputation, our competitiveness and business results. The risk of cyber-attacks may also be heightened because of the ongoing Russia-Ukraine Conflict and the Israel-Hamas Conflict. The security measures we have put in place could fail to successfully defend us against these attacks.

In addition, from time to time, we may be required to make investments to maintain and/or upgrade our IT systems and networks and such investments may be significant, take longer than expected or cause interruptions to our existing systems. For example, we plan to move to SAP S/4 HANA, an enterprise resource planning software used to manage various business functions, which could present issues such as delays or system interruptions.

Any breach of our IT system or network disruptions could have a material adverse effect on our business, financial condition, and results of operations.

1.1.3.6 We could fail to realize the revenue presented in our Order Intake and/or Order Backlog.

We present order intake and order backlog as operational alternative performance measures ("**APMs**") in this Prospectus. Our order intake refers to binding customer contracts and purchase orders concluded and/or received in the respective reporting period at the respective price ("**Order Intake**"). Our order backlog refers to the sum of all undelivered customer orders at a certain point in time at the respective order value ("**Order Backlog**"). Our definition of Order Intake and Order Backlog may not necessarily be the same as that used by other companies engaged in activities similar to ours and therefore may not be comparable to similar metrics reported by such other companies. Our Order Intake and Order Backlog are computed based on facts known and assumptions deemed appropriate at the computation date.

However, Order Intake and Order Backlog figures are based on a number of assumptions and estimates, including assumptions as to exchange rates between the Euro and other currencies, estimates of the amount of additional work and cost overruns for which we are able to claim payment from the customer under our contracts and estimates of the percentage-of-completion of contracts.

There is a risk that Order Intake or Order Backlog will not result in an actual recognition of the expected revenue and growth rates within the period initially anticipated, or at all. We may experience variances in the realization of our estimated Order Intake and Order Backlog due to, among other things, delays or cancellations, scope adjustments, external market factors and economic factors beyond our control (see "*1.1.1.1 We are exposed to the performance of the global economy, macroeconomic trends, and the performance of the general economy in the markets in which we are active.*" and "*1.1.3.4 Our business and future growth depend on our ability to attract and retain qualified executives, key employees and other personnel.*").

If the estimated Order Intake or Order Backlog fails to materialize as anticipated, our business, financial condition or results of operations would be materially and adversely affected.

1.1.3.7 Our R&D activities could fail to lead to the development of commercially successful products.

Developing new and improved products requires a substantial amount of capital funding and entails considerable uncertainty. Due to the complexities and uncertainties associated with R&D, products that we are currently developing could drop out of the development process before being completed, or it may take longer than expected to develop and market these products. If we devote resources to the pursuit of new technologies and products that fail to be accepted in the marketplace or that fail to become commercially viable, all or part of these costs may be lost.

1.1.3.8 We are subject to various country risks related to our global operations and our expansion in growth markets.

Our business is subject to certain risks associated with doing business in more than 90 jurisdictions. Most of our operations are in the EU, Switzerland and the U.S., but we also have subsidiaries in Argentina, China, Brazil, the United Arab Emirates, and Saudi Arabia. Our global operations and our expansion in growth markets are subject to various exposures that could have a material adverse effect on those operations and our business as a whole, including:

- the burden of complying with multiple and possibly conflicting laws (*e.g.*, data protection or sanction laws) and unexpected changes in regulatory requirements;
- foreign currency exchange controls, sanctions, import and export restrictions and tariffs;
- political risks, including risks of loss due to civil disturbances, acts of terrorism, acts of war or insurrection;
- interference by governments;
- underdeveloped infrastructure;
- unstable political, economic, financial and market conditions;

- currency exchange rate fluctuations, in particular with respect to US Dollar, Swiss Franc and Argentinian Peso;
- interest rate fluctuations;
- high inflation, for example in Argentina, where inflation rates are decreasing but still high (117.8% in 2024) (source: *https://de.tradingeconomics.com/argentina/inflation-cpi*);
- difficulties in enforcement of third-party contractual obligations and intellectual property rights and collecting receivables through foreign legal systems;
- difficulty in staffing and managing international operations and the application of foreign labor regulations;
- difficulties in attracting and retaining qualified management or adequately trained personnel;
- differing local product preferences and product requirements;
- potentially adverse tax consequences from changes in tax laws, requirements relating to withholding taxes on remittances and other payments by subsidiaries and restrictions on our ability to repatriate dividends from our subsidiaries;
- difficulties ensuring the integrity and compliance of business partners, as well as business environments;
- exposure to liabilities under anti-corruption, anti-trust and anti-money laundering laws.

Any of these factors could have a material adverse effect on our local operations and the business, financial condition, and results of operations of the Group.

1.1.3.9 We are dependent on certain third-party suppliers and component producers who could cease to supply us with certain components.

We purchase certain raw materials and standard components, such as epoxy spare parts, from third-party suppliers. We may face significant price increases due to inflation and rising trade barriers, and contracts with such third-party suppliers may no longer be profitable. Particularly for such customer contracts for which we are unable to pass on increasing prices, as is the case for most of our contracts, we may need to re-negotiate prices with third-party suppliers or switch suppliers. Usually, we do not enter into procurement and supply contracts which would guarantee minimum quantities available. In addition, there is a risk that such suppliers would not be able or willing to continue providing us with an adequate quantity of raw materials and components of the required quality in a timely manner or at all. Any delay may result in higher costs, production downtime, inventory backlogs, costly adjustments to or a re-engineering of our products and delayed completion of project milestones. We may have difficulties finding other suppliers with an adequate quantity and appropriate quality supply of components in a timely and economic manner, if at all. For example, due to the long lifetime of our products, we face risks regarding obsolescence. Some suppliers may decide to no longer produce certain subcomponents, and we may be required to enter into special agreements with them that may be more costly or stock up our inventories if we are not able to identify alternatives in a timely manner or at all. In addition, some suppliers may be affected by scarcity of materials or energy. Further, due to our dependency on certain suppliers of raw

materials, such as silicone or aluminum, from China, the Group's adequate supply of such raw materials could be jeopardized.

Our inability to obtain suitable sources of supply for necessary (sub-)components used in our manufacturing and assembly processes, or to obtain these supplies on price terms favorable to us, could have a material adverse effect on our financial condition and results of operations.

1.1.3.10 Environmental, social and governance matters may impact our business and reputation.

There has been an increased focus by customers, investors, employees, and other stakeholders, as well as by governmental and non-governmental organizations on environmental, social and governance (together, "**ESG**") matters. For example, a rising number of our customers and business partners, including our financing banks, may put an increased focus on sustainability, most prominently environmental, factors in awarding business, or through sustainability-linked financing conditions. In addition, a variety of organizations measure the performance of companies on ESG topics, including in the form of ratings, and the results of these assessments are often widely published. Furthermore, investment funds that invest in companies that perform well in such assessments are increasingly popular and major institutional investors have publicly emphasized the importance of ESG measures to their investment decisions. The adoption or further refinement of ESG investment principles by investors (for example, so-called green funds) might also lead to a divestment of shares of companies perceived not to be in compliance with such principles.

We could fail to manage such issues successfully, or we could fail to meet society's or investors' ESG expectations or any future ESG reporting requirements such as the new requirements under the EU Directive (EU) 2022/2464 on Corporate Sustainability Reporting ("**CSRD**"), which is currently expected to apply to us for the first time for the financial year 2027, for reports published in 2028 (due to the postponement according to the so called 'stop the clock' legislation passed by the European Parliament on April 3, 2025). As part of our commitment to ESG matters, we have made ESG an important and integral part of our corporate and growth strategies, which bears significant challenges and risks. If, among other aspects, we fail to meet our ESG targets or those of other ESG performance categories become the subject of negative public perception or adverse publicity, lose credibility, or are unable to meet expectations on the part of our customers, investors, employees, business partners, and other stakeholders relating to our ESG strategy, or our ESG rating is downgraded, this could negatively impact our reputation and brands, our relationships, employee engagement and retention and the demand for our solutions. If we were unable to meet our targets or investors' expectations related to ESG, we could become subject to claims or allegations by such investors. In addition, we may be subject to concerns that do not directly relate to us but rather to the industries that are adjacent to ours or that are based on inaccurate or misleading information.

In addition, our efforts to achieve our ESG goals may result in increased costs. Standards regarding ESG could change and become more onerous and costly for us to meet. Evolving data, methods, research and reporting requirements, including science-based assessments, could undermine or refute claims and beliefs that we have made in reliance on current data, research and reporting requirements, for example, relating to our corporate carbon footprint, which could result in additional costs or negative market perception.

If we fail to address the ESG matters successfully, this could have a material adverse effect on our reputation, business, financial condition, and results of operation.

1.1.3.11 ESG ratings could negatively impact our business and reputation.

ESG ratings may vary among the different ESG rating organizations and are subject to differing methodologies, assumptions and priorities used by such organizations to assess ESG performance and risks, as no uniform ESG rating standards exist. Each rating by an ESG rating provider should be evaluated independently of the rating by any other ESG rating provider. It is possible that the methodology used by any particular ESG rating provider will not conform to the expectations or requirements of any investor or any present or future applicable standards, recommendations, criteria, laws, regulations, guidelines or listing rules. As a result, our ESG ratings, including our current bronze medal ESG risk rating with EcoVadis, are not necessarily indicative of our current or future operating or financial performance or our commitment to ESG standards and principles and are only current as of the dates on which they were issued. Any ESG rating obtained by the Company provides no conclusive statement as to the actual environmental and/or social impacts of the Company. In addition, individual company ratings may be based on only publicly available information and in other cases may be based on information supplied by the relevant companies. As such, the quality of information in respect of each company included in rankings may vary and there may therefore be limitations on the utility of these rankings. Ratings may change over time, be lowered or withdrawn entirely if, in the judgment of the respective ESG rating provider, circumstances so warrant. The past or future issuance of any ESG ratings which reflect low performance on ESG matters or high ESG-related risk or are not consistent with our own views or commitments may negatively impact our business and reputation.

If our ESG rating is lowered or withdrawn entirely, this could have a material adverse effect on our reputation, business, financial condition, and results of operation.

1.1.3.12 Our sourcing expenses are influenced by inflation, freight costs, and movements in the prices for raw materials as well as other factors beyond our control, and we could fail to pass on price increases to our customers.

We require various raw materials, subcomponents and components as well as energy in our production processes and are exposed to the risk of increased costs for such raw materials (for example raw materials required for the production of silicone or aluminum products), subcomponents or components or energy. We are exposed to the risk that the actual costs incurred in connection with performing our obligations under firm fixed price contracts are higher than assumed at the time of the contract. This could be due to inflation or supply chain disruptions or other reasons, and such higher actual costs could adversely impact our margins. Although we endeavor to include price adjustment clauses when we enter into new contracts in Germany and other suitable jurisdictions, we may have to enter into new contracts without such clauses or it may turn out that such clauses are not sufficient to allow us to pass on additional incurred expenses. We may miscalculate prices for fixed price contracts or the costs of meeting our obligations may rise after the date of the relevant contract, including for reasons that are beyond our control, such as increases in material costs, unexpected technical difficulties, or delays. In particular, the inflationary environment in recent years and related intensified general price increases (in particular rising energy costs) may lead to greater than anticipated costs. Although such costs have meanwhile normalized to some extent, such spikes may occur again in the future. Our suppliers may also try to pass on increased energy costs. Any failure by us to correctly estimate or control the costs incurred by us in connection with fixed price contracts without price adjustment clauses may have a material adverse effect on our profitability and cash generation.

An increase of our costs, in particular under our fixed price contracts without price adjustment clauses, could therefore have a material adverse effect on our business, financial condition, and results of operations.

1.1.3.13 We are exposed to fluctuations in currency exchange rates due to our global operations.

We operate worldwide and are therefore exposed to financial risks that arise from fluctuations in currency exchange rates. Our main foreign currency exchange exposure is to the US Dollar, Swiss Franc, Czech Crown, British pound and Argentinian Peso. Fluctuations in foreign exchange rates could increase or reduce the Euro-equivalent value of our income, costs, dividends, assets and/or liabilities, if denominated in foreign currency. As a result of these factors, fluctuations in exchange rates could affect the results of our operations.

Fluctuations in currency exchange rates could therefore have a material adverse effect on our business, financial condition, and results of operations.

1.1.3.14 We could be adversely affected by property loss and unforeseen business interruption.

Damage and loss caused by fire, accidents, natural disasters, terrorism, political unrest, enhanced national security measures, conflicts, strained international relations, severe weather, or other disruptions of our production process at our manufacturing facilities or within our supply chain, with respect to customers and with suppliers, can be severe. Such disruptions may include failures in partial discharge systems, which can lead to inaccurate quality assessments, undetected product defects, and potential liability issues. E.g., in September 2024 our Wunsiedel production facility was damaged by a fire and had to be closed down, which required a relocation of the silicone insulators production to our production site in Kadaň, Czech Republic, and resulted in a loss of inventory and machinery as well as led to a restructuring of the workforce employed at the Wunsiedel site. Such risks arising from business interruption and loss of production are insured at levels considered economically reasonable by us, but our insurance coverage for our facilities could prove insufficient in individual cases. Furthermore, such events could result in the injury or death of individuals or damage or destroy third party property or the environment, which could, among other things, lead to considerable financial costs for us. In addition, our manufacturing processes are dependent on critical pieces of manufacturing equipment that may, on occasion, be out of service as a result of unanticipated failures, which may result in production bottlenecks and breakdowns.

Our inability to predict or protect against property loss and unforeseen business interruption could have a material adverse effect on our reputation as well as our business, financial condition, and results of operations.

1.1.3.15 Any investment or acquisition may disrupt and materially harm our business, and we could fail to successfully integrate or realize the expected benefits from such acquisitions or investments.

We have pursued investments and acquisitions, such as the recent acquisition of the development and engineering services company PCS Holdings (UK) Ltd. in April 2025. We may make investments or acquisitions in the future that we believe present opportunities for growth and strengthening of our business, including by adding technological capabilities, improving our operational efficiencies and generating synergy effects, entering into joint venture or similar agreements, increasing the extent of our vertical integration, or enhancing our geographical presence or customer relationships. Such investments and acquisitions may be costly and time-consuming and could divert the attention of our management team from

other business concerns. Acquisitions as well as the integration of a business involve a number of challenges and may result in unforeseen operating difficulties in assimilating or integrating the technologies, products, personnel or operations of the acquired business in a timely manner. Moreover, although we perform a due diligence review of an acquisition target, this review may fail to adequately uncover all contingent, undisclosed, or previously unknown risks or liabilities. Such acquisitions might not perform as planned or might not be beneficial to our business and results of operations. For example, the acquisition of the LAPP Insulators group in 2015 from Quadriga Capital did not realize the expected benefits and, starting from the financial year 2016, had a significant adverse effect on our business, financial condition, and results of operations.

If any of the above risks materialize, this could have a material adverse effect on our business, financial condition, and results of operations.

1.1.3.16 Our insurance coverage could prove inadequate, and our insurance cost could materially increase in the future.

We have comprehensive insurance policies in relation to a number of risks associated with our business activities, such as general liability insurance, cybersecurity insurance, property insurance or directors' and officers' ("**D&O**") insurance. However, our insurance coverage is subject to customary exclusions, limits, and deductibles.

Given the diversity of locations and settings in which we operate and the range of our activities, we could fail to accurately foresee all relevant activities and situations to ensure that they are fully covered by the terms of our insurance policies. As a result, we may incur losses or be subject to claims that exceed the type, scope, or amount of our existing insurance coverage. Furthermore, making and asserting claims against insurers may be a time-consuming procedure, and there may be significant delays between a damage event like, e.g., the fire in our Wunsiedel production facility in September 2024 (see "*1.1.3.2 A disruption in our supply or delivery chain may cause us or one or more of our suppliers or customers to halt production.*"), and the receipt of an actual compensation payment under the relevant insurance policy. At the same time, we have identified risks that cannot be insured on economically feasible terms and for which, therefore, we have chosen not to purchase insurance coverage. These risks include, for example, damage caused by war.

If one or more claims exceed a certain aggregate amount in any given year, insurers may increase our insurance premiums, or the terms and conditions of our insurance coverage may become less favorable than at present. Our insurance costs may also increase over time in response to any negative development in our claims' history such as the fire in our Wunsiedel production facility (see "*1.1.3.2 A disruption in our supply or delivery chain may cause us or one or more of our suppliers or customers to halt production.*") or due to material price increases in the insurance market in general. For example, the COVID-19 pandemic, the Russia-Ukraine Conflict (as regards to our engagement in Poland), and the situation in the Middle East, in particular the further development of the Israel-Hamas Conflict (as regards to our subsidiary in Saudi Arabia) have also placed significant pressure on the market for, among other things, D&O liability insurance, as well as cyber security insurance, which could lead to increased costs for our insurance coverage or make certain risks actually or virtually uninsurable. We could fail to obtain sufficient insurance coverage at commercially reasonable terms or at all.

Any of these risks related to our insurance coverage could result in significant losses and/or higher cost and have a material adverse effect on our business, results of operations and financial condition.

1.1.4 Risks Related to Laws, Regulation and Taxation

1.1.4.1 We are exposed to warranty and product liability claims, and the components and raw materials that we use could fail to comply with applicable laws and regulations.

As a manufacturer and as a supplier, as in the past, we may be faced with claims by our customers resulting in product liability lawsuits and other proceedings alleging violations of due care, violation of warranty obligations (implied or expressed), treatment errors, safety provisions and claims arising from breaches of contract, recall actions or fines imposed by government or regulatory authorities. Also, risks from warranty obligations could arise for the Group if the quality of products does not meet the requirements or regulations are not or not fully complied with. In addition, quality issues with supplier parts may also lead to liability claims being raised against us. Any such lawsuits, proceedings and other claims could result in increased costs for us. In addition, defective products could result in product recalls, loss of revenue, loss of customers, customers' and end-user compensation claims for damages, including for damages to body and life as well as consequential damages, and could lead to substantial cost of repair and replacement. Defective products could also result in a loss of market acceptance and cause damage to the reputation of our products or our customers' end-products. For example, we are currently in discussions with some of our European customers regarding potential claims such customers may have related to alleged failures of products we supplied. In case such alleged failures prove to be true this could also result in possible damage claims of U.S. end-customers.

While we maintain insurance covering the risks arising from such product liability lawsuits, proceedings and other claims, the insurance coverage obtained by us could prove insufficient. Furthermore, our customers could potentially bring claims for damages on the basis of breach of contract, even if the cause of the defect is remedied at a later point in time. In addition, failure to perform with respect to quality requirements could result in the loss of customers and could negatively affect the market acceptance of our other products and our market reputation in various market segments.

We have implemented procedures to ensure that we use only components and raw materials that comply with the applicable laws and regulations and to provide products that meet all customer specifications. However, there is a risk that changes in requirements relating to materials are not identified in time, that products are distributed in the market in violation of the applicable laws or that products are delivered to customers that do not meet the customers' specifications. In case of violations of laws and regulations, we could be subject to administrative or criminal fines or other sanctions. We could also be exposed to civil damage claims from direct or indirect purchasers of the affected products. Finally, potential violations could also damage our reputation or negatively impact the perception of our products. The materialization of any of these risks could have a material adverse effect on our business, financial condition, and results of operations.

1.1.4.2 We may fail to comply with applicable laws and regulations, or changes in such laws and regulations.

We are subject to a wide variety of laws and regulations, including regulations on data protection, environmental protection, anti-trust and competition, tax, tariffs, anti-corruption and employment matters.

Large EU companies and groups including us must publicly report, starting from the financial year 2025 for reports published in 2026, sustainability-related information in line with the CSRD, the Commission Delegated Regulation (EU) 2023/2772 as regards sustainability reporting standards ("**ESRS**"), as well as provide the entity-level reporting required by the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 ("**EU Taxonomy Regulation**"). Since the regulation for the disclosure of sustainability information is new, complex, and in addition, there may be obstacles in collecting objective and reliable sustainability-related data, we are exposed to risk that the disclosures would be recognized as insufficient, inaccurate, misleading or containing greenwashing.

Since January 1, 2023, the German Supply Chain Act (*Lieferkettensorgfaltspflichtengesetz*, "**LkSG**") requires companies with a minimum of 1,000 employees based in Germany to, among others, conduct an appropriate risk analysis to identify human rights and environment-related risks in their supply chains and take respective preventive measures and remedial action. Any changes to the general regulatory environment could have a material adverse effect on our business, financial condition, and results of operations.

On the EU level, the Directive (EU) 2024/1760 on Corporate Sustainability Due Diligence ("**CSDDD**") entered into force on July 25, 2024. Among other things, it established a corporate due diligence duty, which is aimed at ending, preventing, mitigating, and accounting for negative human rights and environmental impacts in a company's own operations, including subsidiaries, and their value chains. The CSDDD is being rolled out in phases, depending on the number of employees and net worldwide turnover. Five years after entry into force of the CSDDD, it will apply to companies that had more than 1,000 employees and a net worldwide turnover above €450 million in the last financial year. Once the CSDDD becomes applicable to our operations starting 2029, if we fail to comply with the resulting obligations, we could be subject to fines, other sanctions and civil claims for damages. As a result, our reputation and business may suffer.

Because we distribute our products across more than 90 countries and manufacture our products at five sites located in three countries, we are subject to various laws, regulations and standards in the different jurisdictions in which we are active. For example, applicable anti-corruption laws are, among others, the U.S. Foreign Corrupt Practices Act of 1977 and the United Kingdom Bribery Act 2010. As another example, country or region-specific product standards apply, such as global product standards set by the International Electrotechnical Commission ("**IEC**") or regional product standards such as Chinese GB standards or North American standards (such as standards issued by the North American Standards Institute).

Our policies and procedures in place that are designed to promote compliance with applicable anti-corruption laws could be insufficient or ineffective. Certain employees or intermediaries (such as consultants or sales agents) as well as suppliers or customers and other third parties may still engage in illegal practices or corruption to win business or conspire to circumvent

our compliance controls. In particular, a key anti-corruption risk in our industry results from dealings with sales agents and other third parties.

Should we be in violation of existing laws, regulations or standards or fail to comply with changing laws, this could have a material adverse effect on our reputation, business, financial condition, or operations. In addition, the implementation of any changes in laws and regulations may prove time-consuming and may cause us to adjust internal procedures, which could also affect our business operations.

1.1.4.3 We could fail to successfully protect our intellectual property and technical and manufacturing expertise.

Our products and services are highly dependent upon our technological know-how and the scope and limitations of our proprietary rights therein. We regularly apply for and have been granted intellectual property rights with respect to our innovations which are of considerable importance to our business. As of the date of this Prospectus the Group holds 105 active patents and 17 patent families.

The process of seeking patent protection can be lengthy and expensive. Furthermore, patents could be denied on currently pending or future applications or be of insufficient scope or strength to provide us with meaningful protection or a commercial advantage. In addition, while there is a presumption that patents are valid, the granting of a patent does not necessarily imply that it is effective or that possible patent claims can be enforced to the degree necessary or desired. In some of the countries in which we operate, patent or trademark protection may be significantly weaker than in the European Union or the United States. Piracy of patent- or trademark-protected intellectual property has often occurred in recent years, particularly in some Asian countries, where we have faced and may continue to face challenges in enforcing our intellectual property rights. Certain of our existing patents convey a narrow scope of protection, including in terms of geographic reach and goods and services covered. Additionally, our patents might have lapsed or expired. Further, our competitors, suppliers, customers and other third parties also submit a large number of intellectual property protection applications. Such other parties could hold effective and enforceable intellectual property rights to certain processes, methods or applications and consequently could assert infringement claims (including illegitimate ones) against us.

A part of our know-how and industrial secrets, such as certain procedures of production, is not patented and cannot be protected through intellectual property rights. Consequently, there is a risk that third parties, in particular competitors, will copy our know-how without incurring any expenses of their own.

Should we be unable to protect our intellectual property and technical expertise, this could have a material and adverse effect on our reputation, business, financial condition, and results of operations.

1.1.4.4 We are subject to risks from legal, administrative and arbitration proceedings.

Our companies have been involved in legal, administrative and arbitration proceedings from time to time, and may become involved in such proceedings in the future. These proceedings or potential proceedings could involve, in particular in the United States which is an important growth market for us, substantial claims for damages or other payments. The materiality of any future proceedings as well as the outcome of individual proceedings cannot be predicted due to the uncertainties that are always associated with legal disputes.

In the event of adverse judgments or settlement agreements, we could be subject to injunctive relief and removal and be obliged to make substantial payments and damages, including payment of the opponent's litigation costs, which could also be significant. Our litigation costs and those of third parties could also be significant. Any adverse legal, administrative or arbitration proceedings could have a material adverse effect on our business, financial condition, and results of operations. Significant claims or a substantial number of small claims may be expensive to defend, may divert the time and focus of management and may result in significant monetary damages or other penalties, any of which could have a material adverse effect on our business, financial condition, or results of operations.

For example, from time to time, we form joint ventures, or enter into R&D or licensing agreements. In some of the markets in which we operate, we only compete with a few other manufacturers. Acquisitions we undertake or joint ventures or other cooperations we enter into may be subject to requirements under antitrust and competition laws (at both national and EU levels). Merger control filings or required governmental approvals could block, impose conditions on, or delay our projects which could result in a failure on our part to proceed with such projects in a timely manner or at all. Competition authorities may take the position that merger control filings would have been required in the past. If we do not meet such requests or requirements at the time of the acquisition or cooperation, the relevant governmental authority may impose fines and, if in connection with a merger transaction, may require corrective measures, such as mandatory disposition of assets or divestiture of operations.

Any requirements under antitrust and competition laws with regard to past or future acquisitions or cooperations or arising from adverse judgments or settlement agreements from legal proceedings could result in significant damage claims and have a significant negative impact on our business, financial condition and results of operations.

1.1.4.5 We may face risks relating to greenhouse gas related adjustment mechanisms.

The extraction of raw materials and smelting of the metals iron and aluminum, which are frequently used in our products, leads to significant Greenhouse emissions. Greenhouse gas emissions have increasingly become the subject of substantial international, national, regional, state, and local attention. Greenhouse gas emission laws and regulations have been promulgated in certain of the jurisdictions in which we operate, and additional greenhouse gas requirements are in various stages of development. Such laws and regulations are complex to implement and may lead to additional costs for us.

In the EU, the Regulation (EU) 2023/956 on the Carbon Border Adjustment Mechanism ("**CBAM Regulation**") has been enacted. The CBAM Regulation introduced from January 31, 2024, reporting requirements for imports of certain products or raw materials that we use in our products (e.g. iron, aluminum, and processed products from them) and will, starting from 2026, impose levies on EU imports of these goods. Other jurisdictions are considering similar requirements. On February 26, 2025, the European Commission announced to mitigate certain reporting requirements under the CBAM Regulation and to postpone the imposition of levies on EU imports of the respective goods until February 2027.

When effective, such measures could require us to modify existing permits or obtain new permits, implement additional pollution control technology, curtail operations, or increase our operating costs. Thus, any additional regulation of greenhouse gas emissions, including through a cap-and-trade system, technology mandate, emissions tax, reporting requirement or other program, could adversely affect our reputation, business, financial condition, and results

of operations. In addition, this could also have an impact on our suppliers or end-markets (particularly oil and gas).

1.1.4.6 Our risk management and internal control procedures may fail to prevent or detect corruption, fraud, other criminal or unauthorized behavior or violation of the law.

Our international operations require complex administrative, financial, and operational processes at entities with heterogeneous levels of maturity in terms of internal controls, evolving in a variety of legal environments and running different information systems.

Our management periodically evaluates the effectiveness of the design and operation of our internal controls. Based on these evaluations, we may conclude that enhancements, modifications, or changes to internal controls are necessary or desirable. However, these controls and measures could be insufficient or ineffective. There are inherent limitations on the effectiveness of internal controls, including fraud, collusion, management override, and failure in human judgment. Despite such controls, our employees, consultants, agents, business partners or suppliers may still engage in illegal practices or corruption to win business or to conspire in order to circumvent our compliance controls. In addition, control procedures are designed to reduce rather than eliminate business risks and are generally oriented to detect systemic issues, rather than individual misbehavior. If we fail to maintain an effective system of internal controls, we may be subject to sanctions or investigation by regulatory authorities.

We have risk management and internal control procedures in place aimed at, among other things, preventing corruption, fraud and other criminal or unauthorized behavior by our managers, employees, consultants, agents, and business partners. However, while we continuously seek to improve the effectiveness and efficiency of our risk management and internal control procedures, the procedures may fail to prevent or detect willful or illegal, in particular collusive, behavior circumventing existing safeguards and controls. Similarly, our risk management procedures may fail to identify, mitigate, or manage relevant risk exposures. Furthermore, it is possible that violations of existing law occur or have occurred despite careful observance of such legal requirements.

If our managers, employees, consultants, agents, or business partners engage in corruption, antitrust violations, fraud or other criminal or unauthorized behavior, we could be subject to administrative, civil, or criminal fines or other sanctions, such as the loss of business licenses or permits or other restrictions. Potential wrongdoing by our managers, employees, consultants, agents, or business partners could also damage our reputation and have an adverse impact on our ability to compete for business.

A failure of our risk management and internal control procedures could have a material adverse effect on our reputation, business, financial condition, and results of operations.

1.1.4.7 As a result of the planned listing on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) in the segment Scale with simultaneous inclusion in the Basic Board, the Company will face additional administrative requirements. Furthermore, we may fail to comply with the requirements of German companies listed on the Regulated Unofficial Market (*Freiverkehr*).

Following the planned listing of the Shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) in the segment Scale with simultaneous inclusion in the Basic Board, the Company will for the first time be subject to

the legal requirements of German companies listed on a public stock exchange. These requirements particularly include dealing with public investors and complying with numerous regulatory and other requirements applicable to public companies, including the increased disclosure obligations of the sub-segment of the Regulated Market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with additional post-admission obligations (*Prime Standard*), which we aim to comply with on a voluntary basis following the Listing (however, excluding the shareholder notification requirements according to Sections 33 et. seq. of the German Securities Trading Act (*WpHG*)).

This will involve changes in corporate governance, management culture, financial and non-financial reporting practices, as well as new and increased regulatory requirements, in particular with regard to internal controls, risk management and reporting. There is a risk that we will not be able to comply with these additional requirements without difficulties and inefficiencies. Any violations of applicable requirements could result in the presentation of incorrect financial information, cause us to incur significant additional costs and/or expose us to legal, regulatory or civil litigation or penalties and could harm our reputation and prevent or permanently restrict our future growth and thus affect our profitability.

Further, this may result in significant additional expenditures and/or expose the Company to legal, regulatory or civil costs or penalties. Furthermore, the preparation, convening and conducting of general shareholders' meetings and the Company's regular communications with shareholders and potential investors will entail substantially greater expenses. The Company's management team, which has not managed a listed company before, will need to devote time to these additional requirements that it could otherwise devote to other aspects of managing the Company's operations.

1.1.4.8 We are exposed to risks in relation to compliance with economic and trade sanction programs.

Our international operations are subject to applicable economic and trade sanction programs, including, without limitation, those administered by the United Nations, the EU, and United States (including without limitation by the Office of Foreign Asset Control) (collectively, "**Sanctions Laws**"). Sanctions Laws may restrict our business dealings with certain countries, territories, governments, and persons. As a result of doing business in a variety of jurisdictions, we are exposed to a risk of violating Sanctions Laws applicable in those countries where we, our partners or agents operate. Our worldwide operations as well as our business with public sector entities increase the risk of violations of Sanctions Laws or similar laws.

In particular, we have to comply with EU trade sanctions with respect to Russia, in particular with Regulation (EU) 833/2014 as amended by Regulation (EU) 2024/3192 as of December 16, 2024. In its Annex XL, which applies to a significant proportion of our products, Regulation (EU) 833/2014 lists certain common high priority products. Irrespective where our direct customer is based, we are obliged to take certain measures in order to mitigate risks of the circumvention of Russia sanctions. We are in particular obliged to operate, implement, and routinely update EU sanctions compliance procedures adapted to our business model, geographic areas of our operations and specifics and risk-profiles of our customers, other business partners and staff.

Furthermore, if a public sector entity were to violate applicable procurement laws or regulations in connection with contracts entered into with us or our marketing activities, the relevant authorities or a competitor could seek enforcement action against us. Violations of

Sanctions Laws are punishable by civil penalties, including fines, disgorgement of profits or gains, denial of export privileges, injunctions, asset seizures, suspension, or debarment from government contracts (and termination of existing contracts) and revocations or restrictions of licenses, as well as criminal fines and imprisonment. In addition, any major violations could have a significant material adverse impact on our reputation and consequently on our ability to win future business and on our business, financial condition, and results of operations.

While we have policies and procedures in place that are designed to promote compliance with applicable Sanctions Laws, our policies and procedures could be disregarded in individual cases or turn out to be insufficient or ineffective to detect and prevent violations of the applicable laws by one or more of our employees, consultants, sales agents or partners. Given the increasingly strict legal landscape, we are also facing a higher risk that some of our customers or other third parties seek to circumvent Sanctions Laws by selling and delivering our products to end-customers that are subject to Sanctions Laws. Certain employees or intermediaries (such as consultants or sales agents) as well as suppliers or customers and other third parties may still engage in illegal practices or conspire in order to circumvent our compliance controls.

If we fail to succeed in managing the above risks, we could become subject to penalties including civil and criminal fines, injunctions, asset seizures as well as suspension or debarment from government contracts and face material adverse consequences on our reputation, business, financial condition and results of operations.

1.1.4.9 Our operations are subject to stringent environmental laws and regulations, which are subject to change.

The nature of our business subjects us to significant government regulations, including, but not limited to, increasingly stringent environmental laws and regulations regarding recycling, environmentally friendly product design, chemicals, and hazardous materials, as well as health and safety regulations in most jurisdictions where we operate. This applies also to air, water, and soil pollution regulations and to waste legislation and regulation, all of which have recently become more stringent through new laws, in particular, but not limited to, in the EU and the United States. Such laws and regulations also require permits, licenses and/or authorizations to be obtained and reports and forms to be completed and delivered, among others, to the competent authorities in connection with the operations of our business. For example, for our manufacturing facilities and operations, we require various permits and have to comply with the requirements specified therein. This regulatory framework imposes on us significant day-to-day compliance burdens, costs, and risks. In the past, adjusting to new requirements has required significant investments and we assume that further significant investments in this regard will be required in the future.

For instance, we are subject to Regulation (EC) No. 1907/2006 (Registration, Evaluation, Authorization and Restriction of Chemicals) ("**REACH Regulation**") and similar regulations under other applicable law which govern the production and use of chemicals, such as the Toxic Substances Control Act in the United States. Several of the chemicals we use are or may be classified as substances of very high concern and are or could become subject to restrictions on use or become prohibited. For example, per- and polyfluoroalkyl substances ("**PFAS**") and lead which are used for our products have been proposed by the European Chemicals Agency to be included in annex XVII of the REACH Regulation (restriction list) and annex XIV of the REACH Regulation (authorization list), respectively. If chemicals we

use become subject to further restrictions on use or prohibited, we must replace these substances, which may have a financial impact on our business operations.

Our operations are also subject to various obligations and requirements relating to the protection of the environment, depending on the location of our production facilities. In Germany, applicable laws include, for instance, the Water Resources Act (*Wasserhaushaltsgesetz*), the Closed Substance Cycle Waste Management Act (*Kreislaufwirtschaftsgesetz*) and the Federal Emissions Control Act (*Bundes-Immissionsschutzgesetz*) including its related ordinances.

In the U.S., the Occupational Safety and Health Act of 1970 is a U.S. labor law governing occupational health and safety in the United States and is administered by the Occupational Safety and Health Administration (the "**OSHA**"), which is an agency of the United States Department of Labor that covers most private sector employers and their employees within the U.S., as well as individual states. Its primary goal is to ensure that employers provide employees with an environment free from recognized hazards, such as exposure to toxic chemicals, excessive noise levels, mechanical dangers, heat or cold stress, or unsanitary conditions. OSHA creates rules which are, together with all other rules created by federal regulatory agencies, collected into a multi-part document called the Code of Federal Regulations. Individual states also have established their own occupational health and safety standards, and these are in some cases more stringent than those promulgated by OSHA. Under the "General Duty Clause" found at Section 5(a)(1) of the OSHA, employers are required to provide their employees with a place of employment that is "free from recognized hazards that are causing or are likely to cause death or serious physical harm". Furthermore, we are subject to additional standards issued by the OSHA and other associations such as the Association for Advancing Automation and the National Fire Protection Association.

Many of our products are subject to comprehensive and constantly changing regulatory requirements that are not always homogeneous worldwide. These national and international regulations can impact the design, manufacture, marketing and sale of our products and services and are subject to increasing governmental scrutiny and enforcement. In particular, violation of such laws and regulations (including, but not limited to, failure to timely renew our licenses or comply with the conditions imposed by environmental authorities for the licenses to be valid and effective) may give rise to significant liability, including, but not limited to, fines and penalties, monetary and reputational damages, third party liabilities and limitations on our business operations and site closures. In the past, we could have failed and may continue to fail to be in material compliance with all applicable laws and regulations governing the protection of the environment and human health, including but not limited to laws and regulations concerning occupational and employee health and safety.

Should we be in violation of environmental laws and regulation or fail to comply with changing laws and regulations, this could cause increased administrative costs and expose us to increased compliance risks have which may have a material adverse effect on our business, financial condition, and results of operations.

1.1.4.10 We may incur additional costs as a result of industry-wide collective bargaining agreements applicable to our employees.

Many of our employees in Germany and the United States are subject to collective bargaining agreements. If collective bargaining agreements which apply to us are amended to provide greater benefits for employees in the future, this may lead to higher employment costs and higher social security contributions.

With 1,239 employees around the world as of December 31, 2024, our relationships with employees, local works councils, trade unions and other employee representatives are important to our business. Relationships with our employees and their trade unions and representatives could deteriorate or may be affected by strikes, work stoppages, sick-outs, unionization efforts, or other types of conflicts with labor representatives, trade unions or employees.

Increased costs due to amendments to collective bargaining agreements or a deterioration of the relationship with our employees or their representatives or trade unions could have a material adverse effect on our business, financial condition, and results of operation.

1.1.4.11 Our operations are subject to the risk of health and safety liabilities.

The nature of our operations, in particular on our production sites, subjects us to various statutory and regulatory compliance and litigation risks under health, safety, and employment ("**HSE**") laws. Despite precautions and organizational measures taken, there may be accidents, even fatal accidents, or incidents suffered by our employees, contractors or other third parties on our sites. If any accidents or incidents occur, we could be subject to prosecution and litigation, which could result in fines, penalties and other sanctions imposed on us and could cause damage to our reputation. The realization of any of this could have a material adverse effect on our business, financial condition, and results of operations.

1.1.4.12 The international scope of our operations and our corporate and financing structure may expose us to adverse tax consequences including penalties and payment of accrued interest.

We are subject to taxation in, and to the tax laws and regulations of, multiple jurisdictions as a result of the international scope of our operations and our corporate and financing structure. We are also subject to intercompany pricing laws, including those relating to the flow of funds among our companies pursuant to, for example, purchase agreements, licensing agreements or other arrangements. Adverse developments in these laws or regulations, or any change in position by the relevant authority regarding the application, administration or interpretation of these laws or regulations in any applicable jurisdiction, could adversely affect our business, results of operations and financial condition.

In addition, the tax authorities in any applicable jurisdiction may disagree with the positions we have taken or intend to take regarding the tax treatment or characterization of any of our transactions, including, *e.g.*, the application of various value-added tax exemptions or characterization of our indebtedness, existing and future intercompany loans and guarantees, the deduction of interest expenses or the existence of foreign permanent establishments. We could also fail, whether inadvertently or through reasons beyond our control, to comply with tax laws and regulations relating to the tax treatment of various of our financing arrangements, which could result in unfavorable tax treatment for such arrangements. If any applicable tax authorities were to successfully challenge the tax treatment or characterization of any of our intercompany loans or transactions, it could result in the disallowance of deductions, a limitation on our ability to deduct interest expenses, the imposition of withholding taxes, the application of significant penalties and accrued interest on intercompany loans or internal deemed transfers, or other consequences that could have a material adverse effect on our business, financial condition and results of operations.

1.1.4.13 Pending and future tax audits and changes in fiscal regulations could lead to additional tax liabilities.

We are subject to routine tax audits by local tax authorities in the countries in which we operate, for example in Germany where PFISTERER Holding SE, Pfisterer Kontaktsysteme GmbH and Pfisterer Insulators Wunsiedel GmbH were subject to general tax audits in Germany for the years 2019 to 2021 which were completed in 2024. However, subsequent tax assessment periods of the German companies as well as several tax assessment periods of other subsidiaries have not yet been subject to an audit. While we believe that we have paid all material tax liabilities and filed all material tax returns as of the date of this Prospectus, and made provisions that we believe to be adequate with respect to material tax risks resulting from current or past tax audits, tax deficiencies may be asserted against us or taxes assessed by the competent authorities pursuant to such tax audits may exceed such provisions. In particular, a future tax audit could result in an interpretation of the tax laws or relevant facts in a manner that deviates from our interpretation. While we attempt to assess in advance the likelihood of any adverse judgments or outcomes to tax proceedings or claims, it is difficult to predict final outcomes with any degree of certainty. All of the tax assessments issued for periods which were not yet finally audited may be subject to review and future tax audits may result in additional tax and interest payments, which would negatively affect our financial condition and results of operation.

Future tax audits may result in additional tax and interest payments, which would negatively affect our financial condition and results of operation.

1.1.4.14 We may face restrictions on the deduction of interest expense or forfeiture of interest carry forwards under German tax laws.

If the full tax deductibility of interest payments is denied, this could adversely affect our financial condition and results of operation. Subject to certain requirements, the German interest barrier rules (*Zinsschranke*) impose certain restrictions on the deductibility of interest for tax purposes. Since 2008, the German interest barrier rules (*Zinsschranke*) in general have disallowed the deduction of net interest expense exceeding 30% of tax adjusted EBITDA. For purposes of the interest barrier rules, all businesses belonging to the same tax group (*Organschaft*) for corporate income and trade tax purposes are treated as one single business. Such consolidation is, among others, relevant for the calculation of the tax adjusted EBITDA. Any net interest expenses exceeding 30% of our tax adjusted EBITDA in any given year might not be deductible. We may, therefore, not be able to deduct the excess in our net interest expenses in calculating our taxable earnings for the relevant year. This may have a material adverse effect on our liquidity and financial condition.

1.1.4.15 We may inadvertently infringe the intellectual property rights of third parties.

Our competitors, suppliers and customers submit a large number of inventions for intellectual property protection. It is not always possible to determine with certainty whether there are effective and enforceable third-party intellectual property rights to certain processes, methods, or applications. In addition, where we incorporate an individual customer's input to create a product that responds to a particular need, we face the risk that such customer will claim ownership rights in the associated intellectual property.

Therefore, third parties could assert infringement claims (including illegitimate ones) against us. As a result, we could be required to cease manufacturing, using, or marketing the relevant technologies or products in certain countries or be forced to make changes to manufacturing

processes or products. In addition, we could be liable to pay compensation for infringements or could be forced to purchase licenses to make use of technology from third parties. This could have a material adverse effect on our business, financial condition, and results of operations.

1.1.4.16 We could be held liable for soil, surface water or groundwater contamination or for risks related to hazardous wastes, substances and/or materials, including clean up obligations and third-party claims (e.g., for bodily injury or property damage).

Many of the sites at which we operate have been used for industrial purposes for many years, leading to risks of contamination and resulting site restoration obligations for us. In addition, under environmental laws and regulations (including property transfer laws), we could be held responsible for the remediation of offsite areas impacted by our sites and operations, natural resource damages, and/or third-party claims (*e.g.*, for bodily injury or property damage). Regulatory authorities could assert claims against us, as the current or former owner or tenant (operator) of the affected sites or as the party that caused or contributed to the contamination, for the investigation or remediation or containment of such soil or groundwater contamination or other environmental media (*e.g.*, surface waters), including related to our use of non-owned treatment, storage and disposal sites or order us to dispose of or treat contaminated soil excavated or water encountered in the course of construction. We could also be liable to the owners or occupants of sites leased by us, sites we sell, or other impacted properties. Costs typically incurred in connection with such claims are generally difficult to predict. Also, if any contamination were to become a subject of public discussion, there is a risk that our reputation or relations with our customers could be harmed.

Several of the chemicals we use are or may be classified as substances of very high concern and are or could become subject to restrictions on use or become prohibited. If chemicals we use become subject to further restrictions on use or prohibited, we must replace these substances, which may have a financial impact on our business operations.

Should we be held liable for soil, surface water or groundwater contaminations this could have a material adverse effect on our business, financial condition, and results of operations.

1.1.4.17 In some regions, we work with sales agents and distributors (resellers) and could therefore be exposed to commercial agents' compensation payments.

Due to local peculiarities of specific regions where we operate, we work with intermediaries, usually sales agents, which are tasked with maintaining our local market presence or the local dealer network. These sales agents have written contracts with us, for example in Belgium and Italy. If these sales agents and intermediaries are deemed commercial agents (*Handelsvertreter*) under Section 84 of the German Commercial Code (*Handelsgesetzbuch*, "**HGB**") or similar regulations in other jurisdictions, we may be obligated to pay commercial agent's compensation pursuant to Section 89b HGB or similar regulations in other jurisdictions upon the end of the contractual relationship, in particular if we were to terminate the relationship. The amount of these payments depends on applicable law, jurisprudence and/or case law, which consider a multitude of factors to determine whether commercial agent's compensation should be paid, including the length of and terms of the relationships, as well as the revenue earned by the commercial agent. As a result, it is difficult to predict whether we will be liable to make such payments, the amount of which could be substantial. If one or more commercial agents were to successfully claim such compensation, this could have a material adverse effect on our business, results of operations and financial condition.

1.2 Risks Related to the Shares

1.2.1 Karl-Heinz Pfisterer and, to a certain extent, Anna Dorothee Stängel will continue to exercise significant influence over us, upon completion of the Offering and the interests of Karl-Heinz Pfisterer and Anna Dorothee Stängel may conflict with the interests of our other shareholders.

Upon completion of the Offering, Karl-Heinz Pfisterer will continue to hold at least 46.2% and Anna Dorothee Stängel will continue to hold at least 12.5% of the Company's share capital and voting rights (assuming placement of the maximum number of the Sale Shares, full exercise of the Upsize Option and full exercise by the Underwriters of the Greenshoe option to acquire additional shares in the Company from Karl-Heinz Pfisterer as the lending shareholder). The interests of Karl-Heinz Pfisterer and Anna Dorothee Stängel could conflict with the interests of the other shareholders. Depending on the expected attendance rate at the shareholders' meetings, the size of his continued shareholding means that Karl-Heinz Pfisterer alone will likely be in a position to pass resolutions at our general shareholders' meeting which require the approval of a simple majority of the share capital represented at the time of the vote regardless of how other shareholders vote. In particular, Karl-Heinz Pfisterer can determine the allocation of profit and hence our dividend policy. In addition, he can determine the future composition of the Company's supervisory board, and therefore, indirectly, of the Company's management board, regardless of how other shareholders vote.

German company law requires the approval of at least three quarters of the share capital represented at the time a vote is taken to pass resolutions on certain other significant matters, such as major capital measures or the conclusion of a domination and profit/loss transfer agreement, or changing the corporate purpose (*Unternehmensgegenstand*) of the Company, mergers, spin offs and conversions to a different form of legal entity. If due to low participation by other shareholders at a general shareholders' meeting at least three quarters of the share capital represented at the time a vote is taken belong to Karl-Heinz Pfisterer and Anna Dorothee Stängel, they will, although they are acting independently and have in the past on various occasions voted differently, be able to pass with their own votes resolutions which require a qualified majority of votes cast or of the share capital represented. Karl-Heinz Pfisterer and Anna Dorothee Stängel will also be able to block resolutions at the general shareholders' meeting, including resolutions requiring a qualified majority of votes cast or share capital represented.

The mere potential for Karl-Heinz Pfisterer and Anna Dorothee Stängel to exert influence and especially actual voting at the general shareholders' meeting or the exertion of influence in any other way that conflicts with the interests of our other shareholders may have a significant adverse impact on the Company's share price and may, in turn, make it more difficult for us to raise further capital or only allow us to do so on unfavorable terms.

1.2.2 The Company's Shares have not previously been publicly traded, and a liquid trading market for the Company's Shares could fail to develop.

The Company intends to apply for the inclusion of the Shares to trading on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) in the segment Scale with simultaneous inclusion in the Basic Board thereof ("**Listing**"). Prior to the Offering and Listing, the Shares have not been publicly traded. The offer price for the Shares offered in the Offering ("**Offer Price**") will be determined by way of a bookbuilding process. It is possible that the Offer Price determined and established in this manner will not correspond to the price at which the Shares will be traded on the Frankfurt Stock

Exchange (*Frankfurter Wertpapierbörse*) following the Listing, or that an active trading in the Shares will not develop or be maintained. The failure to develop or maintain an active trading may have a material adverse effect on the liquidity of the Shares and it is possible that the market price of the Shares declines below the Offer Price.

Therefore, investors could be unable to sell their Shares quickly or at or above the Offer Price.

If an active market for the Shares does not develop after the Listing, the liquidity and market price of the Shares may be adversely affected and investors could lose part or all of their investment in the Shares.

1.2.3 The price and trading volume of the Company's Shares could fluctuate significantly and investors could lose all or part of their investment.

Following the Listing, our share price will be affected primarily by the supply and demand for the Shares and could fluctuate significantly in response to numerous factors, many of which are beyond our control, including, but not limited to, fluctuations in actual or projected results of operations, changes in projected earnings or failure to meet securities analysts' earnings expectations, the absence of analyst coverage on our Company, changes in trading volumes in the Shares, changes in macroeconomic conditions, the activities of competitors and suppliers, changes in the market valuations of similar companies, changes in investor and analyst perception in the Company or our industry, changes in the statutory framework in which we operate and other factors, and can therefore be subject to substantial fluctuations.

If our share price or the trading volume in the shares decline as a result of the materialization of any or all of these events, investors could lose part or all of their investment in the Shares.

1.2.4 Any future sales of a substantial number of Shares in the Company by Karl-Heinz Pfisterer or Anna Dorothee Stängel or the Company's other shareholders could depress the market price of the Shares.

Sales of a substantial number of the Company's Shares in the public market following the listing of the Company's shares, or the perception that such sales might occur, could depress the market price of the Company's Shares, and could impair the Company's ability to raise capital through the sale of additional equity securities.

Upon completion of the Offering, Karl-Heinz Pfisterer will continue to hold at least 46.2% and Anna Dorothee Stängel will continue to hold at least 12.5% of the Company's share capital (assuming placement of the maximum number of the Sale Shares, full exercise of the Upsize Option and full exercise by the Underwriters of the Greenshoe option to acquire additional shares from Karl-Heinz Pfisterer). The shares owned by Karl-Heinz Pfisterer and Anna Dorothee Stängel are subject to a customary lock-up period following the Listing, subject to certain exemptions. Karl-Heinz Pfisterer and/or Anna Dorothee Stängel, whose interests may differ from those of other shareholders of the Company, may dispose of their shares of the Company under such exemptions or upon expiration of the lock-up period. There may be a significant adverse effect on the market price of the shares in the Company if Karl-Heinz Pfisterer and/or Anna Dorothee Stängel or any other major shareholder were to sell substantial amounts of the shares on the public exchange or if market participants were to become convinced that such sales might occur.

Any future sales of the shares in the Company by Karl-Heinz Pfisterer, Anna Dorothee Stängel or other shareholders could depress the market price of the shares.

1.2.5 We could fail to pay dividends in the foreseeable future or ever.

The Company intends to pay dividends in the financial year 2026 for the financial year ending December 31, 2025. Subject to the availability of distributable profit (*Bilanzgewinn*) and distributable funds, the Company targets to distribute up to approximately 30% of its consolidated net income for the financial year ended December 31, 2025 and the following years. Dividends may only be distributed from distributable profit (*Bilanzgewinn*) of the Company. Consequently, the Company will only be able to make dividend payments in the envisaged amount if sufficient net retained profits are available to the Company. The net retained profit is calculated based on the Company's annual individual financial statements prepared in accordance with the accounting principles of the German Commercial Code (*Handelsgesetzbuch*) ("**HGB**"). Accounting principles set forth in HGB differ from International Financial Reporting Standards as adopted by the EU ("**IFRS**") in material respects. The Company could generate insufficient unappropriated retained earnings to be able to distribute dividends under the requirements of German corporate law in the future.

The principal assets of the Company as the Group's parent company are its direct and indirect equity interests in its operating subsidiaries. As a result, the Company is dependent on these subsidiaries in order to generate the funds required to meet the Company's financial obligations and make dividend payments, if any. The ability of the Company's subsidiaries to make distributions and other payments to the Company depends on the subsidiaries' earnings and is subject to various contractual and statutory limitations.

In addition, our debt financing arrangements contain, and future debt financing arrangements may contain, covenants that impose restrictions on the Company's ability to pay dividends under certain circumstances.

Any determination regarding a proposal to the shareholders' meeting to pay dividends in the future will be at the discretion of the Company's management board and will depend upon the Company's results of operations, financial condition, contractual restrictions, restrictions imposed by applicable laws and other factors management deems relevant. Consequently, there is a risk that the Company will not pay dividends in the foreseeable future or at all.

1.2.6 The articles of association of the Company provide for significant amounts of authorized capital. Future capitalization measures may lead to substantial dilution, i.e., a reduction in the value of the shares in the Company and the control rights of existing shareholders' interests in us. Future offerings of debt or equity securities may adversely affect the market price of the shares.

The articles of association of the Company provide for an authorized capital in an amount of €7,297,619.00, a conditional capital in an amount of €4,378,571.00, and a further conditional capital in an amount of €2,000,000.00. We may require additional capital in the future to finance our business operations and growth. The raising of additional equity through the issuance of new shares, the potential exercise of conversion or option rights by holders of convertible bonds or bonds with warrants or the fulfillment of conversion obligations relating to such bonds, which may be issued in the future, and the exercise of stock option rights which may be granted to the Management Board members and certain other employees, may dilute shareholder interests. Such additional shares may be issued from authorized or from conditional capital without any action or approval by the shareholders, and under certain limited conditions, for example in the event of a capital increase not exceeding 20% of the share capital of the Company against cash contributions or a capital increase against contributions in kind, without reserving any preemptive subscription rights for the shareholders. Because our decision to

issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing, or nature of future offerings. Thus, holders of shares in the Company bear the risk that future offerings might dilute their shareholdings in the Company, which could cause the price of the shares in the Company to fall, in which case investors could lose some or all of their investment.

1.2.7 Shareholders of the Company in jurisdictions outside Germany could be prevented from participating in future issues of Company's shares unless the Company decides to take additional steps to comply with applicable local laws and regulations of such jurisdictions.

In the case of certain increases in the Company's issued share capital, the Company's existing shareholders are generally entitled to subscribe to the new shares issued unless such subscription rights are specifically excluded. Shareholders outside Germany could be prevented from exercising their subscription rights unless the Company decides to comply with applicable local laws and regulations. The Company cannot assure any shareholders outside Germany that steps will be taken to enable them to exercise their subscription rights, or to permit them to receive any proceeds or other amounts relating to their subscription rights.

1.2.8 Future sales of the shares in the Company by Karl-Heinz Pfisterer or Anna Dorothee Stängel or a capital increase carried out by us in which Karl-Heinz Pfisterer and Anna Dorothee Stängel do not participate could trigger change of control provisions in our contracts.

Certain agreements to which companies of the Group are a party, such as standard general terms and conditions in certain sales contracts with customers and credit agreements, specify particular legal consequences if certain companies in the Group cease to be (indirectly) controlled by the respective majority shareholder (these are known as change of control clauses). Depending on the underlying agreements, the companies of the Group are subject to various legal consequences in the event of a change of control, such as termination rights of other parties to the contract and/or obligations to repay creditors.

The Senior Facilities Agreement which has a maturity date as of December 22, 2025 defines a change of control as occurring if (i) any person or a group of persons acting in concert, other than Karl-Heinz Pfisterer, Anna Dorothee Stängel, any of their respective descendants or heirs, or a foundation established by one of the aforementioned persons, or a foundation into which any of the aforementioned persons contributes any shares or voting rights (these persons and the organizations together the "**Family**"), acquiring, directly or indirectly, 50% or more of the outstanding shares or voting rights of the Company; or (ii) the Family no longer directly or indirectly holds more than 50% of the outstanding shares or voting rights of the Company. The Company intends to refinance the Senior Facilities Agreement following the completion of the Offering (see "*1.1 Risks Related to the Company*").

We generally have no ability to influence the actions of Karl-Heinz Pfisterer and Anna Dorothee Stängel in respect of the disposal of their shares in the Company or non-participation in a capital increase by us which could result in Karl-Heinz Pfisterer and Anna Dorothee Stängel holding a smaller stake in us, possibly triggering change of control provisions in our contracts.

Future sales of the shares in the Company by Karl-Heinz Pfisterer and Anna Dorothee Stängel or a capital increase carried out by us in which Karl-Heinz Pfisterer and/or Anna Dorothee Stängel do not participate could trigger change of control provisions in our contracts and could

have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.2.9 The listing of the Shares on the Regulated Unofficial Market (*Freiverkehr*) involves a lower level of transparency and no protection under German takeover law as would be the case with a listing on the Regulated Market (*regulierter Markt*).

The Shares will only be included in the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) in the segment Scale. Consequently, the provisions of the German Securities Trading Act (*Wertpapierhandelsgesetz*) and the German Securities Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz* – "**WpÜG**") will not apply. This results in a lower degree of transparency of shareholdings, because only a shareholding exceeding 25% of the Shares and a majority shareholding must be disclosed. In addition, the WpÜG does not apply to the Company, as no market segment in which the Shares shall be traded following the Listing is an organized market (*organisierter Markt*) within the meaning of Section 1 para. 1 WpÜG. Therefore, even if a shareholder of the Company gains control of the Company, i.e., at least 30% of the Company's voting rights pursuant to Section 29 para. 2 WpÜG, such shareholder will neither be required to publish this fact nor to make a mandatory takeover offer (*Pflichtangebot*) to the other shareholders of the Company pursuant to Section 35 WpÜG. In the event of a public (takeover) offer for the Shares, the provisions of the WpÜG are not applicable. Consequently, the bidder is neither obliged to treat all shareholders equally nor are the Management Board and Supervisory Board prevented from hampering the public takeover offer.

2. GENERAL INFORMATION

2.1 Responsibility Statement

PFISTERER Holding SE is a European company (*Societas Europaea – SE*) with its registered office at Rosenstraße 44, 73650 Winterbach, Germany, and registered with the commercial register of the local court (*Amtsgericht*) of Stuttgart, Germany, under HRB 790497, legal entity identifier ("**LEI**") 529900APPYG9TGZYS639, telephone + 49 7181 7005-0 (the "**Company**" and, together with its subsidiaries, "**PFISTERER**", "**PFISTERER Group**", the "**Group**", "**we**", "**us**" or "**our**"). The Company together with Joh. Berenberg, Gossler & Co. KG, a limited partnership (*Kommanditgesellschaft*) operating under the laws of Germany, with its registered seat at Neuer Jungfernstieg 20, 20354 Hamburg, Germany, LEI 529900UC2OD7II24Z667 ("**Berenberg**"), COMMERZBANK Aktiengesellschaft, a stock corporation (*Aktiengesellschaft*) operating under the laws of Germany, with its registered seat at Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Germany, LEI 851WYGNLUQLFZBSYGB56 ("**COMMERZBANK**" and together with Berenberg the "**Joint Global Coordinators**"), Landesbank Baden-Württemberg, an institution under public law (*rechtsfähige Anstalt des öffentlichen Rechts*), operating under the laws of Germany, with its registered seat at Am Hauptbahnhof 2, 70173 Stuttgart, Germany, LEI B81CK4ESI35472RHJ606 ("**LBBW**" or "**Co-Global Coordinator**" and, together with Berenberg and COMMERZBANK the "**Joint Bookrunners**") as well as ICF BANK AG, Neue Mainzer Straße 32-36, 60311 Frankfurt am Main, Germany, LEI 529900E89HA1I45HB613 (the "**Co-Manager**" and, together with the Joint Bookrunners, the "**Underwriters**") have assumed responsibility for the contents of this prospectus (the "**Prospectus**") pursuant to Section 8 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) in conjunction with Article 11 (1) of Regulation (EU) 2017/1129

of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the "**Prospectus Regulation**") and hereby declare that, to the best of their knowledge, the information contained in the Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import. The Selling Shareholders (as defined below in "*2.2 Subject Matter of the Prospectus*") do not assume such responsibility for the content of the Prospectus, as they were not involved in its preparation.

Neither the Company nor the Underwriters are required by law to update the Prospectus subsequent to the date hereof, except in accordance with Article 23 of the Prospectus Regulation, which stipulates, among other things, that every significant new factor, material mistake or material inaccuracy relating to the information included in a prospectus which may affect the assessment of the securities and which arises or is noted after approval of the prospectus and before closing of the offer period or when trading on a regulated market begins, whichever occurs later, shall be disclosed in a supplement to the prospectus without undue delay.

The validity of the Prospectus will expire at the end of the closing of the offer period which is expected to occur on May 12, 2025.

The Prospectus constitutes a prospectus for the purposes of Article 3 of the Prospectus Regulation and has been approved by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, "**BaFin**"), as competent authority under the Prospectus Regulation. BaFin only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of the Company or the quality of its shares. Investors should make their own assessment as to the suitability of investing in the securities. BaFin can be contacted at Marie-Curie-Straße 24-28, 60439 Frankfurt am Main, Germany, by telephone +49 228 4108-0, or via its website: www.bafin.de.

If any claims are asserted before a court of law based on the information contained in this Prospectus, the investor appearing as plaintiff may, under national law, have to bear the costs of translating this Prospectus before the legal proceedings are initiated pursuant to the national legislation of the member states of the European Economic Area (the "**EEA**").

2.2 Subject Matter of the Prospectus

Subject of the Prospectus is the public offering in Germany of 6,967,378 Shares consisting of

- 3,500,000 new Shares from a capital increase against contributions in cash expected to be resolved by the Company's management board (*Vorstand*) ("**Management Board**") on May 12, 2025, approved by the Company's supervisory board (*Aufsichtsrat*) on the same day, utilizing the Authorized Capital 2025/I as resolved by the Company's shareholders' meeting on January 31, 2025 ("**IPO Capital Increase**") ("**New Shares**");
- 1,689,025 existing Shares comprising of (i) 498,247 existing Shares from the holdings of Karl-Heinz Pfisterer, (ii) 1,000,000 existing Shares from the holdings of Anna Dorothee Stängel, (iii) 30,628 existing Shares from the holdings of Johannes Linden, (iv) 6,819 existing Shares from the holdings of Dr. Konstantin Kurfiss, (v) 119,047 existing Shares from the holdings of Prof. Dr. Wolfgang Blättchen,

(vi) 11,428 existing Shares from the holdings of Prof. Dr. Petra Denk, (vii) 11,428 existing Shares from the holdings of Erich Anton Schefold and (viii) 11,428 existing Shares from the holdings of Dr. Stefan Seipl in a base deal (the individuals under (i) through (vii) together the "**Selling Shareholders**" and the shares to be offered by the Selling Shareholders, the "**Secondary Base Shares**");

- 1,000,000 existing Shares in equal parts from the holdings of each of Karl-Heinz Pfisterer and Anna Dorothee Stängel, subject to the exercise of an upsize option ("**Upsize Option**") upon their decision, in consultation with the Joint Global Coordinators, based on market demand on the date of pricing ("**Upsize Shares**" and, together with the Secondary Base Shares, "**Sale Shares**"); and
- 778,353 existing Shares from the holdings of Karl-Heinz Pfisterer in connection with a potential over-allotment ("**Over-Allotment Shares**" and, together with the New Shares and the Sale Shares, "**Offer Shares**"). The total number of Over-Allotment Shares will not exceed 15% of the final number of New Shares and Secondary Base Shares placed in the Offering (as defined below).

The New Shares placed in the Offering (as defined below) and the 14,595,238 existing shares of the Company shall be included to trading on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) with simultaneous inclusion in the Basic Board thereof.

The Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any shares offered by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

The offering of the Offer Shares consists of (i) a public offering in Germany, and (ii) private placements in certain jurisdictions outside of Germany ("**Offering**"). Outside of the United States, the Offer Shares will be offered and sold in "offshore transactions" within the meaning of and in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). In the United States, the Offer Shares will be offered and sold only to persons reasonably believed to be qualified institutional buyers as defined in and in reliance on Rule 144A under the Securities Act. The Offer Shares have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold, or otherwise transferred to or within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

For further information on the Offering, see "*3. The Offering*".

2.3 Forward-Looking Statements

The Prospectus contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts or events or to facts or events as of the date of the Prospectus. This applies, in particular, to statements in the Prospectus containing information on our future earnings capacity, cash flows, capital expenditures, plans and expectations regarding our business, growth, and profitability, including the guidance and targets set out under "*21. Recent Developments and Trend Information*", our plans and expectations regarding our business, our strategy, projected growth in our markets as well as the general economic and legal conditions to which we are exposed. Statements made using forward-looking terminology such as "aim", "anticipate", "expect", "intend", "plan", "predict",

"project", and "target", or the negative of these words, are an indication of forward-looking statements.

The forward-looking statements contained in the Prospectus are based on our current estimates and assessments. They are based on assumptions, such as constant foreign exchange rates, and subject to risks, uncertainties, and other factors, the occurrence or non-occurrence of which could cause actual circumstances – including with regard to our business, results of operations, financial position, cash flows, and prospects – to differ materially from or fail to meet the expectations expressed or implied in the forward-looking statements. Even if our future results meet the expectations expressed herein, they may not be indicative of the results of any succeeding periods. The forward-looking statements contained in the Prospectus speak only as of the date of the Prospectus. Investors are advised that neither the Company nor the Underwriters assume any obligation and do not intend, except as required by law, to publicly release any updates or revisions to these forward-looking statements to reflect any change in our expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based or to adjust them in line with future events or developments.

2.4 Information from Third Parties

The Prospectus contains industry and customer-related data, as well as calculations sourced from industry reports published by third parties, market research reports, publicly available information, and commercial publications of third parties. These publications generally state that the information they contain has originated from sources assumed to be reliable but that the accuracy and completeness of such information is not guaranteed and that the calculations contained therein are based on assumptions. In particular, these sources may not, or not fully, as the case may be, reflect the impact of the Russia-Ukraine Conflict and other conflicts because of, among other things, uncertainties surrounding further developments. In view of the potential effects of these and other events on the economy, society and markets in which we serve or have customers, all current forecasts can be made only with a considerably higher degree of uncertainty. This applies particularly in the context of links and interrelations between the global financial markets, economies, and political decisions, which each individually may have an influence on the economic and political development, and, when combined, are currently impossible to assess with any certainty *ex ante*.

On May 27, 2024, and July 19, 2024, PFISTERER commissioned independent market studies from Roland Berger Inc., Canada ("**Roland Berger**") on certain markets relevant to PFISTERER, which are dated August 13, 2024 (including back-up material and the underlying sources and data used for the preparation of such report, cited as "**Roland Berger HVDC Study**") and December 19, 2024 (including back-up material and the underlying sources and data used for the preparation of such report, cited as "**Roland Berger General Study**", Roland Berger HVDC Study and Roland Berger General Study together the "**Roland Berger Studies**"), respectively. The Roland Berger Studies are not reports attributed to a person as an expert (within the meaning of Item 1.3 of Annex 1 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019). The Roland Berger Studies have been prepared in the context of the Company's consideration of raising capital, including an initial public offering in accordance with the instructions of the Company. Moreover, it should be noted that the data reflected in market studies is typically partially based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. Therefore, prospective investors are advised to consider the data and other information sourced from market studies or reports with caution and should

not place undue reliance on such information. The statements taken from the Roland Berger Studies are utilized in the Prospectus, in the form and context in which they are included, with the consent of Roland Berger. Neither the Company nor the Underwriters have verified any of the market data or other information included in the Roland Berger Studies, nor have they asked Roland Berger to modify or otherwise adjust the Roland Berger Studies.

In preparing the Prospectus, the following sources of third-party information were used:

- AI power: Expanding data center capacity to meet growing demand, 2024, McKinsey &Company (cited as "**McKinsey Data Center Study**")
- Annual Report (*Jahresgutachten*) 2023/2024 of the German Council of Economic Experts (*Sachverständigenrat zur Begutachtung der gesamtwirtschaftlichen Entwicklung*);
- Annual Report (*Jahresgutachten*) 2024/2025 of the German Council of Economic Experts (*Sachverständigenrat zur Begutachtung der gesamtwirtschaftlichen Entwicklung*);
- Energy Technology Perspectives 2023, International Energy Agency (cited as "**IEA 2023**");
- Energy Transition Outlook 2024, Det Norske Veritas (*DNV*) (cited as "**DNV Energy Transition Outlook**");
- German Federal Ministry of Finance monthly report December 2023;
- HVDC Market Opportunity Assessment, August 13, 2024, Roland Berger (cited as "**Roland Berger HVDC Study**");
- PFISTERER HV, MV, LV Accessories Market Study, February 19, 2025, Roland Berger (cited as "**Roland Berger General Study**");
- Trading Economics (https://de.tradingeconomics.com/argentina/inflation-cpi);
- The role of power in unlocking the European AI revolution, 2024, McKinsey & Company (cited as "**McKinsey AI Power Study**");
- World Energy Outlook 2024, International Energy Agency (cited as "**IEA 2024**"); and
- World Energy Transitions Outlook 2024, International Renewable Energy Agency (*IRENA*) (cited as "**IRENA Report**").

Where information in the Prospectus has been sourced from a third party, the Company confirms that this third-party information has been accurately reproduced and that, as far as the Company is aware and able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced third-party information inaccurate or misleading.

Irrespective of the assumption of responsibility for the contents of the Prospectus by the Company and the Underwriters (see "*2.1 Responsibility Statement*"), neither the Company nor the Underwriters have independently verified such third-party information or make any representation or give any warranty as to the accuracy or completeness of such third-party information. The Company and the Underwriters make no representation or warranty as to the

accuracy of any such third-party information from third-party studies included in the Prospectus.

The Prospectus also contains estimates of market and other data, and information derived from such data, that cannot be obtained from publications by market research institutes or from other publicly available sources but are rather based on the Company's assessments. These assessments by the Company, in turn, are based in part on internal market observations, the evaluation of industry information (from conferences, sector events, etc.) and on various market studies, including the sources listed above. We believe that our estimates of market and other data and the information derived from such data assist investors in gaining a better understanding of the industry in which we operate and our position therein. They may differ from estimates made by our competitors or from current surveys and studies conducted by market research institutes or other independent sources. To the extent this third-party information concerns forecasts and other forward-looking information, actual circumstances could differ materially from or fail to meet the expectations expressed or implied in the forward-looking statements.

Information contained on any website mentioned in the Prospectus, including our own website at www.pfisterer.com, is not incorporated by reference and does not form part of the Prospectus by means of incorporation or reference and such information has not been scrutinized or approved by BaFin.

2.5 Documents Available for Inspection

For as long as the Prospectus is valid, copies of the following documents, as well as the Company's future financial statements, will be available for inspection on the Company's website at www.pfisterer.com under the "Investor Relations" section:

- the Company's articles of association (the "**Articles of Association**");
- the audited consolidated financial statements of the Company prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union ("**IFRS**") and the additional requirements of German commercial law pursuant to Section 315e para. 1 of the German Commercial Code (*Handelsgesetzbuch* – ("**HGB**")) as of and for the financial year ended December 31, 2024 (including comparative financial information for the financial year ended December 31, 2023) (the "**Audited Consolidated Financial Statements 2024**");
- the audited consolidated financial statements of the Company prepared in accordance with the German generally accepted accounting principles of the HGB ("**German GAAP**") as of and for the financial year ended December 31, 2023 (the "**Audited Consolidated Financial Statements 2023**") and as of and for the financial year ended December 31, 2022 (the "**Audited Consolidated Financial Statements 2022**", together with the Audited Consolidated Financial Statements 2023 and the Audited Consolidated Financial Statements 2024 the "**Audited Consolidated Financial Statements**"); and
- the audited unconsolidated financial statements of the Company prepared in accordance with German GAAP as of and for the financial year ended December 31, 2024 (the "**Audited Unconsolidated Financial Statements 2024**").

The aforementioned financial statements are included in section "*19. Financial Information*" beginning on page F-1.

The Company's future financial statements will be available on the Company's website under the "Investor Relations" section and published in the German Company Register (*Unternehmensregister*).

2.6 Presentation of Financial Information

2.6.1 General

The financial years ended December 31, 2024, 2023, and 2022 are also referred to in the Prospectus as "**financial year 2024**" or "**2024**", "**financial year 2023**" or "**2023**", and "**financial year 2022**" or "**2022**", respectively. The current financial year, which will end on December 31, 2025, is also referred to as "**financial year 2025**" or "**2025**".

Where financial information presented in this Prospectus is labeled "audited", this means that it has been extracted from the Audited Consolidated Financial Statements.

Financial information presented as "unaudited" in the Prospectus has been taken from any of (i) the Company's accounting records or (ii) the Company's internal reporting systems or has been calculated based on figures from any of these sources, including the Company's financial statements.

2.6.2 Application of IFRS and German GAAP

The Company has applied IFRS for the first time for the Audited Consolidated Financial Statements 2024 with the date of transition (*Übergangszeitpunkt*) as of January 1, 2023. The Audited Consolidated Financial Statements 2023 and the Audited Consolidated Financial Statements 2022 have been prepared in accordance with German GAAP.

Since the Company applied IFRS for the first time for the Audited Consolidated Financial Statements 2024, all financial information as of December 31, 2023, which is labeled "IFRS" in the text or tables included in this Prospectus is taken or derived from the comparative financial information included in the Audited Consolidated Financial Statements 2024 and all financial information as of December 31, 2023, which is labeled "HGB" (German GAAP) in the following text and tables is taken or derived from the Audited Consolidated Financial Statements 2023.

German GAAP differs in certain significant respects from IFRS. We have not prepared a full reconciliation of the Audited Consolidated Financial Statements 2023 and the Audited Consolidated Financial Statements 2022 to IFRS.

The German GAAP and IFRS figures are not directly comparable.

2.6.3 Segmentation

We apply IFRS 8 Segment Reporting starting in the financial year 2024 and reported first-time financial data for the following five business segments "**COM Segment**", "**MVA Segment**", "**OHL Segment**", "**HVA Segment**", and "**HVD Segment**".

We implemented the current segment structure for the first time for the Audited Consolidated Financial Statements 2024. All segment information presented for the financial year 2024 is taken from the Audited Consolidated Financial Statements 2024, and all segment information

for the financial year 2023, in the following tables is taken or derived from the comparative financial information included in the Audited Consolidated Financial Statements 2024.

As we began applying IFRS 8 Segment Reporting for the first-time in the financial year 2024 with the date of transition (*Übergangszeitpunkt*) as of January 1, 2023 in accordance with IFRS, no comparable information on current segment level is available for the financial year 2023, and the financial year 2022 in accordance with German GAAP and accordingly no such segment information is presented in this Prospectus.

2.6.4 Rounding

All of the financial information presented in the text and tables in this Prospectus below is shown in thousands of Euros (in € thousand) or millions of Euros (in € million), except as otherwise stated. Certain financial information (including percentages) in the tables in this Prospectus has been rounded according to established commercial standards. As a result, the aggregate amounts in the tables in this Prospectus may not correspond in all cases to the aggregated amounts of the underlying (unrounded) figures appearing elsewhere in the Prospectus. Furthermore, these rounded figures may not add up exactly to the totals contained in the tables. Financial information presented in parentheses denotes the negative of such number presented. A dash ("–") signifies that the relevant figure is not available, while a zero ("0.0") signifies that the relevant figure is available but has been rounded to zero.

2.7 Non-GAAP (German GAAP/IFRS) Financial Measures (Alternative Performance Measures)

This Prospectus contains non-GAAP financial measures, including **EBITDA**, **EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin**, **Net Financial Debt**, **Net Debt, including Employee Benefits**, **Leverage**, **Order Intake**, **Order Backlog and Net Working Capital** (each as defined below), that are not required by, or presented in accordance with, IFRS. In accordance with the Commission Delegated Regulation (EU) 2016/301 and the European Securities and Markets Authority ("**ESMA**") Guidelines on alternative performance measures of October 5, 2015 (the "**ESMA Guidelines**"), the following sections set out information related to certain financial measures of the Company that are not defined by IFRS and which the Company regards as APMs within the meaning of the ESMA Guidelines.

We present these APMs as supplemental information (i) because they are used by our management to measure operating performance or as an auxiliary control parameter, including in presentations to our management, and as a basis for strategic planning and forecasting, and (ii) they represent measures that we believe are widely used by certain investors, securities analysts, and other parties as supplemental measures of operating and financial performance. We believe that these APMs may enhance management's and investors' understanding of our financial performance when excluding items that are not classified as part of the ordinary course of our business or unsuitable for steering. These APMs are not defined by IFRS or any other internationally accepted accounting principles, and such items should not be considered as an alternative to the historical financial results or other indicators of our results of operations and financial position based on IFRS financial measures. In particular, they should not be considered as alternatives to the Group's profit/loss after tax as an indicator of the Group's performance and profitability, or as alternatives to cash flows from operating activities as an indicator of its financial strength. The APMs, as defined by us, may not be comparable to similarly titled measures as presented by other companies due to differences in the way our APMs are calculated.

We have defined the alternative performance indicators as follows:

- **EBITDA** based on IFRS financials is defined as result for the year before financial result, income taxes and depreciation and amortization. **EBITDA** based on German GAAP financials is defined as consolidated net profit or loss for the year before non-controlling interests, other taxes, financial result, income taxes and depreciation and amortization. **Adjusted EBITDA** is defined as **EBITDA** and adjusted for personnel expenses related to share-based payments.[1] In accordance with German GAAP personnel expenses related to share-based payments are not recognized.

- We define **EBITDA Margin** as EBITDA divided by revenues. **Adjusted EBITDA Margin** is defined as Adjusted EBITDA divided by revenues, expressed as a percentage.

- **Net Financial Debt** is defined as the sum of financial liabilities and lease liabilities (Total Financial Debt), less cash and cash equivalents, including restricted bank balances and cash investments at credit institutions. Financial liabilities based on IFRS financials pertain to current and non-current portion of the financial liabilities as per Audited Consolidated Financial Statements in accordance with IFRS. Financial liabilities based on German GAAP financial pertain to liabilities to credit institutions as per Audited Consolidated Financial Statements in accordance with German GAAP.

- **Net Debt, including Employee Benefits** is defined as the sum of financial liabilities and lease liabilities (Total Financial Debt), less cash and cash equivalents, including restricted bank balances and cash investments at credit institutions plus pension liabilities and long-term employee benefits. For IFRS pension liabilities and long-term employee benefits pertain to non-current employee benefits (incl. pensions), while for German GAAP they pertain to the total provisions for pensions and similar obligations.[2]

- We define **Leverage** as Net Debt, including Employee benefits divided by Adjusted EBITDA.

- **Order Intake** is defined as the receipt of customer orders. It is measured in the amount of order value.

- **Order Backlog** is the sum of all undelivered customer orders at a certain point in time at the order value. The scheduled order backlog represents the backlog on the timeline (by expected delivery date).

- **Net Working Capital** is defined as the total amount of inventories and trade receivables less trade payables and advances from customers (consisting of contract liabilities, long-term and short-term). For German GAAP 2023 and 2022 figures, the advance payments received on inventories are offset from inventories in

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[1] The management intends, both historically and going forward, not to adjust EBITDA for any gains or losses related to non-recurring or unusual items, regardless of their nature or characteristics. Therefore, the management intends, both historically and going forward, to adjust EBITDA solely for personnel expenses related to equity-settled share-based payments, if any, as also stated in the Audited Consolidated Financial Statements 2024, and refrains from any further adjustments. Non-recurring and unusual items are, for example, mentioned here in the prospectus (see "*8.3.1 Factors Affecting Comparability*"), all of which are not adjusted in EBITDA.

[2] IFRS figures cannot be directly compared to German GAAP figures.

accordance with German GAAP (see "*8.4.6.5 Net Working Capital*"), while for IFRS 2024 and 2023 figures advances received pertain to current and non-current portion of contract liabilities (see "*8.3.7.5 Net Working Capital*"). Net Working Capital based on IFRS figures does not include financial assets, other non-financial assets, income tax receivables and cash and cash equivalents, financial liabilities, employee benefits, lease liabilities, contract liabilities, income tax liabilities, other financial liabilities, other non-financial liabilities and provisions. Net Working Capital based on German GAAP figures does not include other assets, securities, cash and cash equivalents, tax provisions, other provisions, and other payables.

We present these APMs because we utilize such measures in monitoring our business and because we believe that they are frequently used by analysts, investors, and other interested parties in evaluating companies in our industry and it may contribute to a more comprehensive understanding of our business. These measures enhance management's and investors' understanding of our financial performance, for example, by excluding items that are outside of ongoing operations such as non-recurring items, income taxes, costs of capital and non-cash expenses.

- We believe that **EBITDA** and **Adjusted EBITDA** are useful to evaluate our operating performance. EBITDA and Adjusted EBITDA can vary substantially from company to company depending on the accounting methods, book value of assets and capital structure or method by which assets were acquired. EBITDA and Adjusted EBITDA eliminate potential differences in performance caused by variations in capital structures (affecting net interest income/expense and the effects from the purchase price allocations), tax positions (such as the availability of net operating losses against which to relieve taxable profits) and the extent to which intangible assets are identifiable (affecting relative amortization expense) and by the cost and age of tangible assets (affecting relative depreciation expense).
- We consider **EBITDA Margin** and **Adjusted EBITDA Margin** as meaningful financial measures in assessing the underlying operational financial performance of the Group.
- **Net Financial Debt** and **Net Debt, including Employee Benefits** are useful to assist investors to evaluate our financial position.
- We present **Leverage** as a meaningful financial measure in assessing the extent we can satisfy our net debt, including Employee Benefits obligations from the income from our operating activities as expressed by Adjusted EBITDA.
- We present **Order Intake** as an important indicator to assess our growth prospects and for managing the Group, as it allows early conclusions to be drawn about future capacity utilization, revenue and earnings.
- The **Order Backlog** represents, with respect to binding customer contracts, the portion of the associated transaction price for which the amount of revenue has not yet been recognized in accordance with the applied accounting standards. We believe Order Backlog is also useful to assess our growth aspects.
- **Net Working Capital** is an indicator of our operational cash generation and efficiency and is used for our liquidity management in the short term.

Even though the APMs are used by management to assess ongoing operating performance and liquidity, and these types of measures are commonly used by investors, they have important limitations as analytical tools, and investors should not consider them in isolation or as substitutes for analysis of our results as reported under IFRS. For example, some of the limitations for the APMs include the following:

- They exclude certain tax payments that may represent a reduction in cash available to us;
- They do not reflect any cash capital expenditure requirements for the assets being depreciated and amortized that may have to be replaced in the future;
- They do not reflect changes in, or cash requirements for, our working capital needs;
- They do not reflect the significant interest expense, or the cash requirements necessary to service interest payments on our debts; and
- They do not reflect our payments to make acquisitions of new subsidiaries or businesses or acquire non-controlling interests.

2.8 Currency Presentation

In the Prospectus, "**Euro**", "**EUR**" and "**€**" refer to the single European currency adopted by certain participating member states of the European Union ("**EU**"), including the Federal Republic of Germany ("**Germany**"), whereas "**$**", "**US Dollar**" or "**USD**" refer to the legal currency of the United States of America and its territories.

The following tables set forth, for the periods indicated, the exchange rate as of and for the financial years ended December 31, 2024 as per the Audited Consolidated Financial Statements 2024 and for the financial years ended December 31, 2023, and 2022 as per Audited Consolidated Financial Statements 2023 (in relation to €1.00, in each case):

	As of and for the financial year ended December 31, (unaudited)		
Closing rate	**2024**	**2023**	**2022**
AED	3.8004	4.0525	3.9370
ARS	1,066.0513	892.8571	189.0359
BRL	6.4760	5.3616	5.6386
CHF	0.9435	0.9260	0.9848
CNY	7.6234	7.8511	7.3584
CZK	25.2257	24.7219	24.1138
DZD	141.0850	149.0313	147.7105
GBP	0.8295	0.8691	0.8869
PLN	4.2655	4.3395	4.6808
USD	1.0444	1.1050	1.0666

Average exchange rate	**2024**	**2023**	**2022**
AED	3.9728	3.9708	3.8594
ARS	Closing rate	Closing rate	Closing rate
BRL	5.8281	5.4007	5.4431
CHF	0.9525	0.9718	1.0048
CNY	7.7876	7.6611	7.0791
CZK	25.1186	24.0038	24.5640
DZD	145.7356	147.7105	150.1502

GBP	0.8465	0.8698	0.8527
PLN	4.3061	4.5409	4.6858
USD	1.0824	1.0814	1.0533

3. THE OFFERING

3.1 Subject Matter of the Offering

The Offering comprises 6,967,378 Offer Shares, consisting of (i) 3,500,000 New Shares, (ii) 1,689,025 Secondary Base Shares from the holdings of the Selling Shareholders, (iii) 1,000,000 Upsize Shares in equal parts from the holdings of each of Karl-Heinz Pfisterer and Anna Dorothee Stängel, and (iv) 778,353 Over-Allotment Shares from the holdings of the Lending Shareholder.

The total number of Over-Allotment Shares will not exceed 15% of the final number of New Shares and Secondary Base Shares placed in the Offering.

The Offering consists of (i) a public offering in Germany and (ii) private placements in certain jurisdictions outside of Germany. Outside the United States the Offer Shares will be offered and sold in "offshore transactions" within the meaning of and in reliance on Regulation S ("**Regulation S**") under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). In the United States, the Offer Shares will be offered and sold only to persons reasonably believed to be qualified institutional buyers ("**QIBs**") as defined in and in reliance on Rule 144A under the Securities Act ("**Rule 144A**").

The Offer Shares have not been, and will not be, registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or otherwise transferred to or within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

In connection with the Offering, the Company, together with ICF BANK AG, intends to apply for the inclusion to trading on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) with simultaneous inclusion in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) of

- up to 3,500,000 New Shares, and
- 14,595,238 existing ordinary bearer shares with no par value (*Stückaktien*) of the Company (together with the New Shares, "**Shares**"),

corresponding to the Company's entire share capital after registration of the IPO Capital Increase with the commercial register of the local court (*Amtsgericht*) of Stuttgart, Germany, each such Share representing a notional value of €1.00 in the Company's share capital and with full dividend rights as of January 1, 2025. Pursuant to Section 17 para. 1 lit. b) of the "General Terms and Conditions of Deutsche Börse AG for the Regulated Unofficial Market on Frankfurter Wertpapierbörse" (*Allgemeine Geschäftsbedingungen der Deutsche Börse AG für den Freiverkehr an der Frankfurter Wertpapierbörse*) ("**DBAG General Terms and Conditions**"), the submission of the Prospectus with Deutsche Börse Aktiengesellschaft, Frankfurt am Main, Germany ("**DBAG**"), is a requirement for the Listing since the Offer Shares are offered to the public requiring the preparation and publication of a prospectus.

Berenberg and COMMERZBANK are acting as Joint Global Coordinators and Joint Bookrunners. LBBW is acting as Co-Global Coordinator and Joint Bookrunner. ICF BANK AG is acting as Co-Manager.

3.2 Terms of the Offering

3.2.1 Price Range

The price range for the Offering within which purchase orders may be placed is €25.00 to €29.00 per Offer Share ("**Price Range**").

3.2.2 Offer Period

The period during which investors may submit purchase orders for the Offer Shares within the Price Range is expected to begin on May 6, 2025 and expected to expire on May 12, 2025 ("**Offer Period**"). On the last day of the Offer Period, purchase orders may be submitted (i) until 14:00 hrs Central European Summer Time ("**CEST**") by retail investors and (ii) until 14:00 hrs CEST by institutional investors. Purchase orders are freely revocable until the respective Offer Period expires. Revocation of purchase orders cannot occur after allocation of the Offer Shares.

Institutional investors may place purchase orders directly with the Joint Bookrunners during the Offer Period. Retail clients (natural persons) may submit purchase orders for the public offering in Germany during the Offer Period through the following banks at their respective branch offices or online: COMMERZBANK (including comdirect), Berenberg, LBBW, BW Bank and at most savings banks of Deutsche Sparkassen/S-Finanzgruppe (including S Broker). Purchase orders can have price limits. Purchase orders and price limits must be denominated in full Euro amounts or Euro cent figures of 25, 50 or 75 cents within the Price Range.

In addition, retail investors (natural persons) can place purchase orders in the Offering in Germany two days after the beginning of the Offer Period, i.e. beginning on May 8, 2025, through the subscription functionality (*Zeichnungsfunktionalität*) DirectPlace© of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) in the exchange trading system of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) for the collection and settlement of subscription offers ("**DirectPlace©**").

Investors who want to submit purchase orders for the Offer Shares through DirectPlace© must submit them within the Price Range to their respective depositary bank between May 8, 2025 and May 12, 2025, at 12:00 hrs CEST. This requires that the depositary bank (i) has been admitted as a trading participant to the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) or has access to trading on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) via an accredited trading participant; (ii) is connected to the exchange trading system, and (iii) is authorized and able to use DirectPlace© according to the "Terms of use for the subscription functionality" (*Nutzungsbedingungen der Deutsche Börse AG für die Zeichnungsfunktionalität*) (such depositary bank, a "**Trading Participant**") and (iv) has agreed to use DirectPlace©.

The Trading Participant issues purchase orders for the investor at the investor's request through DirectPlace©. Purchase orders can have price limits (preferably in 25 Euro cent increments) within the Price Range. In its function as order book manager, ICF BANK AG, Germany ("**Order Book Manager**"), records all DirectPlace© purchase orders of the Trading Participants in a central order book and will, at the end of the Offer Period and after instruction

by the Joint Global Coordinators, accept these in full or in part or not accept these as part of the allocation in consideration of any limits. By accepting the purchase orders, the Order Book Manager concludes a sale and purchase agreement for the respective number of Offer Shares. It is subject to the condition precedent that the Offer Shares have been created on the value date and have been provided to the Order Book Manager.

Purchase orders must be for at least ten Offer Shares. There is no maximum amount for purchase orders. Multiple purchase orders are permitted. Purchase orders can be freely revoked until the end of the Offer Period, unless otherwise agreed individually. It is possible to withdraw from a properly made purchase order until the end of the Offer Period. Usually, even in the event of a partial or full withdrawal or reduction in a purchase order, it will not be necessary to reimburse overpaid amounts, since the allocation of the Offer Shares shall take place after the end of the Offer Period by way of payment against delivery and investors therefore do not pay the Offer Price in advance. If, in individual cases, an investor already paid the amounts and then withdraws its purchase order in full or in part, or reduces its purchase order, the amount paid will be reimbursed to the investor immediately to the bank account used for the deposit.

3.2.3 Changes to the Terms of the Offering

The Company, acting also on behalf of the Selling Shareholders and the Lending Shareholder, reserves the right, after consultation with the Joint Global Coordinators, to increase or reduce the total number of Offer Shares, to increase or decrease the upper limit and/or the lower limit of the Price Range, and/or to extend or shorten the Offer Period. Reductions in the number of Offer Shares, changes to the Price Range or an extension or shortening of the Offer Period will not invalidate any offers to purchase Offer Shares that have already been submitted. If such changes require the publication of a supplement to this Prospectus, investors who submitted purchase orders prior to the publication of the supplement have the right to withdraw these offers to purchase within three working days following the publication of such supplement pursuant to Article 23 para. 1 of the Prospectus Regulation in conjunction with Article 21 para. 2 of the Prospectus Regulation, provided that the significant new factor, material mistake or material inaccuracy requiring the publication of a supplement to this Prospectus arose or was noted before the closing of the Offer Period or the delivery of the Offer Shares, whichever occurs first. Instead of withdrawing their offers to purchase placed prior to the publication of the supplement, investors may change their orders or place new limited or unlimited offers to purchase within three working days following the publication of the supplement.

Any changes to the terms of the Offering will be published by means of electronic media such as Reuters or Bloomberg, and, if required by Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 on Market Abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, as amended ("**MAR**"), the German Securities Prospectus Act (*Wertpapierprospektgesetz*), or the German Securities Trading Act (*Wertpapierhandelsgesetz* – "**WpHG**"), as an ad-hoc release via an electronic information dissemination system, on the Company's website (www.pfisterer.com) under the "Investor Relations" section and as a supplement to the Prospectus.

Investors who have submitted purchase orders will not be notified individually. Under certain conditions, the Underwriters may terminate the underwriting agreement entered into between the Company, the Selling Shareholders, the Lending Shareholder and the Underwriters on

May 5, 2025 ("**Underwriting Agreement**"), even after inclusion to trading (*Aufnahme des Handels*) of the Shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) (see "*3.11 Underwriters and Underwriting Agreement*"). If the Underwriting Agreement is terminated, the Offering will not take place, in which case any allotments already made to investors will be invalidated and investors will have no claim for delivery. Claims with respect to subscription fees already paid and costs incurred by an investor in connection with the subscription will be governed solely by the legal relationship between the investor and the financial intermediary to which the investor submitted its purchase order. Investors who engage in short-selling bear the risk of being unable to satisfy their delivery obligations.

3.2.4 Determination of the Offer Price and the final Number of Offer Shares

After expiry of the Offer Period, the Offer Price and the final number of the Offer Shares will be determined at the end of the bookbuilding process by the Company, acting also on behalf of the Selling Shareholders and the Lending Shareholder, after consultation with the Joint Global Coordinators. This is expected to take place on or about May 12, 2025. The Offer Price and the final number of the Offer Shares will be set on the basis of the purchase orders submitted by investors during the Offer Period that have been collated in the order book prepared during a book building process. These orders will be evaluated according to the prices offered and the expected investment horizons of the respective investors. This method of setting the Offer Price is, in principle, aimed at achieving the highest possible Offer Price. Consideration will also be given to whether the Offer Price and the number of Offer Shares to be placed allow for the reasonable expectation that the share price will demonstrate a steady performance in the secondary market given the demand for the Shares as reflected in the order book. Attention will be paid not only to the prices offered by investors and the number of investors interested in purchasing shares at a particular price, but also to the composition of the Company's shareholder structure that would result at a given price and expected investor behavior.

The Offer Price and the final number of Offer Shares (i.e., the results of the Offering) are expected to be published on or about May 12, 2025, by means of an ad-hoc release on an electronic information dissemination system and on the Company's website (www.pfisterer.com) under the "Investor Relations" section. After the Offer Price has been set, the Offer Shares will be allotted to investors on the basis of the purchase orders then available. For technical reasons, the Offer Shares purchased via the subscription functionality DirectPlace© will be allotted on the day of the determination of the Offer Price already. An inclusion to trading of the Company's shares in the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) will not take place before the allotment of the Offer Shares Investors who have placed orders to purchase Offer Shares with the Joint Bookrunners can obtain information from the Joint Bookrunners about the Offer Price and the number of Offer Shares allotted to them on the business day following the determination of the Offer Price. Should the placement volume prove insufficient to satisfy all orders placed at the Offer Price, Joint Bookrunners reserve the right to reject orders, or to only accept them in part.

After expiry of the Offer Period, the Selling Shareholders will, in their sole discretion and after consultation with the Joint Global Coordinators, determine if and to what extent they will exercise the Upsize Option, taking into account the market demand and using the order book prepared during the bookbuilding process.

Investors will not be charged expenses by the Company, the Selling Shareholders, the Lending Shareholder or the Underwriters in connection with the Offering. Investors will have to bear customary transaction and handling fees charged by their brokers through which they hold their securities.

Book-entry delivery of the allotted Offer Shares against payment of the Offer Price is expected to take place on May 15, 2025.

3.3 Expected Timetable for the Offering

The following is the expected timetable of the Offering, which may be extended or shortened:

May 5, 2025.....	Approval of the Prospectus by BaFin Publication of the Prospectus on the Company's website
May 6, 2025.....	Commencement of the Offer Period
May 8, 2025.....	Commencement of the use of the subscription functionality DirectPlace©
May 12, 2025.....	Close of the Offer Period at (i) 14:00 (CEST) for retail investors and (ii) 14:00 (CEST) for institutional investors Determination and publication of the Offer Price and final number of Offer Shares to be allocated
May 13, 2025.....	Expected registration of the implementation of the IPO Capital Increase Inclusion decision of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) on the Listing
May 14, 2025.....	Inclusion to trading of the Company's shares in the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) and, simultaneously, in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*)
May 15, 2025.....	Book-entry delivery of the Offer Shares against payment of the Offer Price (settlement and closing)

The Prospectus and any supplements thereto (if any) will be published on the Company's website (www.pfisterer.com) under the "Investor Relations" section.

3.4 Information on the Shares

3.4.1 Share Capital of the Company and Governing Law

As of the date of the Prospectus, the Company's share capital amounts to €14,595,238 and is divided into 14,595,238 shares. The existing shares of the Company are ordinary bearer shares with no par value (*Stückaktien*) of the Company, each such existing share with a notional value of €1.00 in the Company's share capital and with full dividend rights as of January 1, 2025. The Company's share capital has been fully paid up.

The existing shares of the Company were created pursuant to the laws applicable to a European company (*Societas Europaea - SE*), in particular Council Regulation (EC) No 2157/2001 of October 8, 2001 on the statute for a European company (SE), as amended ("**SE Regulation**"), in conjunction with the German Stock Corporation Act (*Aktiengesetz*

("**AktG**")). As part of the IPO Capital Increase, up to 3,500,000 New Shares will be issued from the IPO Capital Increase. Upon registration of the IPO Capital Increase, the Company's share capital will be increased from €14,595,238.00 by up to €3,500,000.00 to up to €18,095,238.00. The consummation of the IPO Capital Increase is expected to be registered with the commercial register of the local court (*Amtsgericht*) of Stuttgart, Germany, on or about May 13, 2025.

3.4.2 Voting Rights

Each Share carries one vote at the Company's shareholders' meeting (*Hauptversammlung*). All Shares confer the same voting rights. There are no restrictions on voting rights. Major shareholders do not have different voting rights.

3.4.3 Dividend and Liquidation Rights

Each Share carries full dividend rights as of January 1, 2025. The paying agent of the Company is LBBW.

In the event of the Company's liquidation, any proceeds will be distributed to the holders of the Shares in proportion to their interest in the Company's share capital.

3.4.4 Form and Certification of the Shares

All Shares are ordinary bearer shares with no par value (*Stückaktien*). The 14,595,238 existing shares and the New Shares will be represented by one global share certificate each, which will be deposited with Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn, Germany ("**Clearstream**").

Section 6.7 of the Articles of Association excludes the shareholders' right to receive individual share certificates.

All Shares provide holders thereof with the same rights and no Shares provide any additional rights or advantages.

3.4.5 Currency of the Securities Issue

The Shares are denominated in EUR.

3.4.6 ISIN, WKN, and Trading Symbol

International Securities Identification Number (ISIN)	DE000PFSE212
German Securities Code (Wertpapier-Kenn-Nummer – "**WKN**")	PFSE21
Trading symbol	PFSE

3.4.7 Delivery and Settlement

The book-entry delivery of the allotted Offer Shares against payment of the Offer Price is expected to take place on or about May 15, 2025. The Offer Shares will be made available to investors as co-ownership interests (*Miteigentumsanteile*) in the respective global share certificate deposited with Clearstream. LBBW will act as settlement agent.

The Offer Shares purchased in the Offering will be credited to a securities deposit account maintained by a German bank with Clearstream.

3.4.8 Transferability of the Shares

The Shares are freely transferable in accordance with the legal requirements for bearer shares (*Inhaberaktien*). Except for the restrictions set forth in the Prospectus under "*3.9 Lock-up Agreements*" and "*3.11.5 Selling Restrictions*", there are no prohibitions on disposals or restrictions with respect to the transferability of the Shares.

3.5 Identification of Target Market

Solely for the purpose of fulfilling the product governance requirements set forth in

- Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014, on Markets in Financial Instruments, as amended ("**MiFID II**");
- Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 of April 7, 2016, supplementing MiFID II; and
- German implementing measures (together, "**MiFID II Requirements**"), and disclaiming any and all liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Requirements) may otherwise have with respect thereto, the Offer Shares have been subject to a product approval process.

As a result, it has been determined that the Offer Shares are:

- compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and
- eligible for distribution through all distribution channels as permitted by MiFID II ("**Target Market Assessment**").

Notwithstanding the Target Market Assessment, the price of the Offer Shares may decline and investors could lose all or part of their investment. The Offer Shares offer no guaranteed income and no capital protection, and an investment in the Offer Shares is suitable only for investors who:

- do not need a guaranteed income or capital protection;
- either alone or together with an appropriate financial or other adviser, are capable of evaluating the merits and risks of such an investment; and
- who have sufficient resources to be able to bear any losses that may result from such investment, including up to the total amount invested.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. For the avoidance of doubt, the Target Market Assessment does not constitute:

- an assessment of suitability or appropriateness for the purposes of MiFID II; or
- a recommendation to any investor or group of investors to invest in, or purchase, sell or take any other action whatsoever with respect to the Offer Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

3.6 Allotment Criteria

The allotment of Offer Shares to retail investors and institutional investors will be determined by the Company after consultation with the Joint Global Coordinators. There are no agreements in place among the Company, the Selling Shareholders and the Underwriters as to the allotment procedure. The ultimate decision on the allotment of Offer Shares to investors rests with the Company.

Allotments will be made on the basis of the quality of the individual investors (including with respect to expected holding strategy and order size), as well as other important allotment criteria to be determined by the Company after consultation with the Joint Global Coordinators. With respect to the purchase orders of retail investors and purchase orders via DirectPlace©, the Company, the Selling Shareholders and the Underwriters will adhere to the "Principles for the Allotment of Share Issues to Private Investors" (*Grundsätze für die Zuteilung von Aktienemissionen an Privatanleger*) issued on June 7, 2000, by the German Commission of Stock Exchange Experts (*Börsensachverständigenkommission*) of the German Federal Ministry of Finance (*Bundesministerium der Finanzen*). The details of the allotment procedure with respect to purchase orders via DirectPlace© will be stipulated after expiration of the Offer Period and published in accordance with the above-mentioned allotment principles.

The Company has set up a preferential allocation program for the benefit of employees as well as business partners of PFISTERER and certain individuals. This preferential allocation program consists of two tranches:

- Up to the total number of 1,154 of the Group's employees in Germany, Czech Republic, Spain, France, Poland, Italy and Switzerland will be offered Shares in the aggregate maximum amount of €4,611,384.00 or, as the case may be, the next lower amount that can be divided by the Offer Price without remainder in such a way that each eligible employee are offered one Share for free for each Share they purchase against payment of the Offer Price for each Share in cash, whereby this cash purchase amount is limited to €1,000 or, at the choice of each employee, to €2,000 per employee. All Shares granted pursuant to this first tranche will be subject to a lock-up period of twelve weeks beginning on the first day of trading of the Shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment).

- Approximately 30 business partners and other individuals related to PFISTERER will be invited to purchase Shares in the aggregate maximum amount of €1,500,000 or, as the case may be, the next lower amount that can be divided by the Offer Price without remainder in such a way that each eligible person will be offered to buy shares against payment of the Offer Price for each share in cash, whereby each eligible person may purchase Shares for a total amount in the range between €20,000 and €50,000.

- The purchase orders in both tranches within the preferential allocation program will receive full allocations.

3.7 Stabilization Measures, Over-Allotment and Greenshoe Option

In connection with the placement of the Offer Shares and to the extent permitted by Article 5 para. 4 MAR in conjunction with the regulatory technical standards issued, Berenberg, acting in its own name and for the account of the Underwriters, will act as the stabilization manager

(the "**Stabilization Manager**") and may, as Stabilization Manager, make over-allotments and take stabilization measures in accordance with Article 5 paras. 4 and 5 MAR in conjunction with Article 5 through 8 of Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016, supplementing MAR.

Stabilization measures may be taken on any trading venue where the Shares are traded. Such measures aim at supporting the market price of the Shares during the Stabilization Period (as defined below), thereby alleviating selling pressure generated by short-term investors and maintaining an orderly market in the Shares. These measures may result in the market price of the Shares being higher than would otherwise have been the case. Moreover, the market price may temporarily be at an unsustainable level.

The Stabilization Manager is under no obligation to take any stabilization measures. Therefore, stabilization measures may not necessarily occur and may cease at any time. Such measures may be taken from the first day of trading in the Shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) and simultaneously in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and must end no later than 30 calendar days thereafter ("**Stabilization Period**").

Under the possible stabilization measures, investors may, in addition to the New Shares and the Sale Shares, be allocated up to 778,353 Over-Allotment Shares as part of the allocation of the Offer Shares ("**Over-Allotment**"). For the purpose of such a potential Over-Allotment, the Stabilization Manager, acting in the name and for the account of the Underwriters, will be provided with up to 778,353 existing shares of the Company from the holdings of the Lending Shareholder in the form of a securities loan. The total number of Over-Allotment Shares will not exceed 15% of the final number of New Shares and Secondary Base Shares placed in the Offering.

The Lending Shareholder has granted the Stabilization Manager the option to acquire a number of the Company's shares equal to the number of the Over-Allotment Shares at the Offer Price (the "**Greenshoe Option**") for the sole purpose of enabling the Stabilization Manager to perform the redelivery obligation under the securities loan granted by the Lending Shareholder. The Greenshoe Option may only be exercised during the Stabilization Period and will terminate 30 calendar days after the commencement of trading of the Shares.

The Stabilization Manager, acting in the name and for the account of the Underwriters, may exercise the Greenshoe Option to the extent Over-Allotment Shares were allocated to investors in the Offering. The number of Shares acquired under the Greenshoe Option is to be reduced by any shares of the Company held by the Stabilization Manager when the Greenshoe Option is exercised, if such shares were acquired by the Stabilization Manager in the context of stabilization measures.

Public announcements regarding stabilization measures will be made in accordance with Article 6 of Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016, supplementing MAR (i) prior to the start of the Offering, (ii) by the end of the seventh daily market session following the date any stabilization measures were taken, and (iii) within one week after the end of the Stabilization Period. Any exercise of the Greenshoe Option will be disclosed to the public promptly in accordance with Article 8 lit. (f) of Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016, supplementing MAR.

3.8 Listing and Commencement of Trading

The Company, together with ICF BANK AG, expects to apply for the Listing on May 5, 2025. The decision of DBAG on the Listing pursuant to Section 9 para. 1 of the DBAG General Terms and Conditions is expected to be granted and announced on or about May 13, 2025. The decision on the Listing will be made solely by DBAG at its discretion. Inclusion to trading of the Shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) and simultaneously in the Basic Board of the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) is expected on or about May 14, 2025.

3.9 Lock-up Agreements

3.9.1 Lock-up of the Company

In the Underwriting Agreement, the Company agreed with the Underwriters that, for a period of 180 days following the first day of trading of the Shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) (currently expected to take place on or about May 14, 2025), without the prior written consent of the Joint Global Coordinators, which consent may not be unreasonably withheld or delayed, the Company will not:

(i) issue, sell, offer to sell, undertake to sell or otherwise dispose of, directly or indirectly, any shares of the Company from a capital increase or from treasury stock;

(ii) directly or indirectly issue, sell, offer, undertake to sell or otherwise dispose of or act to issue or propose to the Company's shareholders' meeting the adoption of a resolution on the issue of securities convertible into shares of the Company or representing a right to acquire shares of the Company;

(iii) announce or carry out any capital increase from authorized or conditional capital;

(iv) propose a capital increase to its shareholders' meeting for resolution; or

(v) enter into any transactions (including derivative transactions) or take any other measures which economically correspond to the above measures.

The lock-up commitment of the Company shall not apply to (i) the IPO Capital Increase, (ii) issue or sale of any shares or other securities, including actual or virtual options, under management participation plans to former and future employees, former, current and future members of executive bodies, and (iii) the issue of shares against contributions in kind in connection with any acquisition, equity investment or joint venture directly to the partner in any such acquisition, equity investment or joint venture, provided that the parties to the joint venture or acquiring entity to which such shares are issued, agree towards the Joint Global Coordinators to be bound by the same lock-up undertaking as the Company.

3.9.2 Lock-up of Karl-Heinz Pfisterer and Anna Dorothee Stängel

In the Underwriting Agreement, Karl-Heinz Pfisterer and Anna Dorothee Stängel have agreed with the Underwriters that, during the period of 180 days after commencement of trading of the Company's shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) (currently expected to take place on or about May 14, 2025), they will not without the prior written consent of the Joint Global Coordinators:

(i) offer, pledge, allot, distribute, sell, contract to sell, sell any option or contract to purchase, purchase any option to sell, grant any option, right or warrant to purchase, transfer or otherwise dispose of, directly or indirectly (including, but not limited to, the issuance or sale of any securities exchangeable into shares of the Company), any shares of the Company held by them or their affiliates which they control (excluding the Company);

(ii) cause or approve, directly or indirectly, the announcement, execution or implementation of any increase in the share capital of the Company or a direct or indirect placement of shares of the Company (other than the IPO Capital Increase);

(iii) propose, directly or indirectly, any increase in the share capital of the Company to any meeting of the shareholders for resolution, or vote in favor of such a proposed increase;

(iv) cause or approve, directly or indirectly, the announcement, execution, or proposal of any issuance of financial instruments constituting options or warrants convertible into shares of the Company; or

(v) enter into or perform any transaction economically equivalent to those described in (i) through (iv) above, in particular enter into any swap or other agreement that transfers to another, in whole or in part, the economic risk of ownership of shares, whether any such transaction is to be settled by delivery of Shares, in cash or otherwise.

The foregoing shall not apply to (i) the sale of any Offer Shares in the Offering, (ii) off-market transactions with any other direct or indirect shareholders of the Company or other family members of such shareholders, or with persons or entities otherwise related to such family members, provided in each case that such persons or entities assume the same obligation as Karl-Heinz Pfisterer and Anna Dorothee Stängel for the then remaining portion of the lock-up period.

3.9.3 Lock-up of the Members of the Management Board and the Supervisory Board

In the Underwriting Agreement, (i) the members of the Management Board and (ii) the members of the Supervisory Board have agreed with the Underwriters that they will for a period of 360 days after commencement of trading of the Company's shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) (currently expected to take place on or about May 14, 2025), not without the prior written consent of the Joint Global Coordinators:

(i) offer, pledge, allot, distribute, sell, contract to sell, sell any option or contract to purchase, purchase any option to sell, grant any option, right or warrant to purchase, transfer or otherwise dispose of, directly or indirectly (including, but not limited to, the issuance or sale of any securities exchangeable into shares of the Company), any shares of the Company held by them or their affiliates which they control (excluding the Company);

(ii) cause or approve, directly or indirectly, the announcement, execution or implementation of any increase in the share capital of the Company or a direct or indirect placement of shares of the Company (other than the IPO Capital Increase);

(iii) propose, directly or indirectly, any increase in the share capital of the Company to any meeting of the shareholders for resolution, or vote in favor of such a proposed increase;

(iv) cause or approve, directly or indirectly, the announcement, execution, or proposal of any issuance of financial instruments constituting options or warrants convertible into shares of the Company; or

(v) enter into or perform any transaction economically equivalent to those described in (i) through (iv) above, in particular enter into any swap or other agreement that transfers to another, in whole or in part, the economic risk of ownership of shares, whether any such transaction is to be settled by delivery of Shares, in cash or otherwise.

The foregoing shall not apply to (i) the sale of any Offer Shares in the Offering, (ii) off-market transactions with any other indirect shareholders of the Company or other family members of such shareholders, or with persons or entities otherwise related to such family members, provided in each case that such persons or entities assume the same obligation as the current shareholder for the then remaining portion of the lock-up period, or (iii) any issue or sale of any shares or other securities, including actual or virtual options, under management participation plans to former and future employees, former, current and future members of executive bodies.

3.10 Designated Sponsor

Berenberg and ICF BANK AG have been mandated as designated sponsors of the Shares traded on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) ("**Designated Sponsors**"). Pursuant to the designated sponsors agreements entered into between Berenberg and ICF BANK AG, respectively, and the Company, Berenberg and ICF BANK AG will, among other things, place limited buy and sell orders for the Shares in the electronic trading system of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) during regular trading hours. This is intended to achieve greater liquidity in the market for the Shares.

3.11 Underwriters and Underwriting Agreement

3.11.1 Scope of and Arrangements on Underwriting

The Company, the Selling Shareholders, the Lending Shareholder and each of the Underwriters have entered into the Underwriting Agreement on May 5, 2025 with respect to the offer and sale of the Offer Shares.

The obligations of the Underwriters according to the provisions of the Underwriting Agreement are subject to various conditions, including, among other things, (i) the conclusion of a pricing agreement between the Company, also acting on behalf of the Selling Shareholders and the Lending Shareholder, and the Underwriters, the conclusion of the Cost Sharing and Indemnity Agreement (as defined in "*17.1.1 Cost Sharing and Indemnity Agreement*"), an agreement on an IPO insurance between the Company and an insurer, (ii) the absence of a material adverse event, such as a reasonably likely prospective material adverse change in or affecting the condition, business, prospects, management, consolidated financial position, shareholders' equity, or results of operations of the Company or the Group, or a suspension in trading of the Company's securities (other than for technical reasons) or in securities generally on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), the

London Stock Exchange, or the New York Stock Exchange, (iii) receipt of customary certificates, legal opinions, and comfort letters, and (iv) the Listing.

Some of the Underwriters or their affiliates have, and may from time to time in the future continue to have, business relations (including lending activities) with, and may perform services for, the Group or the Selling Shareholders in their capacity as financial institutions (for a more detailed description of the interests of the Underwriters in the Offering, see "*3.12 Interests of Parties participating in the Offering*").

The following table presents the maximum numbers of Offer Shares, that the respective Underwriter agreed to acquire pursuant to the Underwriting Agreement and subject to the terms and conditions contained therein, together with the corresponding percentage of the total number of Offer Shares:

Underwriter	Maximum Number of Offer Shares[(1)]	Percentage of maximum number Offer Shares (in %)[(1)]
Berenberg	2,351,490	33.75
COMMERZBANK	2,351,490	33.75
LBBW	1,916,029	27.50
ICF BANK AG	348,369	5.00

(1) Assuming placement of the maximum number of Offer Shares and full exercise of the Upsize Option and the Greenshoe Option.

3.11.2 Commissions

The Underwriters will offer the Offer Shares at the Offer Price. In return, the Underwriters will receive a commission of 4.5% of the aggregate gross proceeds from the Offering (the "**Base Fee**"). The Company may in its sole discretion, subject to certain criteria, decide to reduce the underwriting commission by up to 1.25% to a minimum of 3.25% of the aggregate gross proceeds from the Offering, provided that the decision on the reduction, if any, shall be taken on the day of the determination of the Offer Price.

The Company will bear any fees in connection with the sale of the New Shares, while the Selling Shareholders will bear any fees in connection with the sale of the Sale Shares and Karl-Heinz Pfisterer will bear any fees in connection with the sale of the Over-Allotment Shares. Assuming (i) an Offer Price at the mid-point of the Price Range, (ii) placement of the maximum number of Offer Shares, (iii) full exercise of the Upsize Option, (iv) full exercise of the Greenshoe Option, and (v) the full payment of the Base Fee, the Company estimates that the Underwriters would receive approximately €8.5 million in commissions in connection with the Offering.

3.11.3 Greenshoe Option and Securities Loan

To cover potential Over-Allotments, the Lending Shareholder will provide the Stabilization Manager, acting for the account of the Underwriters, with up to 778,353 Over-Allotment Shares free of charge in the form of a securities loan. The total number of Over-Allotment Shares will not exceed 15% of the final number of New Shares and Secondary Base Shares

placed in the Offering. In addition, the Lending Shareholder granted the Underwriters the Greenshoe Option to acquire up to 778,353 Shares at the Offer Price less agreed commissions.

The Stabilization Manager, acting in the name and for the account of the Underwriters, may exercise the Greenshoe Option provided by the Lending Shareholder to the extent Over-Allotments were initially made. The number of Shares that can be acquired under the Greenshoe Option is reduced by the number of Shares held by the Stabilization Manager on the date when the Greenshoe Option is exercised and that were acquired by the Underwriters in the context of stabilization measures, if any. The Greenshoe Option will terminate 30 calendar days after commencement of stock exchange trading of the Shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

3.11.4 Termination and Indemnification

Under certain circumstances, the Underwriters, may terminate the Underwriting Agreement, including after the Offer Shares have been allocated and the Listing, up to closing of the Offering, in particular, in the following cases:

- material adverse change in the business of the Company or of the PFISTERER Group, or any material adverse change in the financial condition or results of operations of the Company or of the PFISTERER Group;
- a material adverse change in the Company's equity;
- a material adverse change in the long-term debt of the Company or of the PFISTERER Group;
- a material adverse change in the business, management or financial condition or results of operations or a development of the Company or of the PFISTERER Group has occurred that would reasonably be expected to result in such a change;
- a material change in the Management Board or Supervisory Board;
- the suspension or material limitation in trading (other than for technical reasons) on the Frankfurt Stock Exchange, the London Stock Exchange or the New York Stock Exchange;
- the imposition of a general moratorium on banking activities in Frankfurt am Main, London or New York;
- a material disruption in commercial banking or securities settlement, payment or clearance services in Europe or the United States;
- a change in national or international financial, political or economic conditions or currency exchange rates or currency controls which have a material adverse impact on the financial markets in Germany, the United Kingdom or the United States or a material change or material development involving a prospective material change in the German taxation;
- the outbreaks or escalation of hostilities, the declaration of a national emergency or a declaration of war involving any Member State of the European Union, the United Kingdom or the United States; or

- the occurrence of any acts of terrorism or any other calamity or crisis or an escalation of the war in the Ukraine or any change in financial, political or economic conditions or currency exchange rates or currency control which have a material adverse impact on the financial markets in Germany, the United Kingdom or the United States.

If the Underwriting Agreement is terminated, the Offering will not take place, in which case any allocations already made to investors will be invalidated and investors will have no claim for delivery of Offer Shares. Claims with respect to purchase fees already paid and costs incurred by an investor in connection with the purchase will solely be governed by the legal relationship between the investor and the financial intermediary to which the investor submitted its purchase order. Investors who engage in short-selling bear the risk of being unable to satisfy their delivery obligations.

In the Underwriting Agreement, the Company and the Selling Shareholders, respectively, have agreed to indemnify the Underwriters against certain liabilities that may arise in connection with the Offering, including liabilities under applicable securities laws.

3.11.5 Selling Restrictions

The distribution of the Prospectus and the sale of the Offer Shares may be restricted by law in certain jurisdictions. The Offer Shares may not be offered or sold, directly or indirectly, and neither the Prospectus nor any other offering material or advertisement in connection with the Offer Shares may be distributed or published in or from any country or jurisdiction other than Germany, except in compliance with any applicable rules and regulations of such country or jurisdiction. It is the responsibility of any person who receives a copy of the Prospectus to inform themselves about and observe any laws and restrictions, including, but not limited to, those set out below. Failure to comply with these restrictions may constitute a violation of securities laws.

No action has been or will be taken by the Company, the Selling Shareholders, or the Underwriters to permit a public offering of any Offer Shares or the possession or distribution of this document in any country or jurisdiction other than Germany where action for such purposes may be required. The Prospectus has been approved solely by BaFin as competent authority under the Prospectus Regulation, see "*2.1 Responsibility Statement*".

The Offer Shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and the Offer Shares may not be offered, sold, or otherwise transferred to or within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. Accordingly, the Offer Shares are being offered and sold only (a) in the United States to persons reasonably believed to be QIBs pursuant to Rule 144A and (b) outside the United States in "offshore transactions" pursuant to Regulation S.

In addition, until 40 days after the announcement of the Offer Price, an offer or sale of the Offer Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

In relation to each member state of the EEA, an offer to the public of any Offer Shares, other than the offer in Germany contemplated in the Prospectus, may not be made in that member state of the EEA, except that an offer to the public in that member state of the EEA of any

Offer Shares may be made at any time in accordance with the following exceptions under the Prospectus Regulation, if they have been implemented in that member state of the EEA:

- to any legal entity which is a "qualified investor" as defined in Article 2 lit. e) of the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than "qualified investors" as defined in Article 2 lit. e) of the Prospectus Regulation) per member state of the EEA, subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or
- in any other circumstances falling within Article 1 para. 4 of the Prospectus Regulation, provided that no such offer of Offer Shares shall result in a requirement for the Company or any Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or a supplemental prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this restriction, the expression "offer to the public" in relation to any Offer Shares in any member state of the EEA means a communication to persons in any form and by any means, presenting sufficient information on the terms of the Offering and the Offer Shares, so as to enable an investor to decide to purchase or subscribe to Offer Shares, including any placing of Offer Shares through financial intermediaries.

No Offer Shares have been offered or will be offered pursuant to the Offer in the United Kingdom prior to the publication of a prospectus in relation to the Offer Shares, except that the Offer Shares may be offered to the public in the United Kingdom at any time:

- to any legal entity which is a qualified investor as defined in the UK Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Underwriters for any such offer; or
- in any other circumstances falling within Section 86 of the Financial Services and Markets Act 2000, as amended ("**FSMA**"),

provided that no such offer of Offer Shares shall result in a requirement for the Company or any Underwriter to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purpose of this paragraph, the expression offer of securities to the public means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable the investor to decide to exercise, purchase or subscribe for any Offer Shares and the expression UK Prospectus Regulation means Regulation (EU) 2017/1129 as it forms part of the domestic law by virtue of the European Union (Withdrawal) Act 2018.

3.12 Interests of Parties participating in the Offering

The Company will receive the net proceeds from the sale of the New Shares. Accordingly, the Company has an interest in the success of the Offering on the best possible terms.

The Selling Shareholders will receive the net proceeds from the sale of the Sale Shares. Accordingly, the Selling Shareholders have an interest in the success of the Offering on the best possible terms.

To the extent Over-Allotment Shares are sold and the Greenshoe Option is exercised, the Lending Shareholder will receive the proceeds from the sale of the Over-Allotment Shares under the Greenshoe Option. Accordingly, the Lending Shareholder has an interest in the success of the Offering on the best possible terms.

In connection with the Offering and the Listing, the Underwriters have entered into the Underwriting Agreement with the Company, the Selling Shareholders and the Lending Shareholder, are acting for the Company, the Selling Shareholders and the Lending Shareholder on the Offering and coordinate the structuring and execution of the Offering and receive fees, the size of which depends on the results of the Offering. The Underwriters therefore have a financial interest in the success of the Offering on the best possible terms.

Berenberg and ICF BANK AG have been appointed to act as Designated Sponsors. The Designated Sponsors will receive a commission for their activities upon successful completion of the Offering. In addition, ICF BANK AG has been appointed as applying and supporting Capital Market Partner within the meaning of the DBAG General Terms and Conditions by the Company.

The Underwriters and/or any of their respective affiliates, acting as investors for their own accounts, may acquire Offer Shares in the Offering, and in such capacity may retain, purchase or sell for their own account such shares or related investments and may offer or sell such shares or other investments outside the Offering. In addition, the Underwriters or any of their respective affiliates may enter into financing arrangements, including swaps or contracts for differences, pursuant to which the Underwriters or their respective affiliates may, from time to time, acquire, hold or dispose of shares in the Company.

The Underwriters and/or their respective affiliates have, and may from time to time in the future continue to have, business relations with PFISTERER and the Selling Shareholders, including lending activities or investment banking activities, or may perform services for PFISTERER or the Selling Shareholders in the ordinary course of business. COMMERZBANK and LBBW are mandated as lead arrangers and bookrunners and lenders under the Senior Facilities Agreement and therefore have a financial interest in the success of the Offering.

Existing shares from holdings of (i) Johannes Linden and Dr. Konstantin Kurfiss, who are members of the Management Board of the Company, and (ii) Prof. Dr. Wolfgang Blättchen, Prof. Dr. Petra Denk, Erich Anton Schefold and Dr. Stefan Seipl, who are members of the Supervisory Board of the Company, are part of the Offering. In addition, the members of the Management Board participate in the virtual share option program of the Company (see "*16.2.3.2(ii) Virtual Share Option Program*") and the completion of the Offering will constitute an exit event for 50% of the virtual shares resulting in a respective vesting of such virtual shares. Accordingly, these persons have an interest in the successful completion of the Offering and their interests with respect to the Offering may not be aligned with those of the Company or the Company's other shareholders, which constitutes a potential conflict of interest. Other than that, there are no conflicting interests with respect to the Offering.

4. PROCEEDS AND COSTS OF THE OFFERING AND THE LISTING, REASONS FOR THE OFFERING AND THE LISTING AND USE OF PROCEEDS

4.1 Proceeds and Costs of the Offering

The Company will only receive the net proceeds from the sale of up to 3,500,000 New Shares. The Company will not receive any proceeds from the sale of the Secondary Base Shares and the potential sale of the Upsize Shares and the Over-Allotment Shares.

Assuming (i) an Offer Price at the mid-point of the Price Range, (ii) placement of the maximum number of New Shares, (iii) full exercise of the Upsize Option and (iv) full exercise of the Greenshoe Option:

- gross proceeds attributable to the Company would amount to approximately €94.5 million;
- costs of the Company related to the Offering, including commissions payable to the Underwriters (assuming the full payment of the commission fee) would amount to approximately €8.6 million; and
- net proceeds attributable to the Company (assuming the full payment of the commission fee to the Underwriters) would amount to approximately €85.9 million.

The Selling Shareholders will receive the net proceeds from the sale of the Sale Shares (i.e., up to 1,689,025 Secondary Base Shares and, potentially, up to 1,000,000 Upsize Shares). The Lending Shareholder will receive the net proceeds from the potential sale of the Over-Allotment Shares (i.e., up to 778,353 existing shares of the Company) if and to the extent the Greenshoe Option is exercised. Neither the Selling Shareholders nor the Lending Shareholder will receive any proceeds from the sale of the New Shares.

Assuming (i) an Offer Price at the mid-point of the Price Range, (ii) placement of the maximum number of Secondary Base Shares, (iii) full exercise of the Upsize Option and (iv) full exercise of the Greenshoe Option, the Company estimates that:

- gross proceeds attributable to the Selling Shareholders would amount to approximately €72.6 million;
- costs of the Selling Shareholders related to the Offering of the Sale Shares, including commissions payable to the Underwriters (assuming the full payment of the commission fee), would amount to approximately €3.5 million; and
- net proceeds attributable to the Selling Shareholders (assuming the full payment of the commission fee to the Underwriters) would amount to approximately €69.1 million.

Assuming (i) an Offer Price at the mid-point of the Price Range and (ii) full exercise of the Greenshoe Option, the Company estimates that:

- gross proceeds attributable to the Lending Shareholder would amount to approximately €21.0 million;
- costs of the Lending Shareholder related to the Offering, including commissions payable to the Underwriters (assuming the full payment of the commission fee) would amount to approximately €1.0 million; and

- net proceeds attributable to the Lending Shareholder (assuming the full payment of the commission fee to the Underwriters) would amount to approximately €20.0 million.

Assuming an Offer Price at the mid-point of the Price Range, placement of the maximum number of Offer Shares, full exercise of the Upsize Option and the Greenshoe Option and assuming the payment of the commission fee at the mid-point of the Price Range in full, the commission payable to the Underwriters would amount to €8.5 million.

4.2 Reasons for the Offering and Use of Proceeds

The Company intends to pursue the Offering to receive the net proceeds resulting from the sale of the New Shares in order to finance its further growth, to strengthen its financial capabilities and to maintain its independence as pure-play supplier of electrical connection and insulation solutions for power grid interfaces. The Company will not receive any proceeds from the sale of the Sale Shares and the potential sale of the Upsize Shares and the Over-Allotment Shares. Assuming completion of the Offering at the mid-point of the Price Range, the placement of the maximum number of New Shares and the full payment of the commission fee to the Underwriters, the Company would receive net proceeds of approximately €85.9 million from the Offering. We currently intend to use these net proceeds in the following order of priority:

- approximately 60% for investments, in Germany and abroad, in the expansion of our manufacturing capacities, particularly by enhancing our existing production sites and/or by acquisitions, upgrading machinery and equipment, advancing automation, and improving infrastructure and logistics (including investments in warehouse technology and the modernization of key facilities to support increased production efficiency and scalability);
- approximately 30% for investments in the development of innovative technologies, products and solutions, particularly in the field of high voltage direct current (HVDC) technology, in-house research and development laboratories and in a development and testing laboratory for high voltage technology, as well as developing other innovative products solutions to meet evolving market demands; and
- approximately 10% for strategic M&A investments in order to drive international market growth and strengthen our technological leadership.

We do not intend to use the net proceeds resulting from the sale of the New Shares for the repayment of our financial indebtedness.

Karl-Heinz Pfisterer and Anna Dorothee Stängel intend to partially divest their shareholding in the Company to receive the net proceeds from the sale of the Sale Shares and to support free float and trading liquidity in the Shares. The other Selling Shareholders intend to divest their shareholding in the Company to receive the net proceeds from the sale of the Sale Shares.

The Lending Shareholder intends to receive the net proceeds from the potential sale of the Over-Allotment Shares and to facilitate stabilization measures.

5. DIVIDEND POLICY; RESULTS AND DIVIDENDS PER SHARE; USE OF PROFITS

5.1 General Provisions Relating to Profit Allocation and Dividend Payments

The shareholders' share of the Company's profits is determined based on their respective interests in the Company's share capital. For a European Company (*Societas Europaea - SE*) with a two-tier management and control system under European and German law such as the Company, the distribution of dividends for a given financial year and the amount and payment date thereof are resolved by the general shareholders' meeting (*Hauptversammlung*). Such resolution is the responsibility of the general shareholders' meeting of the following financial year, which must take place in the first six months of the financial year, and which decides on the proposal adopted by the Management Board and the Supervisory Board for the appropriation of profits.

Dividends may only be distributed from the distributable profit (*Bilanzgewinn*) of the Company. The distributable profit is calculated based on the Company's annual financial statements prepared in accordance with German GAAP as laid down in the HGB. German GAAP differs from IFRS in material respects.

When determining the amount available for distribution, net income for the financial year must be adjusted for profit/loss carry-forward from the prior financial year and release of or allocations to reserves. Certain reserves are required to be set up by law and must be deducted when calculating profit available for distribution. Certain additional limitations apply if self-created intangible assets or deferred tax assets have been capitalized or certain plan assets that exceed corresponding pension liabilities have been capitalized. The Management Board must prepare the annual financial statements (balance sheet, income statement and notes to the financial statements) and the management report for the previous financial year by the statutory deadline, and present these to the auditors and then the Supervisory Board after preparation. At the same time, the Management Board must present a proposal for the allocation of the Company's distributable profit pursuant to Article 61 of the SE Regulation in conjunction with Section 170 AktG and present the proposal to the Supervisory Board which it intends to make to the general shareholders' meeting with regard to the distribution of profit. According to Article 61 of the SE Regulation in conjunction with Section 171 AktG, the Supervisory Board must review the annual financial statements, the Management Board's management report and the proposal for the allocation of the distributable profit, and report to the general shareholders' meeting in writing on the results. The Supervisory Board must submit its report to the Management Board within one month of the documents being received. If the Supervisory Board approves the annual financial statements after its review, these are deemed adopted unless the Management Board and Supervisory Board resolve to assign adoption of the annual financial statements to the general shareholders' meeting. If the Management Board and Supervisory Board choose to allow the general shareholders' meeting to adopt the annual financial statements, or if the Supervisory Board does not approve the annual financial statements, the Management Board must convene a general shareholders' meeting without delay.

The shareholders' meeting's resolution on the allocation of the distributable profit requires a simple majority of votes to be passed. The shareholders' meeting may also resolve that the dividends be distributed partially or entirely in kind, for example as a distribution of treasury shares if held by the Company at that time. Dividends resolved by the shareholders' meeting are due and payable immediately after the relevant shareholders' meeting, unless the dividend resolution provides otherwise, in compliance with the rules of the respective clearing system.

Under German law, the right to dividend payments is generally time-barred after three years for the benefit of the Company. If dividend payment claims expire, the Company becomes the beneficiary of the dividends.

The Offer Shares will carry full dividend rights as from January 1, 2025, and for all subsequent financial years. The dividends will be paid out in accordance with the rules of the clearing system of Clearstream Banking AG. Details on dividend payments and the respective payment agent will be published in the German Federal Gazette (*Bundesanzeiger*) after the shareholders' meeting. To the extent dividends can be distributed by the Company in accordance with the German Commercial Code (*Handelsgesetzbuch*) and corresponding decisions are taken, there are no restrictions on shareholders' rights to receive dividends. Neither German law nor the Articles of Association provide for a special procedure for the exercise of dividend rights by shareholders not resident in Germany.

Besides requirements of mandatory German law, the Company's ability to distribute dividends may be limited by the availability of distributable funds.

Generally, withholding tax (*Kapitalertragsteuer*) is withheld from dividends paid. For more information on the taxation of dividends, see "*18.1.1 Taxation of Dividend Income*".

5.2 Dividend Policy and Earnings per Share

On April 11, 2025, the shareholders of the Company agreed to pay out a dividend for the financial year ended December 31, 2024 of €0.80 per share resulting in a total dividend pay-out of €11,676 thousand (equivalent to a 36.2% payout ratio). The dividends were paid on April 16, 2025.

Subject to the availability of distributable profit (*Bilanzgewinn*) and distributable funds, the Company targets to distribute up to approximately 30% of the consolidated profit for the financial year ended December 31, 2025 and the following years.

Any future decision to pay dividends will be made in accordance with applicable laws and will depend upon, among other things, our results of operations, financial condition, contractual restrictions and capital requirements and any proposals by the Management Board and Supervisory Board regarding dividend payments will be subject to the approval at a shareholders' meeting. As the Company does not conduct any operating business itself, its ability to pay dividends depends substantially on its current and future operating subsidiaries and affiliates making profits and distributing these to the Company or transferring them to the Company. Our ability to pay dividends may also be limited by the terms of our existing and future financial liabilities or preferred securities should the Company decide to issue such preferred securities in the future. We can make no predictions as to the size of future profits available for distribution, or whether distributable profit (*Bilanzgewinn*) will be available at all, and hence it is possible that no dividends will be paid in the future. In addition, depending on the percentage of his shareholding at the respective time and the future attendance rate at the Company's shareholders' meetings, Karl-Heinz Pfisterer will likely be in a position to determine the Company's dividend policy.

6. DILUTION

As of December 31, 2024, the net asset value of the PFISTERER Group in its consolidated statement of financial position based on the Audited Consolidated Financial Statements 2024, calculated as total assets less total liabilities amounted to €83.7 million, and would amount to €5.73 per share, based on 14,595,238 outstanding shares immediately prior to the Offering.

The dilutive effect of the Offering is illustrated in the table below demonstrating the amount by which the Offer Price per share would exceed the net asset value per share after completion of the Offering assuming the below described steps of the Offering took place on December 31, 2024. In this respect, the net asset value as of December 31, 2024 is adjusted for the effects of the successful completion of the Offering, assuming (i) the execution of the IPO Capital Increase for the maximum number of New Shares, i.e. 3,500,000 New Shares at the mid-point of the Price Range, as well as (ii) an increase in the net asset value by €85.9 million at the mid-point of the Price Range by €27.00. The assumed increase is based on the expected net proceeds of the Offering not taking into account any tax effects.

	As of December 31, 2024
	Mid-Point of Price Range
(in €, unless otherwise indicated)	**(unaudited)**
Offer Price	27.00
Net asset value per share immediately prior to the implementation of the Offering (based on 14,595,238 outstanding shares)	5.73
Net asset value per share after completion of the Offering	9.37
Increase of the net asset value per share for the existing shareholders after completion of the Offering	3.64
Increase of the net asset value per share for the existing shareholders after completion of the Offering (in %)	63.4
Amount by which the Offer Price per share exceeds the net asset value per share after completion of the Offering (i.e. immediate dilution to the new shareholders of the Company per share)	17.63
Immediate dilution to the new shareholders of the Company (in %)	65.3

Assuming placement of all New Shares, 18,095,238 shares in the Company will be outstanding after completion of the Offering. Accordingly and assuming (i) placement of the maximum number of the Secondary Base Shares, Upsize Shares and the Over-Allotment Shares and (ii) full exercise of the Upsize Option and the Greenshoe Option, the existing shareholders in the Company would hold 61.5% of the share capital of and the voting rights in the Company, corresponding to an immediate dilution of 38.5%.

7. CAPITALIZATION AND INDEBTEDNESS; STATEMENT ON WORKING CAPITAL

The following tables show the Group's capitalization and indebtedness as of February 28, 2025, prior to implementation of the Offering, and as adjusted for the effects of the Offering and the IPO Capital Increase (as defined below). The information below has been derived from the Company's accounting records or internal reporting systems.

7.1 Capitalization

(in € million)	As of February 28, 2025	Adjustments for the effects of the Offering and IPO Capital Increase[1]	As of February 28, 2025 - Adjusted
	(unaudited)		
Total current debt (including current portion of non-current debt)[2]	**123.8**	**—**	**123.8**
of which is guaranteed	—	—	—
of which is secured[3]	40.7	—	40.7
of which is unguaranteed/unsecured	83.1	—	83.1
Total non-current debt (excluding current portion of non-current debt)[4]	**39.2**	**—**	**39.2**
of which is guaranteed[5]	1.1	—	1.1
of which is secured[6]	0.3	—	0.3
of which is unguaranteed/unsecured	37.9	—	37.9
Shareholders' equity[7]	**86.6**	**85.9**	**172.4**
of which is share capital[8]	14.6	3.5	18.1
of which is legal reserves[9]	16.2	85.9	102.1
of which is other reserves[10]	55.7	(3.5)	52.3
Total[11]	**249.6**	**85.9**	**335.5**

(1) The Company will only receive the net proceeds from the sale of up to 3,500,000 New Shares. The Company will not receive any proceeds from the sale of the Sale Shares and the sale of the Over-Allotment Shares. Reflects adjustments for the effects of (i) the increase of the Company's share capital from €14,595,238.00 by €3,500,000.00 to €18,095,238.00 against cash contributions, (ii) expected net proceeds from the Offering of €85.9 million (based on the issuance of 3,500,000 New Shares at the mid-point of the Price Range and respective costs of the Offering attributable to the Company of approximately €8.6 million, of which €5.1 million are deductible, and €3.5 million are recognized under other reserves (assuming a payment of the underwriters fee in full).

(2) Referred to as current liabilities in the unaudited consolidated statement of financial position of the Company as of February 28, 2025. Corresponds to the sum of consolidated statement of financial position items current "trade payables", current "financial liabilities", current "employee benefits", current "lease liabilities", current "contract liabilities", current "income tax liabilities", current "other financial liabilities", current "other liabilities" and current "provisions".

(3) The current amount drawn under the revolving credit facility of €9,967 thousand and current amount drawn under the term loan facility of €30,000 thousand as per the unaudited consolidated financial statements of the Company as of February 28, 2025, are secured by the joint and several liability of the guarantors with their total assets. The assignment of claims for the restitution of land charges of and the pledging of domestic accounts of the Company and of guarantors at the participating banks serve as further securities.

(4) Referred to as non-current liabilities in the unaudited consolidated statement of financial position of the Company as of February 28, 2025. Corresponds to the sum of consolidated statement of financial position items non-current "financial liabilities", non-current "employee benefits", non-current "lease liabilities", non-current "other liabilities", non-current "provisions", and deferred tax liabilities.

(5) This refers to the guaranteed partial retirement obligations.

(6) Refers to a loan secured by a real estate lien.

(7) Shareholders' equity reflects the equity as presented in the unaudited consolidated statement of financial position of the Company as of February 28, 2025.

(8) Share capital is referred to as share capital in the unaudited consolidated statement of financial position of the Company as of February 28, 2025. The share capital of the Company as of February 28, 2025 amounted to €14,595.24 thousand and was divided into 14,595,238 bearer shares with a par value of €1.00 each.

(9) Legal reserves are referred to as capital reserves as presented in the unaudited consolidated statement of financial position of the Company as of February 28, 2025. The respective balance of capital reserves includes both fully paid in share premium of share capital and capital reserves caused by share-based payment transactions (VSOP) of €5,641 thousand as presented in the unaudited consolidated statement of financial position as of February 28, 2025.

(10) Other reserves are calculated as the sum of the Company's unaudited consolidated statement of financial position items "retained earning", "other reserves" and "non-controlling interests" as of February 28, 2025. In line with reporting requirements set out by PFISTERER Group, no fully converged consolidated statement of profit or loss, no consolidated statement of comprehensive income, no consolidated statement of financial position, no consolidated statement of cash flows, and no consolidated statement of changes in equity are prepared as of February 28, 2025. However, selected IFRS adjustments are recognized in the consolidated financial statements for the month-end reporting as of February 28, 2025. These IFRS adjustments include derecognition of devaluations related to the procurement market according to German GAAP, posting of monthly postings to the projected target value as of December 31, 2025 based on the expert opinions as of December 31, 2024, monthly posting of lease adjustments and netting of deferred taxes.

(11) Total reflects the sum of total current debt (including current portion of non-current debt), total non-current debt (excluding current portion of non-current debt) and shareholders' equity.

7.2 Indebtedness

(in € million)	As of February 28, 2025	Adjustments for the effects of the Offering and IPO Capital Increase[1]	As of February 28, 2025 - Adjusted
		(unaudited)	
A. Cash[2]	11.4	85.9	97.3
B. Cash equivalents[3]	1.3	—	1.3
C. Other current financial assets[4]	4.6	—	4.6
D. Liquidity (A + B + C)	**17.3**	**85.9**	**103.1**
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)[5]	11.0	—	11.0
F. Current portion of non-current financial debt[6]	37.3	—	37.3
G. Current financial indebtedness (E + F)	**48.3**	**—**	**48.3**
H. Net current financial indebtedness (G – D)	**31.0**	**(85.9)**	**(54.9)**
I. Non-current financial debt (excluding current portion and debt instruments)[7]	19.0	—	19.0
J. Debt instruments	—	—	—
K. Non-current trade and other payables[8]	18.6	—	18.6
L. Non-current financial indebtedness (I + J + K).	**37.6**	**—**	**37.6**
M. Total financial indebtedness (H + L)	**68.5**	**(85.9)**	**(17.3)**

(1) The Company will only receive the net proceeds from the sale of up to 3,500,000 New Shares. The Company will not receive any proceeds from the sale of the Sale Shares and the sale of the Over-Allotment Shares. Reflects adjustments for the effects of (i) the increase of the Company's share capital from €14,595,238.00 by €3,500,000.00 to €18,095,238.00 against cash contributions, (ii) expected net proceeds from the Offering of €85.9 million (based on the issuance of 3,500,000 New Shares at the mid-point of the Price Range and respective costs of the Offering attributable to the Company of

approximately €8.6 million, of which €5.1 million are deductible, and €3.5 million are recognized under other reserves (assuming a payment of the underwriters fee in full)

(2) Cash includes cash and cash equivalents as presented in the unaudited consolidated statement of financial position of the Company as of February 28, 2025 and pertains to cash at banks as well as cash on hand.

(3) Cash equivalents pertain to restricted bank balances and cash investments at credit institutions as of February 28, 2025.

(4) Other current financial assets reflect other current financial assets, excluding restricted bank balances and cash investments at credit institutions, as presented in the unaudited consolidated statement of financial position of the Company as of February 28, 2025.

(5) Current financial debt consists of the amount drawn under the revolving credit facility and other current financial liabilities as included in current financial liabilities in the unaudited consolidated statement of financial position of the Company as of February 28, 2025.

(6) Current portion of non-current financial debt consists of the current amount drawn under the term loan facility and current lease liabilities in the unaudited consolidated statement of financial position of the Company as of February 28, 2025.

(7) Non-current financial debt includes non-current lease liabilities and non-current financial liabilities as presented in the unaudited consolidated statement of financial position of the Company as of February 28, 2025.

(8) Non-current trade and other payables pertain to non-current employee benefits (incl. pensions) within the unaudited consolidated statement of financial position of the Company as of February 28, 2025.

Further, in the medium term, we will require additional letters of credit lines in the amount of €30.0 million in order to finance the further growth and expansion of our Group. In addition, we are currently applying for an investment development loan in the amount of €25.0 million in order to partly finance in-house research and development laboratories for our HVDC products. We are very confident to secure both additional letters of credit lines and the investment development loan by the end of the second quarter of 2025.

7.3 Contingent and Indirect Liabilities

As of February 28, 2025 the PFISTERER Group had indirect or contingent liabilities in the amount of €62.5 million relating to purchase commitments and short-term and low-value leasing obligations of €1.6 million not recognized as liabilities in the statement of financial position according to IFRS, and current provisions for onerous contracts of €0.2 million.[3]

7.4 Statement on Working Capital

The Group's current working capital, excluding the net proceeds from the Offering attributable to the Company, is not sufficient to meet the Group's present requirements over at least the next twelve months from the date of this Prospectus.

The Company's current working capital would not be sufficient to repay the outstanding debt under the Senior Facilities Agreement on the maturity date, i.e. on December 22, 2025, (see

[3] According to IAS, contingent liabilities are potential obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events that are not wholly within the control of the entity. Contractual purchase commitments for goods and services generally do not fall under the definition of contingent liabilities, as they do not represent uncertain future events but rather existing, contractually fixed obligations. Contingent and Indirect liabilities as stated here is not specifically common terminology under IFRS. Contingent and indirect liabilities refer to obligations that are not directly reported in a company's statement of financial position but for which the company could still be liable under certain circumstances, thus indirect liabilities as stated here may not necessarily correspond to the term contingent liabilities according to IFRS.

"*11.1 Senior Facilities Agreement*"), and the working capital shortfall will amount to €30 million.

The Company intends to refinance the outstanding debt under the Senior Facilities Agreement following the completion of the Offering with the aim to establish new external financing arrangements which reflect the adapted financing requirements of the Group.

We are very confident, based on current discussions with various debt providers, that we will be able to secure a refinancing of the Senior Facilities Agreement either by way of entering into a new credit agreement with current lenders under the Senior Facilities Agreement or by way of alternative financing sources from other debt providers, to refinance the Group's debt and meet the Group's overall financing requirements.

However, our ability to refinance our financial indebtedness will depend on, among other things, the conditions of the capital markets and our financial condition at such time. We could fail to refinance our outstanding indebtedness in terms as economically favorable as our current financing arrangements under the Senior Facilities Agreement or at all.

Should we fail to obtain additional financing, which we deem highly unlikely, we would try to agree a standstill with our lenders under the Senior Facilities Agreement. We are very confident that the lenders would agree to a standstill, but if they do not, we would have to pursue alternative funding options. There is a risk that such options may not be available to us or may not be feasible to implement. Therefore, we could be forced to reduce or delay our business activities or capital expenditures, or to sell certain of our subsidiaries or other significant assets to rectify the working capital shortfall.

We are very confident that we will be successful in obtaining sufficient working capital to rectify our working capital shortfall through the above-mentioned measures. Should none of these measures to obtain additional working capital be successful, which we deem highly unlikely, the Company could become insolvent. This could result in shareholders losing part or all of their investment in the Company.

8. MANAGEMENT'S DISCUSSION AND ANALYSIS OF NET ASSETS, FINANCIAL CONDITION, AND RESULTS OF OPERATIONS

Investors should read the following section in conjunction with the sections "*2.3 Forward-Looking Statements*", "*2.6 Presentation of Financial Information*", "*2.7 Non-GAAP (German GAAP/IFRS) Financial Measures (Alternative Performance Measures)*", "*6. Dilution*", "*7. Capitalization and Indebtedness; Statement on Working Capital*" and "*10. Business*" as well as the Company's Audited Consolidated Financial Statements, which are included in the Prospectus beginning on page F-1.

The financial information contained in the following text and tables is taken or derived from the Company's audited consolidated financial statements as of and for the financial year ended December 31, 2024, including comparative financial information as of and for the financial year ended December 31, 2023, prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**") and the additional requirements of German commercial law pursuant to Section 315e para. 1 of the German Commercial Code (*Handelsgesetzbuch* – "**HGB**") (the "**Audited Consolidated Financial Statements 2024**"), the Company's audited consolidated financial statements as of and for the financial year ended December 31, 2023 prepared in accordance with the German generally accepted accounting principles of the German Commercial Code (HGB) ("**German GAAP**") (the "**Audited**

Consolidated Financial Statements 2023"), the Company's audited consolidated financial statements as of and for the financial year ended December 31, 2022 prepared in accordance with German GAAP (the "**Audited Consolidated Financial Statements 2022**" and, together with the Audited Consolidated Financial Statements 2024 and the Audited Consolidated Financial Statements 2023, the "**Consolidated Financial Statements**"), as well as the Company's accounting records or internal reporting systems. BDO AG Wirtschaftsprüfungsgesellschaft ("**BDO**"), Hanauer Landstraße 115, 60314 Frankfurt am Main, Germany, audited the Consolidated Financial Statements in accordance with Section 317 HGB and in compliance with German generally accepted standards for financial statement audit promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.*) and issued unqualified independent auditors' reports (*Bestätigungsvermerke des unabhängigen Abschlussprüfers*) thereon.

The Audited Consolidated Financial Statements 2024 were prepared as of and for the first time for the financial year ended December 31, 2024 with the date of transition (*Übergangszeitpunkt*) as of January 1, 2023, in accordance with IFRS, including the comparative financial information as of and for the financial year ended December 31, 2023 included therein. The financial information included in this "Management's discussion and analysis of net assets, financial condition, and results of operations" section for the financial year 2023, are therefore presented in accordance with German GAAP and IFRS. Therefore, all financial information (including all segment information) as of December 31, 2023, which is labeled "IFRS" in the following text and tables is taken or derived from the comparative financial information included in the Audited Consolidated Financial Statements 2024 and all financial information as of December 31, 2023, which is labeled "German GAAP" in the following text and tables is taken or derived from the Audited Consolidated Financial Statements 2023. The German GAAP and IFRS figures are not directly comparable

German GAAP differs in certain significant respects from IFRS.

The Company applies IFRS 8 Segment Reporting starting in the financial year ended December 31, 2024 with the date of transition (*Übergangszeitpunkt*) of January 1, 2023, and reported first-time financial data for the five business segments COM Segment, MVA Segment, HVA Segment, OHL Segment and HVD Segment.

The segment data for the financial year ended on December 31, 2024, is taken from the Company's Audited Consolidated Financial Statements 2024. The segment data for the financial year ended on December 31, 2023, is taken from the Company's Audited Consolidated Financial Statements 2024 based on the prior-year comparative financial information for the financial year ended December 31, 2023.

Where financial information in the text and tables is labeled "audited", this means that such financial information has been taken from the Consolidated Financial Statements. The label "unaudited" is used in this Prospectus to indicate financial information that has not been taken from the Consolidated Financial Statements but has been taken or derived from the Company's accounting records or internal reporting systems or has been calculated based on financial information from the above-mentioned sources.

8.1 Overview

PFISTERER is a family-owned global technology company developing, manufacturing and selling products for the connecting and insulating of electrical conductors for power grid interfaces, offering solutions for voltage levels from 1 kV to 550 kV with applications in

power generation, power transmission and power distribution. To a certain extent, we also offer repair solutions, as well as maintenance services covering the requirements of our customers in our respective business segments. We work with project developers, engineering, procurement and construction (EPC) companies, cable manufacturers, original equipment manufacturers ("**OEMs**") and resellers to serve power grid operators and utilities globally and provide them with safe and reliable solutions. Our end-customers include large utility companies and power grid operators that demand high-quality connection and insulation technologies. With our production sites in Germany, the Czech Republic, and the United States, and a global presence with 17 operative locations in 15 countries we believe we are well-positioned for future growth.

We serve our customers with an extensive product portfolio of cable accessories and components across all voltage levels and operate our business through the following five segments: COM Segment, MVA Segment, OHL Segment, HVA Segment, and HVD Segment (see section "*10. Business*" for a more detailed description of our segments).

The following geographical regions comprise our main sales markets: America, Europe and Africa, Middle East and India, and Asia.

8.2 Key Factors Affecting our Results of Operations

8.2.1 General Macroeconomic Conditions

Our business and results of operations are influenced by trends in our core markets, technological innovation as well as general macroeconomic conditions.

In its 2024/2025 Annual Report, published in November 2024, the German Council of Economic Experts expects the global economy to continue growing in 2025. It expects global domestic product growth to be stable at 2.6% year-over-year in 2025 (2024: 2.6% year-over-year). Growth is mainly driven by emerging and developing countries (source: *Annual Report 2024/2025 of the German Council of Economic Experts*).

The German economy remains in a state of stagnation. Despite the real wage increases in 2023 and 2024, private households have not substantially increased their consumer spending. Capacity utilization, corporate investments and labor productivity are also declining (source: German Council of Economic Experts – Summary of the 2024/2025 Annual Report). The German export-oriented economy is benefiting less from the growing global economy than in the past, although the German export markets are robust. This indicates that the economic weakness is largely due to high-cost increases and non-price competitive factors in an international comparison (source: *Annual Report 2024/2025 of the German Council of Economic Experts*).

In the years 2022 and 2023, the macroeconomic situation in Germany and Europe was influenced by several crises (source: *Annual Report 2023/2024 of the German Council of Economic Experts*). The energy crisis, geopolitical uncertainties due to the Russia-Ukraine Conflict and conflicts in the Middle East dampened economic growth in Germany and Europe. The German economy recorded a decline in GDP in 2023, which stands out negatively compared to other economic areas like Japan or the U.S. However, growth also flattened out in the Eurozone, with GDP rising by just 0.6% in 2023 compared to 3.3% in 2022 (source: *German Federal Ministry of Finance monthly report December 2023*).

The global economy faced a number of headwinds in the financial years under review, including rising geopolitical tensions and uncertainties, high and sticky core inflation, rising

financing costs and high public and private debt levels. Despite these negative headwinds, the transformation towards clean energy has remained on track, presenting significant growth opportunities. Investments in renewable energies increased worldwide and the development of technologies to reduce greenhouse gas emissions and improve energy security has gained momentum.

Overall, our revenue and results of operations have been influenced, and will continue to be influenced, by macroeconomic factors and conditions. However, while macroeconomic and general market conditions have provided less impulse for our revenue growth in the financial years under review, the commitment to implement the energy transition and the increasing share of electricity in the energy mix has driven structural changes and allowed our performance during this period to partly decouple from general market developments. A higher level of investments into the Energy Transition led to an increased demand for the offered products and services despite the underlying economic weakness, for example, as observed in the German market.

We believe the Energy Transition has already had an impact on our revenue, which increased from €288,760 thousand (German GAAP) in the financial year 2022 by €45,400 thousand to €334,160 thousand (German GAAP) in the financial year 2023 and from €334,140 thousand (IFRS) in the financial year 2023 by €48,976 thousand to €383,116 thousand (IFRS) in the financial year 2024.[4]

EBITDA increased from €13,082 thousand (German GAAP) in the financial year 2022 by €30,611 thousand to €43,693 thousand (German GAAP) in the financial year 2023 and from €51,886 thousand (IFRS) in the financial year 2023 by €8,259 thousand to €60,145 thousand (IFRS) in the financial year 2024.[5]

The Adjusted EBITDA increased accordingly by €12,343 thousand or 23.6% from €52,258 thousand (IFRS) for the financial year 2023 to €64,601 thousand (IFRS) for the financial year 2024.

The clean energy transition is showing concrete and sustained progress: the share of electric vehicles (EV) in global vehicle sales has increased significantly, and the share of renewable energy in total energy supply continues to grow (source: *IEA 2024*). Furthermore, an increased energy demand for data centers and artificial intelligence is to be expected (see "*9.1 Markets*"). Global production of key components such as solar panels and EV batteries is also increasing sharply (source: *IEA 2024*). The political and economic urgency of switching to renewable energy is contributing to this accelerated transition.

8.2.2 Trends in our Core Markets

Demand for our products is driven by the growing demand for electricity resulting from the ongoing trend towards decarbonization of key industries such as heating and mobility, a growing global GDP and population, accompanied by urbanization (source: *IEA 2024*), and the rise of artificial intelligence which is among others fueling the data center infrastructure (sources: *McKinsey Data Center Study; McKinsey AI Power Study*). Global data center

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[4] Revenue under German GAAP is not necessarily comparable with revenue under IFRS, as different accounting and valuation methods apply in the accounting standards.

[5] Due to the application of the total cost method under German GAAP and the application of the cost of sales method under IFRS and different accounting and valuation methods, the figures are not necessarily directly comparable between German GAAP and IFRS.

demand is estimated to grow by a CAGR of 19%-27% until 2030 (sources: *McKinsey Data Center Study; McKinsey AI Power Study*).

Further demand may arise from the increased demand for electric mobility, which is expected to contribute up to 10% of electricity demand by 2035, from the increased stock of heat pumps, which is expected to almost triple by 2035, and furthermore from the increased demand for data center capacity which is estimated to increase at a CAGR of 19% in the lower range, at a CAGR of 22% in the mid-range and at a CAGR of 27% in the upper range by 2030 (sources: *McKinsey Data Center Study; McKinsey AI Power Study; IEA 2023*).

Additionally, grid infrastructure modernization and the increasing penetration of renewables contribute to the need for significant investments in energy generation, transmission, and distribution. The globally installed transmission and distribution grid line length is expected to increase from 77.1 million kilometers to 166.4 million kilometers between 2021 and 2050 (source: *IEA 2023*). Additionally, older grids are no longer fit-for-purpose for today's transmission and distribution requirements. About one third of the European distribution lines have exceeded their expected lifetime and the average age of the transmission infrastructure in the U.S. is approximately 40 years with an average expected useful life of 50 years (source: *Roland Berger General Study*). Power outages in the U.S. cost the U.S. economy USD 28 billion to USD 169 billion annually (source: *Roland Berger General Study)*. Upgrading the aging infrastructure is critical as newer transmission and distribution technology can significantly enhance grid reliability, decrease the impact of extreme weather events, increase capacity, and better handle renewable energy generation (source: *Roland Berger General Study)*. Average annual grid investments of USD 775 billion per year globally are required between 2031 and 2040 and of USD 870 billion between 2041 and 2050 respectively (source: *IEA 2023*). The projected investment gap for transmission infrastructure in the U.S. in 2030 and 2040 are USD 24 billion and USD 36 billion, respectively.

Technological advancements are shaping the industry's future, including innovations in artificial intelligence (AI), renewable energy, high voltage direct current (HVDC) solutions, and smart technologies for decentralized energy generation. These trends address global sustainability and modernization challenges across all product segments and could drive increased demand for PFISTERER's solutions.

We believe that these trends already had a positive impact on PFISTERER's development in terms of revenue and results in the past and expect such positive impact to continue and further increase in the future. We have been able to continuously increase our revenue, from €288,760 thousand (German GAAP) in the financial year 2022 by €45,400 thousand to €334,160 thousand (German GAAP) in the financial year 2023 and from €334,140 thousand (IFRS) in the financial year 2023 by €48,976 thousand to €383,116 thousand (IFRS) in the financial year 2024[6], while also growing EBITDA in line with these trends from €13,082 thousand (German GAAP) in the financial year 2022 by €30,611 thousand to €43,693 thousand (German GAAP) in the financial year 2023 and from €51,886 thousand (IFRS) in the financial year 2023 by €8,259 thousand to €60,145 thousand (IFRS) in the financial year 2024[7].

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[6] Revenue under German GAAP is not necessarily comparable with revenue under IFRS, as different accounting and valuation methods apply in the accounting standards.

[7] Due to the application of the total cost method under German GAAP and the application of the cost of sales method under IFRS and different accounting and valuation methods, German GAAP and IFRS figures are not directly comparable.

8.2.3 Technological Innovation

PFISTERER focuses on the development of cutting-edge technologies in electrical connection and insulation systems. Key areas include complex contacting cable accessories and advanced insulating products for overhead lines. To maintain and expand its market position, PFISTERER continuously invests in research and development projects, such as those targeting cable accessories for high voltage direct current (HVDC) applications, laboratory infrastructure for product testing and production technologies for silicone and metal processing.

The Company aims to strengthen its core competencies to successfully serve existing markets while unlocking new growth opportunities. Investments in innovation are strategically aligned with key market trends and address emerging needs in relevant end-user sectors, which are expected to positively influence business performance.

The Company expects that several key market trends and opportunities in relevant end-user markets will positively impact PFISTERER's future business development. These include the increasing adoption of bolted connectors, with a growing share of locally produced goods in North America, and the rising demand for sustainable outdoor terminations that use no oil, gas, or gel as insulation mediums while meeting modern safety standards, such as being explosion-proof and non-flammable. There is also a growing need for cable manufacturer-independent repair solutions in the area of high voltage cable connections for offshore applications. Furthermore, throughput improvements are anticipated due to continued process optimization in project initiation and execution, alongside increased local value creation. Additionally, there is higher demand from OEMs for plug-in connection systems for clean air switchgear, as well as a growing tendency for end-users in the Middle East to prefer suppliers with local value creation capabilities, including manufacturing, engineering, and services.

PFISTERER's proactive approach to innovation and market development underscores its dedication to staying at the forefront of the industry and delivering value through advanced, reliable solutions.

PFISTERER has also identified several mid- to long-term growth opportunities that are expected to shape the Company's future development. An increasing demand for system solutions in the offshore wind industry presents significant potential for PFISTERER's connection technologies, both for sub-sea and above-water applications. Positive business development is also anticipated through the expansion of the Group's local production capacities in the United States. Additionally, the establishment of further partnerships in the Middle East and Asia offers opportunities for supporting the development of new transmission and distribution networks.

As HVDC becomes a preferred option to transport electricity over longer distances due to efficiency and thus investment costs and in light of the growing number of high voltage direct current (HVDC) transmission projects worldwide and supply bottlenecks in this sector, we believe that there is a rising potential for independent cable accessory manufacturers like PFISTERER, which enables cable partners without cable accessory expertise (i.e., non-integrated) to participate in the market. The expected continued trend towards decarbonization of key industries, a growing population, accompanied by urbanization (source: *IEA 2024*), and the rise of artificial intelligence and data center infrastructure is expected to drive a steady and predictable increase in global electricity consumption in the medium-term. Moreover, the aging power grid infrastructure and expected changing energy generation technologies –

including the pursuit of a green hydrogen economy – will necessitate construction of new power grids worldwide.

Innovation regarding product development and production technology is important in order to maintain the revenue growth and profitability trajectories of our business in the mid- and long term. Research and Development costs reflect the cost of undertaking R&D activities. Research and Development is key to an innovative and competitive portfolio of products, which in turn is a key factor in our customers' purchasing decisions. Therefore, our Research and Development efforts are focused not only on strengthening existing business, but also on developing new business opportunities.

In the financial year 2024 PFISTERER spent €23,848 thousand (IFRS) in R&D, including €21,295 thousand allocated to research and development costs and €2,553 thousand allocated to internally generated intangible assets. In 2024, PFISTERER successfully developed and tested new HVDC cable accessories and insulation materials, as well as efficient repair solutions and pluggable connection systems for offshore wind energy projects. At the same time, new overhead line fittings for HVDC applications and screwable low voltage connectors are being developed to meet market requirements.

In the financial year 2023, PFISTERER spent €20,732 thousand (IFRS) in R&D, including €18,010 thousand allocated to research and development costs and €2,722 thousand allocated to internally generated intangible assets. In 2023, PFISTERER made further progress in the development and qualification of HV/DC cable accessories and insulation materials, supported by an internal materials laboratory and external research projects. Successful optimization in the area of cable accessories for offshore wind energy, the qualifications of new suppliers and the revision of low voltage connectors were also driven forward in order to meet market requirements cost-effectively.

In the financial year 2022, PFISTERER spent €5,966 thousand (German GAAP) in R&D, with a portion of these costs allocated to internally generated intangible assets of €1,323 thousand.

In 2022, PFISTERER expanded its portfolio of dry outdoor terminations by successfully qualifying a pluggable outdoor termination and achieving offshore certification for pluggable surge arresters. In addition, the development of a new generation of cable accessories for high voltage direct current transmission was driven forward. The face-contacting FrontCon connector was adapted for further applications, and the product standardization of overhead line components and the optimization of silicone formulations and production processes were continued. In the low voltage range, the LV piercing type 5 was added to the product family to fulfil customer requirements.

8.2.4 Diversified Revenue Mix, across Geographies and Products and Services

Our diversified revenue mix provides relative revenue stability across economic cycles as well as political developments and helps smooth out temporary fluctuations in demand across our geographic regions, market vertical or across our product or service offering. We operate across five complementary segments: COM Segment, MVA Segment, OHL Segment, HVA Segment, and HVD Segment.

We benefit from our high degree of revenue diversification across segments and geographies.

Our setup ensures proximity to our highly-diversified customer base via a global distribution network. We are characterized by a broadly diversified customer portfolio and long-term customer relationships in all market segments worldwide.

PFISTERER maintains a well-diversified offering with no significant cluster risks, as the largest single product accounted for only 3.5% of total revenue in the financial year 2024. The top 10 product groups collectively represented 23% of total revenue in 2024.

We operate closely together with project developers and EPC companies responsible for implementing the projects. The resulting diversity is reflected in the distribution of revenue: for the financial year 2024, the top 10 customers accounted for 27.5% of total revenue, while the largest single customer had a share of less than 5%, reflecting a balanced portfolio across various applications and customer needs.

With regard to details on our high degree of revenue diversification, we refer to "*8.3.5 Segment Reporting*".

8.2.5 Material Inputs

Cost of materials constitutes a large proportion of our total costs of sales in accordance with IFRS, accounting for 72.6% of our cost of sales in the financial year ended December 31, 2024, and 73.9% of our cost of sales in the financial year ended December 31, 2023 as per the Audited Consolidated Financial Statements 2024.

While our costs of sales in accordance with IFRS increased by 12.6%, from the financial year 2023 to the financial year 2024 and our proportion of cost of materials within cost of sales decreased by 1.3% from the financial year 2023 to the financial year 2024, the cost of materials ratio in relation to revenue decreased to 43.8% from 45.4% in the financial year 2023, due to a robust increase in selling prices and higher revenue.

Our cost of materials in accordance with German GAAP increased by 12.2%, from the financial year 2022 to the financial year 2023. However, due to a robust increase in selling prices, the cost of materials ratio in relation to revenue decreased to 50.5% from 52.1% in the financial year 2022.[8]

For the financial years under review, we experienced significant increases in purchase prices of raw materials and subcomponents, energy costs and transportation costs, and observed extended lead times in terms of assembly and delivery of our products to final customers due to the Russia-Ukraine Conflict and global supply chain disruptions. Our key raw materials include rods and profiles (metal), silicon and filling compounds.

We employ a variety of mechanisms to address increases in the costs of raw materials and subcomponents, such as price adjustment clauses, which if included in our contracts allow us to adjust prices if certain circumstances, such as significant raw material prices changes, occur. In addition, the list prices for all our products are reviewed and updated on a periodic basis. To the extent that we are not able to pass-through increases in the costs of materials, it could negatively impact our margins and cash flows.

In addition, risks regarding supply shortages, e.g. of raw materials and sub-components, are addressed through rolling forward-looking planning and the subsequent safeguarding of

[8] German GAAP figures are not directly comparable with IFRS figures.

capacities and supply conditions for materials, transport and supplies. This also includes the development of regionally diversified multi-source solutions.

Additionally, our results of operations may be impacted, negatively or positively, by a lag between the time of the impact from cost of materials, or raw materials and subcomponents expense change and the realization of a corresponding price change.

8.2.6 Currency Fluctuations

We have a global presence with 17 operative locations in 15 countries. Our main foreign currency exchange exposure is to the US Dollar, the Swiss Franc, the Argentinian Peso, the Czech Crown and British Pound.

We use currency spot to hedge foreign currency risks, as well as natural hedging, by using currencies from corresponding proceeds for purchases in that currency.

Fluctuations in foreign exchange rates increase or reduce the Euro-equivalent value of our income, costs, dividends, assets and/or liabilities, if denominated in foreign currency. As a result of these factors, fluctuations in exchange rates and, in particular a significant appreciation of the Euro against other major currencies such as the US Dollar, affect our results of operations.

Currency exchange effects had a negative effect on the profit and loss statement of €1,946 thousand in financial year ended December 31, 2024 in accordance with IFRS.

Currency exchange rate effects had a positive effect on the profit and loss statement of €1,673 thousand in financial year ended December 31, 2023 in accordance with IFRS.

Currency exchange rate effects had a negative effect on the profit and loss statement of €2,145 thousand in financial year ended December 31, 2022 in accordance with German GAAP.

8.2.7 Employees

We consider our skilled and highly-qualified employees to be one of our most important assets, and we continue to invest in hiring, training and retaining talented employees to continuously develop our way to serve our customers and grow our business. Over time, we have constantly increased the number of employees to meet the demands of our customers in terms of reliability, availability and quality. As of December 31, 2024, our number of employees (headcount) was 1,239, compared to 1,130 as of December 31, 2023 and 1,050 as of December 31, 2022.

As a result of new hiring and expansion, increase in salaries, which was partially driven by inflation, and favorable business performance, our personnel expenses increased by €5,370[9] thousand or 6.8% from €79,171 thousand (German GAAP) in the financial year 2022 to €84,541 thousand (German GAAP) in the financial year 2023 and by €17,002[10] thousand or 20.2% from €84,315[11] thousand (IFRS) in the financial year 2023 to €101,317 thousand (IFRS) in the financial year 2024.

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[9] As per Audited Consolidated Financial Statements 2023.

[10] As per Audited Consolidated Financial Statements 2024.

[11] Due to the different valuation, accounting and presentation standards for IFRS, the comparative value under IFRS for the year 2023 is not necessarily the same as the value for the year 2023 according to German GAAP.

The increase in the financial year 2023 was attributable to the payment of the collectively agreed inflation premium (in Germany), the collectively agreed wage increase achieved by the trade unions, but also due to increased capacity utilization and new hires. The favorable business performance also led to higher bonus payments.

However, the personnel expenses ratio in relation to revenue fell from 27.4% (German GAAP) in 2022 to 25.3% (German GAAP) in 2023, reflecting a higher increase of revenue in comparison to the increase in personnel expenses.

The personnel expenses ratio in relation to revenue increased from 25.2%[14] (IFRS) in 2023 to 26.4% (IFRS) in 2024, primarily due to salary increases to compensate for inflation, higher variable compensation components and higher personnel costs due to the larger number of employees.

8.3 Results of Operations of the IFRS Comparative Period Financial Year 2024 to Financial Year 2023

8.3.1 Factors Affecting Comparability

When comparing financial information corresponding to the different periods and when considering our financial statements for these periods, investors should consider the following factors affecting our financial information for and as of the respective periods.

8.3.1.1 Deconsolidation of Subsidiaries

In the financial year 2024, the PFISTERER Group deconsolidated the following two subsidiaries by way of a sale and a dissolution, respectively:

- On December 10, 2024, the Company sold and transferred its 100% share in LIW Composite GmbH to SKJK Beteiligungs- und Verwaltungs GmbH and deconsolidated the entity as of the same date. The purchase price was €1.00. Purpose of this transfer was to ensure a settlement with the pension guarantee association (*Pensionssicherungsverein*) relating to outstanding pension claims and the following liquidation of LIW Composite GmbH by SKJK Beteiligungs- und Verwaltungs GmbH against the payment of as €400,000 lump sum service fee and a lump sum of €250,000 for the coverage of the costs of the liquidation. In addition, the Company would be liable to pay an amount of up to €450,000 in case no settlement with the pension guarantee association (*Pensionssicherungsverein*) can be reached on the basis of the actual pension liabilities calculation.
- On December 27, 2024, the dissolution of Lapp Insulators Redwitz BV was completed and PFISTERER deconsolidated the entity as of the same date.

The deconsolidation of these companies resulted in a gain of €383 thousand, which is reported in the other operating result in the Audited Consolidated Financial Statements 2024. This result affected the OHL Segment.

As a result of the deconsolidation of Lapp Insulators Redwitz BV, the pension obligations that had existed up to that point were released in the amount of €6,850 thousand and recognized as other income in the consolidated statement of profit or loss. In addition, payments of €1,600 thousand for the transfer of pension obligations to the pension insurance association were recognized as other expenses.

8.3.1.2 Government Grants

In the financial year 2024, PFISTERER received government grants under the Research Allowance Act (*Forschungszulagengesetz* (FZulG)) in Germany for the first-time. As the government grant will not be settled in cash, and instead as a reduction of future income tax payables, the government grant was initially recognized as an income tax receivable. As of December 31, 2024, PFISTERER recognized an income tax receivable in the amount of €928 thousand.

As of December 31, 2024, PFISTERER recognized an unconditional government grant related to assets in an amount of €786 thousand in its consolidated statement of financial position as deferred income. Grants related to assets are recognized in the consolidated statement of profit or loss as other income on a systematic basis over the useful life of the asset.

In the financial year 2024, PFISTERER recognized an unconditional government grant related to income in an amount of €142 thousand as other income in its consolidated statement of profit or loss.

8.3.1.3 Major Fire in the Plant in Wunsiedel, Germany

On September 10, 2024, a major fire occurred in the PFISTERER plant in Wunsiedel, Germany. The damage caused by the fire comprises destroyed inventories, machinery, and other items of property, plant and equipment. In response to the effects caused by the fire, to ensure the continuation of manufacturing, to maintain quality standards, and to minimize potential delivery delays as much as possible, the management of PFISTERER decided to relocate the production of silicone insulators to the PFISTERER plant in Kadaň, Czech Republic.

Inventories in the amount of €833 thousand, as well as machinery and other items of property, plant and equipment in the amount of €215 thousand were destroyed beyond repair. In consequence, their net realizable value was zero. The corresponding impairment loss is included in administrative expenses in the consolidated statement of profit or loss. Additional damage mitigation costs have been incurred in the amount of €916 thousand. The effects on production of the fire in the Wunsiedel plant also negatively impacted the revenue from contracts with customers of the OHL Segment. For the financial year 2024 the revenue from contracts with customers of the OHL Segment decreased in total by €7,787 thousand compared to the financial year 2023.

The relocation of the production to the PFISTERER plant in Kadaň, Czech Republic, led to a restructuring in the PFISTERER plant in Wunsiedel, Germany. An agreement was reached with the local union representatives on December 6, 2024, which specifies the number of staff involved, including termination benefits based on a detailed plan agreed between management and local union representatives. As of December 31, 2024, the expected costs of the restructuring in the amount of €3,668 thousand were recognized as a provision in the consolidated statement of financial position. The provision is expected to be fully utilized over the next 12 months.

As of and for the financial year ended December 31, 2024, an insurance recovery in the amount of €2,450 thousand was recognized as other income in the consolidated statement of profit or loss.

8.3.2 Consolidated Statement of Profit or Loss

	For the financial years ended December 31,	
	2024 (IFRS)	2023 (IFRS)
	in € thousands (audited)	
Revenue from contracts with customers	383,116	334,140
Cost of sales	-231,231	-205,382
Marketing and distribution costs	-54,177	-50,006
Research and development costs	-21,295	-18,010
Administrative costs	-33,378	-25,013
Other income	25,115	14,739
Other expenses	-19,843	-9,006
Impairment gains (losses) on financial assets	-354	132
Financial result	-3,624	-8,313
Income taxes	-10,566	-7,373
Result for the year	**33,764**	**25,908**

8.3.2.1 Revenue from Contracts with Customers

Revenue from contracts with customers includes all income from the sale of products and the performance of services, less sales deductions, value-added tax, and other taxes directly related to sales.

Revenue from sale of products is recognized at a point in time as soon as the individual goods have been delivered or control has been transferred to the customer, depending on the applicable Incoterm.

PFISTERER provides various services for its customers in connection with product manufacturing. Revenue from the performance of services is recognized over time as the services are provided.

Our revenue from contracts with customers increased by €48,976 thousand, or 14.7%, from €334,140 thousand for the financial year 2023 to €383,116 thousand for the financial year 2024. The increase was primarily attributable to the increase of revenue from contracts with customers in the HVA Segment, COM Segment and MVA Segment, while the OHL Segment was negatively impacted due to fire in the plant in Wunsiedel.

From a regional perspective the increase was primarily caused by the increase of revenue from contracts with customers in Europe and Africa as largest contributor of revenue from contracts with customers, as well as in the North- and South America region. The strong revenue growth in the North- and South America region was primarily driven by PFISTERER's continuing enhanced market approach and a more effective conversion of market opportunities. The strong revenue growth in Europe and Africa region was supported by positive effects of the renewable energy transition, resolving of investment backlog and focus on high quality solutions in European countries.

Our revenue from contracts with customers in the COM Segment increased by €10,103 thousand, or 10.9%, from €92,597 thousand for the financial year 2023 to €102,700 thousand for the financial year 2024. The increase was primarily caused by the positive development in

the area of connection systems for low voltage cables using insulation piercing contact systems. Especially the first quarter of the financial year 2024 ended March 31, 2024 was characterized by strong Composite business, especially in the Middle East/India region, with a high share of strings & fittings.

Our revenue from contracts with customers in the MVA Segment increased by €14,543 thousand, or 42.6%, from €34,168 thousand for the financial year 2023 to €48,711 thousand for the financial year 2024. The increase was primarily driven by an increase of orders for solutions for cable connecting systems and pre-assembled cables.

Our revenue from contracts with customers in the OHL Segment decreased by €7,787 thousand, or 8.2%, from €94,684 thousand for the financial year 2023 to €86,897 thousand for the financial year 2024. The decrease was primarily related to the fire in the plant in Wunsiedel, which caused a complete shutdown of the silicone insulators productions and the destruction of parts of the finished goods and inventory.

Our revenue from contracts with customers in the HVA Segment increased by €32,117 thousand, or 28.5%, from €112,692 thousand for the financial year 2023 to €144,809 thousand for the financial year 2024. The increase was primarily driven by the increase in sales of our slip-on joints and the provision of assembly services for our CONNEX cable plug-in system.

The HVD Segment is currently being developed, which is why no revenue from contracts with customers has been generated for the financial years 2024 and 2023.

The following table provides a breakdown of revenue from contracts with customers by geographic region for the periods indicated:

	For the financial years ended December 31,	
	2024 (IFRS)	2023 (IFRS)
	in € thousands (audited)	
Europe and Africa	221,557	199,411
North- and South America	66,898	43,149
Middle East and India	56,091	57,182
Asia Pacific	38,570	34,399
Total	**383,116**	**334,140**

8.3.2.2 Cost of Sales

Cost of sales consists of costs of the products and merchandise sold. In addition to the direct material, manufacturing, and construction costs, direct personnel costs and overhead personnel costs based on normal use for capacity, as well as production-related overheads, including depreciation on production equipment, and other cost of sales.

Our cost of sales increased by €25,849 thousand, or 12.6%, from €205,382 thousand for the financial year 2023 to €231,231 thousand for the financial year 2024. The increase was primarily driven by higher material expenses and personnel costs.

Our material expenses within the cost of sales increased by €16,008 thousand, or 10.5%, from €151,845 thousand for the financial year 2023 to €167,853 thousand for the financial year 2024. The increase was primarily driven by the increase in business volume and revenue from contracts with customers.

Our personnel expenses within the cost of sales increased by €5,018 thousand, or 14.9%, from €33,789 thousand for the financial year 2023 to €38,807 thousand for the financial year 2024. The increase was primarily caused by salary increases, higher variable compensation and higher personnel costs due to the higher number of employees.

Depreciations within the cost of sales increased by €734 thousand, or 10.9%, from €6,778 thousand for the financial year 2023 to €7,512 thousand for the financial year 2024. The increase was caused by additional investments in property, plant and equipment and by higher business volume and resulting increase in revenue from contracts with customers.

8.3.2.3 Marketing and Distribution Costs

Marketing and distribution costs are primarily related to sales, service, commissions, marketing, shipping and order processing departments.

Our marketing and distribution costs increased by €4,171 thousand, or 8.3%, from €50,006 thousand for the financial year 2023 to €54,177 thousand for the financial year 2024. The increase was primarily attributable to higher personnel expenses, marketing expenses and travel expenses mainly caused by higher business volume.

However, the marketing and distribution costs ratio decreased slightly to 14.1% in relation to revenue from contracts with customers, from 15.0% in the financial year 2023, due to a robust increase in revenue from contracts with customers.

8.3.2.4 Research and Development Costs

Research and development costs reflect the cost of undertaking research and development activities. For accounting purposes, research expenses are predominantly expensed. Development costs are capitalized if the criteria for capitalization according to IAS 38 are met. Research and development are key to an innovative and competitive portfolio of products.

Our research and development costs increased by €3,285 thousand, or 18.2%, from €18,010 thousand for the financial year 2023 to €21,295 thousand for the financial year 2024. The increase was primarily caused by higher amortization and increasing personnel and material expenses, caused by higher business volume and enhancement of R&D activities. See also "*8.2.3 Technological Innovation*".

The research and developments costs ratio slightly increased in relation to revenue from contracts with customers by 0.2% from 5.4% for the financial year 2023 to 5.6% for the financial year 2024.

In total PFISTERER capitalized €2,553 thousand internally generated assets primarily for the development of new products and solutions for the financial year 2024 and €2,722 thousand for the financial year 2023. See also "*8.2.3 Technological Innovation*".

8.3.2.5 Administrative Costs

Administrative costs primarily comprise expenses related to the management board or managing directors, human resources, finance, strategy and international IT departments.

Our administrative costs increased by €8,365 thousand, or 33.4%, from €25,013 thousand for the financial year 2023 to €33,378 thousand for the financial year 2024. The increase was primarily attributable to increases in personnel expenses mainly due to an increasing number of employees and salary increases and an increase of expenses for advisory services due to

the preparation costs of the IPO and the associated costs for strategic, legal and regulatory advice.

8.3.2.6 Other Income

Other income is income from ordinary business activities that does not fall under revenue from contracts with customers, such as foreign currency gains, income from the reversal of provisions, disposal of assets and effects on deconsolidation.

Our other income increased by €10,376 thousand, or 70.4%, from €14,739 thousand for the financial year 2023 to €25,115 thousand for the financial year 2024. The increase was primarily driven by the reversal of pension obligations in the amount of €6,850 thousand because of the dissolution of Lapp Insulators Redwitz BV, as well as an insurance payment in the amount of €2,450 thousand received for the fire damage in the plant in Wunsiedel.

8.3.2.7 Other Expenses

Other expenses are expenses arising from ordinary business activities that are not part of the cost of production, such as foreign currency losses and losses on the sale of assets, impairments and expenses not attributable to other functional costs and effects of deconsolidation.

Our other expenses increased by €10,837 thousand or 120.3% from €9,006 thousand for the financial year 2023 to €19,843 thousand for the financial year 2024. The increase was mainly caused by personnel expenses related to a restructuring provision in the amount of €3,844 thousand due to the fire in the plant in Wunsiedel associated with the relocation of the production to the PFISTERER plant in Kadaň, Czech Republic. In addition, impairment losses on property, plant and equipment and inventories due to this fire in Wunsiedel were recognized within other expenses for the financial year 2024. In addition, foreign currency losses increased by €3,505 thousand or 41.6% from €8,429 thousand for the financial year 2023 to €11,934 thousand for the financial year 2024 mainly due to an unfavorable exchange rate development compared to the financial year 2023.

8.3.2.8 Impairment gains (losses) on financial assets

Our impairment gains decreased by €486 thousand from an impairment gain of €132 thousand for the financial year 2023 to an impairment loss of €354 thousand for the financial year 2024. PFISTERER applies the expected credit loss model on trade receivables, considering the credit and default risk. The recognized impairment therefore depends on whether there is a significant increase in credit risk and how the total trade receivables develop as of the reporting date.

8.3.2.9 Financial Result

Financial income primarily consists of other interests and similar income and increased slightly by €85 thousand or 30.8% thousand from €276 thousand for the financial year 2023 to €361 thousand for the financial year 2024.

Financial expenses primarily consist of interest expenses on financial liabilities, factoring, lease liabilities, and provisions and decreased by €4,605 thousand or 53.6% from €8,589 thousand for the financial year 2023 to €3,984 thousand for the financial year 2024. This was mainly driven by the decrease in interest expenses on financial liabilities due to decreasing financial liabilities and factoring.

Accordingly our financial loss decreased by €4,689 thousand, or 56.4%, from a loss of €8,313 thousand for the financial year 2023 to a financial loss of €3,624 thousand for the financial year 2024.

8.3.2.10 Income Taxes

Income taxes consist of taxes on income and gain/losses on deferred taxes.

Our income tax expenses increased by €3,193 thousand, or 43.3%, from €7,373 thousand for the financial year 2023 to €10,566 thousand for the financial year 2024. The increase of income tax expenses was caused by an increase of profit before tax by €11,049 thousand or 33.2% from €33,281 thousand for the financial year 2023 to €44,330 thousand for the financial year 2024.

The taxes on income increased accordingly by €6,921 thousand or 102.1% from €6,777 thousand for the financial year 2023 to €13,698 thousand for the financial year 2024.

This effect was partly offset by deferred tax income of €3,133 thousand for the financial year 2024 compared to deferred tax expenses of €596 thousand for the financial year 2023.

8.3.2.11 Result for the year

Our profit after tax increased by €7,856 thousand, or 30.3%, from €25,908 thousand for the financial year 2023 to €33,764 thousand for the financial year 2024. This increase was the result of the disproportionate increase in revenue from contracts with customers in relation to the cost of sales and a resulting increase in the gross profit by €23,127 thousand from €128,758 thousand for the financial year 2023 to €151,885 thousand for the financial year 2024. The positive effect was partly offset by higher marketing and distribution expenses, research and development expenses, administrative expenses, other income and an impairment loss on financial assets. In total, the operating profit increased by only €6,360 thousand or 15.3% from €41,594 thousand for the financial year 2023 to €47,954 thousand for the financial year 2024. Furthermore, the financial result improved. The increased income tax expenses were partly offset by deferred tax income, so that the result after taxes improved for the financial year 2024 compared to the financial year 2023.

8.3.3 Consolidated Statement of Financial Position

	As of December 31,	
	2024 (IFRS)	**2023 (IFRS)**
	in € thousands (audited)	
Assets		
Intangible assets	7,978	5,598
Property, plant and equipment	39,029	30,728
Right-of-use assets	25,233	26,856
Financial assets	154	128
Other non-financial assets	914	905
Deferred Tax assets	6,835	5,874
Non-current assets	**80,142**	**70,090**
Inventories	82,969	67,850
Trade receivables	53,356	51,633
Financial assets	8,682	8,459
Other non-financial assets	4,028	2,914

Income tax receivables	1,000	58
Cash and cash equivalents	12,494	10,134
Current assets	**162,528**	**141,048**
Total assets	**242,670**	**211,138**
Equity and liabilities		
Share capital	14,595	14,595
Capital reserve	15,427	10,971
Retained earnings	44,524	12,341
Other reserves	4,162	3,420
Non-controlling interests	4,987	2,570
Equity	**83,696**	**43,897**
Financial liabilities	424	45,856
Employee benefits	18,656	25,542
Lease liabilities	19,280	22,678
Other non-financial liabilities	804	846
Provisions	59	59
Deferred tax liabilities	719	3,218
Non-current liabilities	**39,942**	**98,199**
Trade payables	28,145	18,061
Financial liabilities	33,059	4,678
Employee benefits	9,820	9,504
Lease liabilities	7,246	4,666
Contract liabilities	9,232	10,805
Income tax liabilities	5,370	4,480
Other financial liabilities	4,942	3,672
Other non-financial liabilities	5,746	4,776
Provisions	15,473	8,399
Current liabilities	**119,032**	**69,041**
Equity and liabilities	**242,670**	**211,138**

8.3.3.1 Non-current Assets

Our non-current assets comprise intangible assets such as internally generated intangible assets, goodwill from business combinations, and other intellectual property rights, property, plant and equipment, right of use assets, and to a much lower degree, deferred tax assets as well as financial assets and other non-financial assets.

Our non-current assets increased by €10,052 thousand, or 14.3%, from €70,090 thousand as of December 31, 2023 to €80,142 thousand as of December 31, 2024. The increase was primarily driven by additions to property, plant and equipment, with a focus on investments in technical equipment and machinery (€2,452 thousand), other equipment and machinery (€3,862 thousand), land and buildings (€425 thousand) and advance payments and assets under construction (€7,690 thousand), particularly for investments in technical equipment and machinery in Europe and the U.S., and was supplemented by the capitalization of development costs. This development was partly offset by a decline in rights of use for leased assets due to less additions of leased assets for the financial year 2024 compared to the financial year 2023.

8.3.3.2 Current Assets

Our current assets mainly consist of inventories, trade receivables, cash and cash equivalents, current financial assets, and other non-financial assets.

Our current assets increased by €21,480 thousand, or 15.2%, from €141,048 thousand as of December 31, 2023 to €162,528 thousand as of December 31, 2024. This was mainly due to increases in inventories (including advance payments) by €15,119 thousand or 22.2% from €67,850 thousand as of December 31, 2023 to €82,969 thousand as of December 31, 2024. In addition trade receivables increased by €1,723 thousand or 3.3% from €51,633 thousand as of December 31, 2023 to €53,356 thousand as of December 31 2024. The increase in inventories and trade receivables was mainly due to the growing volume of business.

8.3.3.3 Non-current Liabilities

Our non-current liabilities comprise non-current financial liabilities, non-current liabilities from employee benefits, non-current lease liabilities, as well as, to a much lower degree, deferred tax liabilities, other non-current liabilities, and non-current provisions.

Our non-current liabilities decreased by €58,257 thousand, or 59.3%, from €98,199 thousand as of December 31, 2023 to €39,942 thousand as of December 31, 2024. The decrease was primarily attributable to the decrease in financial liabilities. The non-current financial liabilities decreased by €45,432 thousand or 99.1% from €45,856 thousand as of December 31, 2023 to €424 thousand as of December 31, 2024 due to a partial repayment of the loan under the Senior Facilities Agreement in the amount of €15,000 thousand and the reclassification of the maturity of financial liabilities under the Senior Facilities Agreement from non-current to current.

Lease liabilities decreased by €3,398 thousand due to less additions of leased assets in the financial year 2024 from €22,678 thousand as of December 31, 2023 to €19,280 thousand as of December 31, 2024.

The non-current employee benefits decreased by €6,886 thousand or 27.0% from €25,542 as of December 31, 2023 to €18,656 thousand as of December 31, 2024 mainly due to the reversal of pension obligations as a result of the dissolution of Lapp Insulators Redwitz BV.

8.3.3.4 Current Liabilities

Our current liabilities comprise trade payables, current contract liabilities, current liabilities for employee benefits, current provisions, current lease liabilities, as well as, to a lower degree, income tax liabilities, current other financial liabilities, and other current liabilities.

Our current liabilities increased by €49,991 thousand, or 72.4%, from €69,041 thousand as of December 31, 2023 to €119,032 thousand as of December 31, 2024. The increase was attributable to the increase in current financial liabilities, trade payables and provisions. Current financial liabilities increased by €28,381 thousand due to the reclassification of the maturity of the loan under the Senior Facilities Agreement from non-current financial liabilities to current financial liabilities.

The current provisions increased by €7,074 thousand or 84.2% from €8,399 thousand as of December 31, 2023 to €15,473 thousand as of December 31, 2024 mainly due to provisions for warranties and restructuring provisions for the fire damage in the plant in Wunsiedel.

Trade payables increased by €10,084 thousand or 55.8% from €18,061 thousand as of December 31, 2023 to €28,145 thousand as of December 31, 2024, which was mainly driven by a higher business volume.

8.3.4 Consolidated Statement of Cash Flows

The following table shows the principal components of the Company's cash flows:

	For the financial years ended December 31,	
	2024 (IFRS)	**2023 (IFRS)**
	in € thousands (audited)	
Result for the year	33,764	25,908
Depreciation and amortization on non-current assets	12,192	10,292
Change in provisions	3,477	3,234
Change in provisions from restructuring	3,668	0
Other non-cash expenses/income	-828	-1,326
Change in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	-20,399	-23,070
Change in trade payables and other liabilities that cannot be allocated to investing or financing activities	6,259	-4,834
Gain/losses from the disposal of non-current assets	495	147
Interest received/interest paid	3,725	6,768
Income tax expense/income	10,566	7,373
Income tax payments	-7,409	-1,286
Other investments revenues	0	0
Expenses from share-based payments	4,456	372
Expenses from defined benefit plans	-6,710	-524
Interest paid	-668	-2,236
Cash flow from operating activities	**42,587**	**20,819**
Proceeds from disposals of intangible assets	45	1
Payments for investments in intangible assets	-2,767	-3,134
Proceeds from disposals of tangible non-current assets	68	1,131
Payments for investments in property, plant and equipment	-14,428	-5,262
Proceeds from the disposal of long-term financial assets	3	0
Proceeds/payments from changes in consolidated group	-1,172	3,000
Interest received	332	150
Cash flow from investing activities	**-17,919**	**-4,114**
Proceeds from the issuance of bonds and borrowings	0	15,073
Repayments for the repayment of bonds and borrowings	-15,820	-891
Repayment of lease liabilities	-7,446	-5,241
Interest paid	-2,057	-2,367
Dividends paid to shareholders of the parent	0	0
Cash flow from financing activities	**-25,323**	**6,574**
Net increase / decrease in cash and cash equivalents	**-655**	**23,278**
Effect of foreign exchange-rate changes on cash and cash equivalents	4,526	336
Cash and cash equivalents at the beginning of the period	**6,314**	**-17,300**
Cash and cash equivalents at the end of the period	**10,186**	**6,314**

8.3.4.1 Cash Flows from Operating Activities

Our cash flow from operating activities increased by €21,768 thousand, or 104.6%, from €20,819 thousand for the financial year 2023 to €42,587 thousand for the financial year 2024. The increase was primarily attributable to an improved profit for the period, a significantly

higher level of trade payables and other liabilities and provisions compared to the previous year and a less significant increase in the inventories, trade receivables, and other assets, which were partially offset by higher tax payments and expenses from defined benefit plans.

8.3.4.2 Cash Flows from Investing Activities

Our cash outflow from investing activities increased by €13,805 thousand or 335.6% from €4,114 thousand for the financial year 2023, to €17,919 thousand for the financial year 2024. The increase was primarily caused by additions to property, plant and equipment, with a focus on investments in technical equipment, machinery and operating equipment (€2,452 thousand), other equipment, factory & office equipment (€3,862 thousand), land and buildings (€425 thousand) and advance payments (€7,690 thousand), particularly for investments in technical equipment and machinery in Europe and U.S.

8.3.4.3 Cash Flows from Financing Activities

Our cash flows from financing activities changed by €31,897 thousand, from a cash inflow of €6,574 thousand for the financial year 2023 to a cash outflow of €25,323 thousand for the financial year 2024. The change was caused primarily by a repayment under the Senior Facilities Agreement (see "*11.1 Senior Facilities Agreement*") and a higher repayment of lease liabilities for the financial year 2024.

8.3.5 Segment Reporting

We applied IFRS 8 Segment Reporting starting in the financial year 2024 and reported first-time financial data for the following five business segments: COM Segment, MVA Segment, HVA Segment, OHL Segment, and HVD Segment.

We implemented the current segment structure first-time for the Audited Consolidated Financial Statements 2024, see pages F-8 et seq. and notes to the segment reporting in the Audited Consolidated Financial Statements 2024.

As we began applying IFRS 8 Segment Reporting for the first time in the financial year 2024 with comparative IFRS information for 2023, no comparable information in accordance with German GAAP on the current Segment level is available for the financial year ended December 31, 2023, and the financial year ended December 31, 2022 in accordance with German GAAP and accordingly no such segment information is presented in this Prospectus.

The following table provides certain financial information for each of our segments for the periods indicated, including certain financial information that relates to transactions between the segments (intra-segment sales). The segment reporting presented below is an extract of the segment reporting presented in the notes to the Audited Consolidated Financial Statements 2024, see pages F-8 et seq.:

	For the financial years ended December 31,	
	2024 (IFRS)	**2023 (IFRS)**
	in € thousands (audited)	
HVA Segment		
Revenue from contracts with customers	144,809	112,692
Operating result	21,472	11,347
EBITDA	27,062	15,654

MVA Segment		
Revenue from contracts with customers	48,711	34,168
Operating result	5,167	4,874
EBITDA	6,828	6,401
HVD Segment[12]		
Revenue from contracts with customers	0	0
Operating result	-945	-601
EBITDA	-925	-587
COM Segment		
Revenue from contracts with customers	102,700	92,597
Operating result	19,788	21,567
EBITDA	21,634	23,597
OHL Segment		
Revenue from contracts with customers	86,897	94,684
Operating result	2,471	4,407
EBITDA	5,545	6,821

Revenue from contracts with customers in the HVA Segment increased significantly by 28.5%, reaching €144,809 thousand for the financial year 2024, compared to €112,692 thousand for the financial year 2023. This increase was mainly due to strong demand and expansion, e.g. increase in sales of our slip-on joints and the provision of assembly services for our CONNEX cable plug-in system, which strengthened our competitive position in this segment. The operating result for the HVA Segment rose by 89.1% to €21,472 thousand in the financial year 2024, compared to €11,347 thousand in the financial year 2023, reflecting strong positive revenue growth. Segment EBITDA for the HVA Segment also increased by 73.0% to €27,062 thousand in the financial year 2024, compared to €15,654 thousand in the financial year 2023, supported by improved profitability in the segment and sales growth. Thus, with significantly increased sales, moderately rising costs of sales, and an improved cost structure, we were able to substantially improve our margin, see pages F-8 et seq. and notes to the segment reporting in the Audited Consolidated Financial Statements 2024.

The MVA Segment reported an increase in revenue from contracts with customers of 42.6%, reaching €48,711 thousand in the financial year 2024 compared to €34,168 thousand in the financial year 2023. The increase was primarily driven by an increase of orders for solutions for cable connecting systems and pre-assembled cables. The segment operating result for the MVA Segment increased by 6.0% to €5,167 thousand in the financial year 2024, compared to €4,874 thousand in the financial year 2023, while Segment EBITDA for the MVA Segment increased by 6.7% to €6,828 thousand in the financial year 2024, compared to €6,401 thousand in the financial year 2023. Although segment revenues from customer contracts have increased significantly, our cost of sales has risen disproportionately, resulting in a decline in the gross margin and only a comparatively slight increase in overall segment EBITDA, see

[12] The HVD Segment is currently being developed.

pages F-8 et seq. and notes to the segment reporting in the Audited Consolidated Financial Statements 2024.

In the COM Segment, revenue from contracts with customers increased by 10.9%, reaching €102,700 thousand in 2024 compared to €92,597 thousand in 2023. The increase was primarily caused by the positive development in the area of connection systems for low voltage cables using insulation piercing contact system. The operating result for the COM Segment decreased by 8.2% to €19,788 thousand in 2024. Segment EBITDA also decreased by 8.3% to 21,634 thousand. These declines were due to disproportionately increased administrative and other expenses, esp. consultation expenses. See pages F-8 et seq. and notes to the segment reporting in the Audited Consolidated Financial Statements 2024.

Revenue from contracts with customers in the OHL Segment declined by 8.3% to €86,897 thousand in the financial year 2024, compared to €94,684 thousand in the financial year 2023. The operating result for the OHL Segment decreased by 43.9% to €2,471 thousand in the financial year 2024 compared to €4,407 in the financial year 2023. Segment EBITDA in the OHL Segment decreased by 18.7% to €5,545 thousand in the financial year, compared to €6,821 thousand in the financial year 2023, reflecting the decline in the revenue from contracts with customers. These declines were primarily driven by the fire in the plant in Wunsiedel which significantly affected our segment profitability.

8.3.6 Liquidity and Capital Reserves

Liquidity describes the availability of sufficient financial resources to meet our respective payment obligations when they become due.

The Group's principal sources of funds have been cash generated from the Group's operating activities, the proceeds from the syndicated loan, cash equivalents, factoring agreements, guarantees and prepayments from customers.

The Group's principal uses of cash are funding the daily business, working capital and capital expenditure, and debt service. The Group's ability to arrange financing and its cost of capital depend on numerous factors, including general economic conditions, the availability of credit from banks, other financial institutions, and the capital markets, restrictions on instruments governing the Group's debt and its general financial performance.

In order to secure additional funds in conjunction with its expanding business, the Company has increased additional letters of credit lines due to strong order intake momentum. According to our expected order intake for 2025, we expect increasing additional letters of credit lines.

8.3.6.1 Cash Pooling and Cash Management

Cash for the operating units of PFISTERER Group is managed centrally as part of the Group's cash pooling arrangement. The Company centrally controls the Group's liquidity position and manages cash pooling. PFISTERER has implemented a treasury management system and payment system including cash pooling for larger members of the Group and daily monitoring of cash flows and liquidity within all countries in which the Group operates.

In addition, the Company's liquidity management principles include forecasting cash flows in major currencies and assessing the amount of cash required in these currencies and monitoring balance sheet liquidity ratios, considering internal and external regulatory requirements.

8.3.6.2 Maturity of Liabilities

The following table shows our expected future cash outflows for bank loans, lease liabilities, trade payables and contract liabilities and other financial liabilities as of December 31, 2024:

	Up to 1 year	1 – 5 years	Over 5 years	Total contractual cashflow	Carrying amount
	In € thousands (audited)				
Cash outflows from bank loans	33,438	332	0	33,769	33,217
Cash outflows from zero cost collar	267	0	0	267	267
Cash outflows for lease liabilities	6,449	15,753	8,722	30,924	26,525
Cash outflows for trade payables	28,145	0	0	28,145	28,145
Cash outflows for contract liabilities	9,232	0	0	9,232	9,232
Cash outflows for other financial liabilities	4,942	0	0	4,942	4,942
Total	**82,473**	**16,084**	**8,722**	**107,279**	**102,328**

8.3.6.3 Contingent Liabilities

As per the Audited Consolidated Financial Statements 2024 the PFISTERER Group had no contingent liabilities as of December 31, 2024 and December 31, 2023.

8.3.6.4 Defined Contribution and Defined Benefit Plans

We grant our employees various types of pension benefits (i.e. defined contribution and defined benefit plans) and have corresponding obligations in Germany, Switzerland, France, and Italy.

As of December 31, 2024, our defined benefit obligations amounted to €43,948 thousand while the fair value of plan assets amounted to €26,274 thousand. As a result, we recognized a net defined benefit obligation of €17,675 thousand.

As of December 31, 2023, our defined benefit obligations amounted to €48,649 thousand while the fair value of plan assets amounted to €24,332 thousand. As a result, we recognized a net defined benefit obligation of €24,316 thousand.

The pension obligations decreased by €6,641 thousand or 27.3% from €24,316 thousand in the financial year 2023 to €17,675 thousand in the financial year 2024 mainly due to the reversal of pension obligations as a result of the dissolution of Lapp Insulators Redwitz BV.

8.3.7 Non-IFRS Financial Measures (Alternative Performance Measures)

In addition to our IFRS reporting, we use certain non-IFRS financial measures (alternative performance measures ("**APMs**")) to track our operating performance and liquidity position. These include EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin Net Financial Debt, Net Debt, including Employee Benefits, Leverage, Order Intake, Order Backlog and Net Working Capital.

These APMs are not required by, or presented in accordance with, IFRS or any other generally accepted accounting principles. We present these APMs because we use such information in monitoring our business and because we believe that it is frequently used by analysts, investors and other interested parties evaluating companies in our industry and it may

contribute to a more comprehensive understanding of our business. See also "*2.7 Non-GAAP (German GAAP/IFRS) Financial Measures (Alternative Performance Measures)*".

The table below sets forth an overview of certain APMs for the periods and reporting dates indicated:

	As of and for the financial years ended December 31,	
	2024 (IFRS)	**2023 (IFRS)**
	in € thousands (unaudited, unless indicated otherwise)	
EBITDA	60,145	51,886
EBITDA Margin	15.7%	15.5%
Adjusted EBITDA	64,601	52,258
Adjusted EBITDA Margin	16.9%	15.6%
Net Financial Debt	45,053	63,914
Net Debt, including Employee Benefits	63,709	89,456
Leverage	1.0	1.7
Order Intake	423,200*	354,500
Order Backlog	234,900*	194,100*
Net Working Capital	98,948	90,617

* Audited

8.3.7.1 EBITDA; Adjusted EBITDA

We present EBITDA and Adjusted EBITDA as supplemental financial measures of our operating performance. We believe that EBITDA and Adjusted EBITDA are useful to investors in evaluating our operating performance. Other companies may calculate EBITDA and Adjusted EBITDA differently than we do. Therefore, you should exercise caution in comparing EBITDA and Adjusted EBITDA as reported by us to EBITDA and Adjusted EBITDA of other companies. EBITDA and Adjusted EBITDA are not measures of financial performance under IFRS and should not be considered as an alternative to other indicators of our operating performance, cash flows, or any other measure of performance derived in accordance with IFRS. The following table provides a reconciliation of PFISTERER Group's profit for the year to operating profit to EBITDA and Adjusted EBITDA for the periods indicated:

	For the financial years ended December 31,	
	2024 (IFRS)	**2023 (IFRS)**
	in € thousands (unaudited, unless indicated otherwise)	
Result for the year	33,764*	25,908*
Income taxes	10,566*	7,373*
Financial result	3,624*	8,313*
Operating result[(1)]	**47,954***	**41,594***
Depreciation and amortization	12,192*	10,292*
EBITDA	**60,145**	**51,886**
Share-based payments[(2)]	4,456*	372*
Adjusted EBITDA	**64,601**	**52,258**

* Audited.

(1) We define operating result based on IFRS financials as the sum of profit or loss after tax plus income taxes plus financial result, or as the sum of revenue from contracts with customers and other income less the sum of cost of sales, marketing and distribution costs, research and development costs, administrative costs, other expenses and impairment losses/gains on impairment of financial assets.

(2) Share-based payments as per Audited Consolidated Financial Statements 2024. Personnel expenses related to share-based payments are not recognized in accordance with German GAAP. The management intends, both historically and going forward, not to adjust EBITDA for any gains or losses related to non-recurring or unusual items, regardless of their nature or characteristics. Therefore, the management intends, both historically and going forward, to adjust EBITDA solely for personnel expenses related to equity-settled share-based payments, if any, as also stated in the Audited Consolidated Financial Statements 2024, and refrains from any further adjustments. Non-recurring and unusual items are, for example, mentioned here in the prospectus (see "*8.3.1 Factors Affecting Comparability*"), all of which are not adjusted in EBITDA.

Our EBITDA increased by €8,259 thousand, or 15.9%, from €51,886 thousand for the financial year 2023 to €60,145 thousand for the financial year 2024. The increase was primarily due to a continued increasing demand for our products and services, resulting in increased revenue from contracts with customers and lower increasing personnel and material costs in relation to revenue from contracts with customers.

The Adjusted EBITDA increased accordingly by €12,343 thousand or 23.6% thousand from €52,258 thousand for the financial year 2023 to €64,601 thousand for the financial year 2024.

8.3.7.2 EBITDA Margin; Adjusted EBITDA Margin

We consider EBITDA Margin and Adjusted EBITDA Margin as meaningful financial measures in assessing the underlying operational financial performance of the Group.

The following table presents the calculation of EBITDA Margin and Adjusted EBITDA Margin for the periods indicated:

	For the financial years ended December 31,	
	2024 (IFRS)	**2023 (IFRS)**
	in € thousands (unaudited, unless indicated otherwise)	
EBITDA	60,145	51,886
÷ Revenue from contracts with customers	383,116*	334,140*
EBITDA Margin (in %)	**15.7%**	**15.5%**
Adjusted EBITDA	64,601	52,258
÷ Revenue from contracts with customer	383,116*	334,140*
Adjusted EBITDA Margin (in %)	**16.9%**	**15.6%**

* Audited

Our EBITDA Margin increased from 15.5% for the financial year 2023 to 15.7% for the financial year 2024.

Our Adjusted EBITDA Margin increased from 15.6% for the financial year 2023 to 16.9% for the financial year 2024.

The increases were primarily caused by the effects described in "*8.3.7.2 EBITDA Margin; Adjusted EBITDA Margin*" and a significant higher amount of personnel expenses related to the share-based payments in the financial year 2024.

8.3.7.3 Net Financial Debt; Net Debt, including Employee Benefits

We believe that Net Financial Debt and Net Debt, including Employee Benefits are useful to investors in evaluating our financial position. The following table provides a reconciliation of PFISTERER Group's Net Financial Debt and Net Debt, including Employee Benefits for the periods indicated:

	As of December 31,	
	2024 (IFRS)	**2023 (IFRS)**
	in € thousands (unaudited, unless indicated otherwise)	
Financial liabilities[1]	33,483*	50,534*
Lease liabilities[2] [3]	26,525*	27,344*
Total Financial Debt	**60,008**	**77,878**
Cash and cash equivalents[4]	14,956	13,964
Net Financial Debt	**45,053**	**63,914**
Pension liabilities and long-term employee benefits[5]	18,656*	25,542*
Net Debt, including Employee Benefits	**63,709**	**89,456**

* Audited

(1) Financial liabilities pertain to current and non-current portion of the financial liabilities.

(2) In accordance with German GAAP leases are expensed as incurred and no lease liability is recognized, IFRS figures cannot be directly compared with German GAAP figures.

(3) Lease liabilities pertain to current and non-current portion of the lease liabilities.

(4) Cash and cash equivalents include cash, cash equivalents, restricted bank balances and cash investments at credit institutions.

(5) Pension liabilities and long-term employee benefits pertain to non-current employee benefits (incl. pensions) as per the Audited Consolidated Financial Statements 2024. IFRS figures cannot be directly compared with German GAAP figures.

Our Net Financial Debt decreased by €18,861 thousand, or 29.5%, from €63,914 thousand for the financial year 2023 to €45,053 thousand for the financial year 2024. The decrease was primarily attributable to a repayment of credit facilities.

Our Net Debt, including Employee Benefits decreased by €25,747 thousand, or 28.8%, from €89,456 thousand for the financial year 2023 to €63,709 thousand for the financial year 2024. The decrease was primarily due to the repayment of credit facilities and the reversal of pension obligations as a result of the dissolution of Lapp Insulators Redwitz BV.

8.3.7.4 Leverage

We present Leverage as a meaningful financial measure in assessing the extent to which we can fulfill our Net Debt, including Employee Benefits obligations from the income from our operating activities as expressed in relation to Adjusted EBITDA.

The following table provides the calculation of the Group's Leverage for the periods indicated:

	As of and for the financial years ended December 31,	
	2024 (IFRS)	**2023 (IFRS)**
	in € thousands (unaudited)	
Net Debt, including Employee Benefits	63,709	89,456

÷ Adjusted EBITDA	64,601	52,258
Leverage (Ratio)	1.0	1.7

Our Leverage ratio decreased from 1.7 for the financial year 2023, to 1.0 for the financial year 2024. The decrease was primarily caused by a reduction in Net Debt, including Employee Benefits while Adjusted EBITDA increased in the same period. *See* "*8.3.7.3 Net Financial Debt; Net Debt, including Employee Benefits*".

8.3.7.5 Net Working Capital

We define Net Working Capital as the total of inventories and trade receivables less trade payables and advances from customers (consisting of contract liabilities, long-term and short-term).[13]

We present Net Working Capital as a supplemental financial measure of our financial position. The following table provides a reconciliation of PFISTERER Group's Net Working Capital for the periods indicated:

	For the fiscal years ended December 31,	
	2024 (IFRS)	**2023 (IFRS)**
	in € thousands (unaudited, unless indicated otherwise)	
Inventories	82,969*	67,850*
Trade receivables	53,356*	51,633*
Trade payables	28,145*	18,061*
Advances received(1)	9,232*	10,805*
Net Working Capital	**98,948**	**90,617**

* Audited

(1) Advances received consist of contract liabilities, non-current and current.

Our Net Working Capital increased by €8,331 thousand or 9.2% from €90,617 thousand for the financial year 2023, to €98,948 thousand for the financial year 2024. The increase was primarily caused by higher inventories due to higher volume of business and a slight increase in trade receivables, which were partly offset by the increase in trade payables.

8.4 Results of Operations of the German GAAP Comparative Period Financial Year 2023 to Financial Year 2022

8.4.1 Factors Affecting Comparability

When comparing financial information corresponding to the different periods in this Prospectus, investors should consider the following factors affecting comparability of financial information for and as of the respective periods.

[13] Net Working Capital does not include financial assets, other non-financial assets, income tax receivable and cash and cash equivalents, financial liabilities, employee benefits, lease liabilities, contract liabilities, income tax liabilities, other financial liabilities, other non-financial liabilities and provisions.

8.4.1.1 Changes in Segment Reporting

Segment reporting as per segments defined in "*1.1 Risks Related to the Company*" is not available for the Audited Consolidated Financial Statements 2023 and 2022 in accordance with German GAAP.

8.4.1.2 Definition of previous Segments as per the Audited Consolidated Financial Statements 2023

The previous segments in the Audited Consolidated Financial Statements 2023 had the following definitions, which can be similar to those used under IFRS, but not necessarily identical:

Composite:

In the "Composite" product segment, PFISTERER offered products, solutions and services that cover 'everything between mast and ladder rope'. The solutions on offer are a key component in the mechanically reliable attachment of high voltage cables to the earthed pylons, while at the same time providing safe electrical insulation. The products and solutions also ensure that the valuable and sensitive conductor cables of the overhead line are well secured and protected from harmful vibrations.

Cable Accessories HV:

The "Cable Accessories HV" product segment comprised a wide range of cable accessories, including cable end terminations, cable sleeves and connections for transformers and switchgear such as pluggable bushings, pluggable surge arresters and the CONNEX cable connector system. These solutions cover voltage levels from 72.5 kV to 550 kV (high to extra-high voltage). All components are type- and unit-tested in accordance with various international standards.

Components:

In the "Components" product segment, PFISTERER offered screw connection solutions for conductors up to 4,000 mm² as well as branching and connection systems for low voltage cables using insulation-piercing contact systems.

Cables Accessories MV:

In addition to the main MV-Connex product line, which covers the voltage level from 12 kV to 52 KV and provides solutions for connecting transformers or connecting cables, the "Cable Accessories MV" segment also offered a wide range of system solutions and accessories that complement the product range.

8.4.1.3 Changes and Impact in Segments

For the comparison period 2023, the major impact of changes in segment reporting occurred in the previous segment Cable Accessories MV. Parts of the revenues from this segment have been reallocated to the COM Segment. Furthermore, minor adjustments to other segments have also taken place.

The following table shows the revenues per segment according to the Audited Consolidated Financial Statements 2023 in the structure of the redefined segments according to the Audited Consolidated Financial Statements 2024:

	As of and for the financial year ended December 31,		
	2023 (German GAAP)		2023 (German GAAP)
	in € thousands, (audited, unless indicated otherwise)		
Segment[1]		**Segment[2]**	
COM Segment	92,634*	Components	76,474
HVA Segment	112,685*	Cable Accessories HV	112,070
OHL Segment	94,673*	Composite	95,060
MVA Segment	34,168*	Cable Accessories MV	50,556
HVD Segment	-		-
Total	**334,160**	**Total**	**334,160**

* Unaudited.

(1) Definition of segments as per Audited Consolidated Financial Statements 2024.

(2) Definition of segments as per Audited Consolidated Financial Statements 2023.

8.4.2 Consolidated Statement of Profit or Loss

	As of and for the financial year ended December 31,	
	2023 (German GAAP)	2022 (German GAAP)
	in € thousands (audited)	
1. Revenues	334,160	288,760
2. Increase or reduction of stocks of finished goods and work in progress	6,169	-5,520
3. Work performed by the undertaking for its own purposes and carried as an asset	931	851
4. Other operating income	15,272	12,830
	356,532	**296,922**
5. Costs of materials		
a) Costs for raw materials, auxiliary supplies and consumables and for purchased goods	152,068	137,158
b) Costs for purchased services	16,725	13,292
6. Personnel expenses		
a) Wages and salaries	71,159	64,946
b) Social security contributions and expenditures for old-age pension schemes and for support	13,382	14,225
7. Amortization / depreciation of intangible assets and items of property, plant and equipment	6,320	6,394
8. Other operating expenses	59,506	54,219
	37,372	**6,688**
9. Other interest and similar income	276	1,120
10. Other interest and similar expenses	7,605	7,333
11. Income taxes	5,669	-785
12 Profit (+) / loss (-) after taxes	24,375	1,260
13. Other taxes	977	1,361
14. Consolidated net profit/loss for the year before non-controlling interests	**23,398**	**-101**
15. Profit/loss attributable to non-controlling interests	-686	95
16. Consolidated net profit/loss for the year	**22,712**	**-5**

17. Loss carried forward from the previous year	-81,727	-93,222
18. Withdrawal from retained earnings	10,400	11,500
19. Consolidated net loss	**-48,616**	**-81,727**

8.4.2.1 Revenues

Our revenue increased by €45,400 thousand, or 15.7%, from €288,760 thousand for the financial year 2022 to €334,160 thousand for the financial year 2023. The increase was primarily driven by the increase of revenue in the HVA Segment and the MVA Segment. The increase can mainly be attributed to the higher turnover and sales volumes as well as higher sales prices and exchange rate effects.

Our revenue in the COM Segment[14] increased by €10,049 thousand, or 15.1%, from €66,395 thousand for the financial year 2022 to €76,444 thousand for the financial year 2023. The increase was primarily due to higher revenue in Europe, especially in Germany due to increased revenue from the sale of connectors and Poland.

In the HVA Segment, our revenue increased by €14,004 thousand, or 14.3%, from €98,080 thousand for the financial year 2022 to €112,084 thousand for the financial year 2023. The increase was primarily due to higher revenue with OEM customers in Europe, especially in Germany and Switzerland.

Our revenue in the MVA Segment decreased by €315 thousand, or 0.6%, from €50,877 thousand for the financial year 2022 to €50,562 thousand for the financial year 2023. Compared to other segments, the MVA Segment was less dynamic. Unit sales declined in this area, but this decline was almost offset by general price adjustments on the sales side.

Our revenue in the OHL Segment[15] increased by €21,662 thousand, or 29.5%, from €73,408 thousand for the financial year 2022 to €95,070 thousand for the financial year 2023. The increase was caused by higher sales in all relevant markets, especially to OEM customers in Germany and Switzerland.

The following table provides a breakdown of revenue by geographic region for the periods indicated:

	For the financial years ended December 31,	
	2023 (German GAAP)	**2022 (German GAAP)**
	in € thousands (audited)	
America	43,537	41,512
Europe	199,129	174,482
Africa	3,038	1,532

[14] The Audited Consolidated Financial Statements 2023 refer to the "Components segments", which corresponds to the OHL Segment. The change of definition relates to the first-time application of IFRS, the segments were redefined so that there are shifts within the segments with a comparable presentation of the segments. Please refer to "8.4.1 Factors Affecting Comparability".

[15] The Audited Consolidated Financial Statements 2023 refer to the "Composite segment", which corresponds to the OHL Segment.

Asia-Pacific	88,456	71,234
Total	**334,160**	**288,760**

8.4.2.2 Other Operating Income

Other operating income is income from ordinary business activities that does not fall under revenue, such as foreign currency gains, income from the release of provisions and disposal of assets.

Our other operating income increased by €2,442 thousand, or 19.0%, from €12,830 thousand for the financial year 2022 to €15,272 thousand for the financial year 2023. This increase was primarily attributable to a return from an earn-out clause regarding the disposal of the railway business in the financial year 2021, reversals of specific valuation allowances and increased foreign currency gains.

8.4.2.3 Cost of Materials

Our cost of materials and purchased services increased by €18,343 thousand, or 12.2%, from €150,450 thousand for the financial year 2022 to €168,793 thousand for the financial year 2023. The increase was attributable to a sharp increase in purchase prices of raw materials and subcomponents, energy costs and transportation costs for the global procurement of goods. However, due to a robust increase in selling prices, the cost of materials ratio fell to 50.5% in relation to sales, down from 52.1% in the financial year 2022.

The reduction in the cost of materials ratio positively impacted the gross profit margin for the financial year 2023. The favorable market situation allowed us to implement price increases that outpaced the rise in input costs.

8.4.2.4 Personnel Expenses

Our personnel expenses increased by €5,370 thousand, or 6.8%, from €79,171 thousand for the financial year 2022 to €84,541 thousand for the financial year 2023. The increase was attributable to the payment of the collectively agreed inflation premium (in Germany), the collectively agreed wage increase achieved by the trade unions, but also due to increased capacity utilization and new hires. The favorable business performance also led to higher bonus payments. The personnel expenses ratio in relation to revenue fell from 27.4% in 2022 to 25.3% in 2023, reflecting a higher increase of revenues in comparison to the increase in personnel expenses.

The decline in the share of personnel expenses to revenue was significant, and while some elements, such as strategic pricing adjustments and economies of scale, are expected to continue contributing positively, other factors like the payment of the inflation premium and one-time bonuses were more unique to this period. Overall, our pricing strategy allowed us to implement price increases that outpaced the rise in personnel expenses.

8.4.2.5 Amortization / depreciation of intangible assets and items of property, plant and equipment

Our amortization of intangible assets and depreciation of property, plant, and equipment decreased by €74 thousand, or 1.2%, from €6,394 thousand for the financial year 2022 to €6,320 thousand for the financial year 2023. The decrease was primarily due to the natural reduction in depreciation as certain assets reached the end of their useful lives and were fully depreciated. While investments were made during the year, these were roughly in line with

the level of depreciation, thereby not contributing to a significant increase in depreciation expense.

8.4.2.6 Other Operating Expenses

Other operating expenses are expenses arising from ordinary business activities that are not part of the cost of production, such as foreign currency losses, rent expenses, distribution costs, consulting costs and maintenance costs.

Our other operating expenses increased by €5,287 thousand, or 9.8%, from €54,219 thousand for the financial year 2022 to €59,506 thousand for the financial year 2023. The increase was primarily due to the increased utilization of logistics services and additions to provisions for guarantees and warranties that were linked to an increase in revenues in the HVA Segment and COM Segment.

8.4.2.7 Financial Result

The financial result primarily consists of interest and similar income from banks and interest and similar expenses on financial liabilities, factoring, and provisions.

Interests and similar income decreased by €844 thousand or 75.3% from €1,120 thousand for the financial year 2022 to €276 thousand for the financial year 2023 due to lower interest income, while interests and similar expenses increased slightly by €272 thousand or 3.7% from €7,333 thousand for the financial year 2023 to €7,605 thousand for the financial year 2023.

Accordingly, our other financial result decreased by €1,116 thousand, or 18.0%, from €-6,213 thousand for the financial year 2022, to €-7,329 thousand for the financial year 2023. This decrease was primarily attributable to lower interest income in comparison to the previous period.

8.4.2.8 Income Taxes

Our income taxes increased by €6,454 thousand from €-785 thousand for the financial year 2022, to €5,668 thousand for the financial year 2023. The increase in income taxes was primarily driven by higher earnings, resulting from the growth of our business and further developments outlined above.

8.4.2.9 Consolidated net profit / loss for the year

Our consolidated net loss changed by €22,717 thousand from a consolidated net loss of €5 thousand for the financial year 2022, to a consolidated net profit €22,712 thousand for the financial year 2023.

8.4.3 Consolidated Statement of Financial Position

The table below sets forth our consolidated statements of financial position as of the reporting dates:

	As of December 31,	
	2023	2022
	in € thousands (audited) (German GAAP)	
A. Non-current Assets		
I. Intangible assets		
1. Internally generated intellectual property rights and similar rights and assets	2,825	1,323
2. Externally acquired intellectual property rights and similar rights and assets	441	351
3. Goodwill	293	437
4. Advance payments on intangible assets	56	0
	3,616	**2,111**
II. Property, plant and equipment		
1. Land, land rights and buildings, including buildings on third-party land	13,250	13,839
2. Technical equipment and machinery	10,253	11,957
3. Other equipment and machinery	5,066	5,412
4. Advance payments and assets under construction	2,519	1,990
	31,087	**33,198**
III. Financial assets		
1. Other loans	3	3
	34,706	**35,312**
B. Current Assets		
I. Inventories		
1. Raw materials, auxiliary supplies and consumables	18,494	14,536
2. Work in progress, unfinished goods	14,599	12,295
3. Finished Goods and merchandise	27,611	23,585
4. Advance payments on inventories	969	863
5. Advance payments received on orders	-8,705	-4,266
	52,969	**47,013**
II. Receivables and other assets		
1. Trade receivables	50,398	43,563
2. Other assets	8,082	11,687
	58,481	55,250
III. Securities	0	10
IV. Cash and cash equivalents	13,963	24,097
	125,414	**126,370**
C. Prepaid expenses	**1,179**	**1,092**
D. Deferred Tax Assets	**6,730**	**5,873**
	168,030	**168,647**

	For the financial years ended December 31,	
	2023	2022
	in € thousands (audited) (German GAAP)	
A. Equity		
I. Share Capital	14,595	14,595
II. Capital reserves	10,599	10,599
III. Retained earnings		
1. Legal reserves	456	456

2. Other retained earnings	48,385	58,785
	48,841	**59,241**
IV. Difference of currency translation	6,057	8,643
V. Consolidated net loss	-48,616	-81,727
IV. Non-controlling Interests	2,573	1,229
	34,049	**12,580**
B. Provisions		
1. Provisions for pensions and similar obligations	26,477	27,333
2. Tax provisions	4,480	525
3. Other provisions	24,646	21,015
	55,603	**48,873**
C. Liabilities		
1. Liabilities to credit institutions	50,782	69,977
2. Advances received on account orders	2,374	1,701
3. Trade payables	17,305	27,971
4. Other payables	7,900	7,515
	78,360	**107,164**
D. Prepaid income	**17**	**31**
	168,030	**168,647**

8.4.3.1 Non-current Assets

Our non-current assets comprise intangible assets, property, plant and equipment, and financial assets.

Our non-current assets decreased by €606 thousand, or 1.7%, from €35,312 thousand as of December 31, 2022, to €34,706 thousand as of December 31, 2023. The increase in intangible assets was attributable to the capitalization of internally generated intangible assets. The decrease in property, plant and equipment was primarily attributable to the fact that certain assets reached the end of their useful lives and were fully depreciated. The higher decrease in property, plant and equipment in comparison to the increase in intangible assets led to a decrease in non-current assets.

8.4.3.2 Current Assets

Our current assets comprise inventories, receivables and other assets, securities, and cash and cash equivalents.

Our current assets decreased by €956 thousand, or 0.8%, from €126,370 thousand as of December 31, 2022, to €125,414 thousand as of December 31, 2023. The increase in inventories, receivables and other assets, and securities mainly caused by higher revenue was more than offset by the settlement of trade and other payables in the financial year 2023 and a corresponding decrease in cash and cash equivalents.

8.4.3.3 Prepaid Expenses

Our prepaid expenses mainly consist of processing fees and arrangement fees for the loan agreement.

Our prepaid expenses increased by €87 thousand, or 8.0%, from €1,092 thousand as of December 31, 2022, to €1,179 thousand as of December 31, 2023.

8.4.3.4 Deferred Tax Assets

Our deferred tax assets increased by €857 thousand, or 14.6%, from €5,873 thousand as of December 31, 2022, to €6,730 thousand as of December 31, 2023. The increase in deferred tax assets was primarily attributable to an increase in temporary differences linked to inventories, provisions for pensions and other provisions.

8.4.3.5 Provisions

Our provisions mainly comprise provisions for pensions and similar obligations, tax provisions and other provisions. Other provisions mainly comprise provisions for personnel costs and provisions for warranties and guarantees.

Our provisions increased by €6,730 thousand, or 13.8%, from €48,873 thousand as of December 31, 2022, to €55,603 thousand as of December 31, 2023. The increase was mainly related to an increase of tax provisions of €3,955 thousand, an increase of other provisions mainly due to an increase of warranties by €2,624 thousand, and an increase in provisions for personnel costs by €1,254 thousand. The development was driven by a higher employee headcount, increased capacity utilization, and the payment of performance-related bonuses. These increases reflect the overall growth and positive business developments during the financial year 2023.

8.4.3.6 Liabilities

Our liabilities comprise financial liabilities as well as, to a much lower degree, trade payables, other liabilities, and advanced payments received.

Our liabilities decreased by €28,804 thousand, or 26.9%, from €107,164 thousand as of December 31, 2022, to €78,360 thousand as of December 31, 2023. The decrease was primarily attributable to a reduction in liabilities to credit institutions of €19,195 thousand due to the repayment of credit facilities and a reduction of trade payables of €10,666 thousand due to payments. Despite the higher business volume, the decrease in trade payables was caused by payments shortly before the reporting date.

8.4.4 Consolidated Statement of Cash Flows

The following table shows the principal components of the Company's consolidated cash flows:

	For the financial years ended December 31,	
	2023 (German GAAP)	2022 (German GAAP)
	in € thousands (audited)	
Consolidated net profit/loss for the year excluding minority interests	22,712	-5
Depreciation and amortization / write-ups of non-current assets	6,320	6,394
Increase/decrease in provisions	1,566	631
Other non-cash expenses/income	-2,887	-8,002
Increase/decrease in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	-19,616	-21,999
Increase/decrease in trade payables and other liabilities that cannot be allocated to investing or financing activities	-8,044	12,424
Gains/losses from the disposal of assets	147	-116

Interest expense/interest income	5,703	6,213
Income tax expense	5,669	-785
Income tax payments	-1,286	-2,426
Interest paid	-2,236	-1,901
Cash flows from operating activities	**8,048**	**-9,570**
Proceeds from disposals of intangible assets	1	33
Payments for investments in intangible assets	-1,914	-1,473
Proceeds from disposals of property, plant and equipment	1.131	147
Payments for investments in property, plant and equipment	-5,262	-5,209
Proceeds/payments from changes in the consolidation group	3,000	-2,606
Interest received	150	80
Cash flows used in investing activities	**-2,895**	**-9,027**
Proceeds from the issuance of bonds and borrowings	15,073	30,000
Repayments for the redemption of bonds and borrowings	-891	-25,972
Interest paid	-2,367	-392
Cash flows from financing activities	**11,815**	**3,636**
Net increase / decrease in cash and cash equivalents	**16,968**	**-14,961**
Effect of foreign exchange-rate changes on cash and cash equivalents	2,769	6,352
Financial resources at beginning of the year	**-13,100**	**-4,490**
Financial resources at end of the year	**6,637**	**-13,100**

8.4.4.1 Cash Flows from Operating Activities

The change in cash flows from operating activities by €17,618 thousand, from a cash outflow of €9,570 thousand for the financial year 2022 to a cash inflow of €8,048 thousand for the financial year 2023, was primarily caused by the increase in net income, reduced by the effect of the build-up of inventories, and the decline in trade payables. The significant change in other non-cash expenses/income was mainly driven by lower profit attributable to non-controlling interests and lower interest effects on financial instruments and provisions. Despite the higher business volume, the decrease in trade payables was caused by payments shortly before the reporting date.

8.4.4.2 Cash Flows used in Investing Activities

Our cash outflows from investing activities decreased by €6,132 thousand, or 67.9%, from €9,027 thousand for the financial year 2022 to €2,895 thousand for the financial year 2023. This decrease was primarily driven by a significant positive impact from changes in the consolidation group, which resulted in inflows of €3,000 thousand in 2023, compared to outflows of €2,606 thousand in 2022. Additionally, there were increased proceeds from disposals of property, plant, and equipment, amounting to €1,131 thousand in 2023, compared to €147 thousand in 2022. These positive effects were partially offset by higher payments for investments in intangible assets and property, plant, and equipment.

8.4.4.3 Cash Flows from Financing Activities

Our cash flows from financing activities increased by €8,179 thousand or 224.9%, from €3,636 thousand for the financial year 2022 to €11,815 thousand for the financial year 2023. The change was primarily driven by an increase in the proceeds from borrowings and decrease of repayments of financial liabilities.

8.4.5 Liquidity and Capital Reserves

Liquidity describes the availability of sufficient financial resources to meet our respective payment obligations when they become due.

The Group's principal sources of funds have been cash generated from the Group's operating activities, the proceeds from the Senior Facilities Agreement, cash equivalents, factoring agreements, guarantees and prepayments from customers.

The Group's principal uses of cash are funding the daily business, working capital and capital expenditure, and debt service. The Group's ability to arrange financing and its cost of capital depends on numerous factors, including general economic conditions, the availability of credit from banks, other financial institutions, and the capital markets, restrictions on instruments governing the Group's debt and its general financial performance.

8.4.5.1 Maturity of Liabilities

The following table shows our expected future cash outflows for liabilities, derivative financial instruments, and contingent liabilities of the Group as of December 31, 2023:

	Up to 1 Year	more than 1 year	Thereof more than 5 years	Total contractual Cashflow	Carrying Amount
	in € thousands (audited) (German GAAP)				
Cash outflows for financial liabilities	4,639	46,143	0	50,782	50,782
Cash outflows for advance payments received	2,374	0	0	2,374	2,374
Cash outflow for other liabilities	7,881	18	18	7,900	7,900
Cash outflows for trade payables	17,305	0	0	17,305	17,305
Sum	**32,199**	**46,161**	**18**	**78,378**	**78,361**

The outflows shown in the table above represent the non-discounted cash flows and would not normally be settled before their contractual maturity.

8.4.5.2 Contingent Liabilities

The following table shows the contingent liabilities of the Group as of the reporting dates indicated:

	For the financial years ended December 31,	
	2023 (German GAAP)	2022 (German GAAP)
	in € thousands (audited)	
Obligations from guarantees	200	0

In the context of a binding offer from a former affiliated company to its customer, a guarantee for the fulfillment of the contractual obligations in the amount of €200 thousand was declared in 2023. Based on the current credit rating and the previous payment behavior of the beneficiary, we estimate the probability of the aforementioned liability being utilized as low.[16]

[16] The specifications of the German GAAP and the IFRS for the disclosure of contingent liabilities are different, so that the German GAAP and the IFRS are not necessarily consistent in this disclosure.

8.4.5.3 Provisions for Pensions and similar Obligations

We grant our employees various types of pension benefits (i.e. defined contribution and defined benefit plans) and have corresponding obligations in Germany, Switzerland, France, and Italy.

Our provisions for pensions and similar obligations decreased by €856 thousand, or 3.1%, from €27,333 thousand as of December 31, 2022 to €26,477 thousand as of December 31, 2023. The decrease is mainly related to a change in actuarial assumptions.

8.4.5.4 Off-Balance-Sheet Transactions

The Company has entered into agreements with various financiers for the purchase of trade receivables as a further financing option. Based on these agreements, original trade receivables were sold on an ongoing basis to the factoring company at a discount, up to a maximum nominal amount €21,900 thousand in 2023 (for the financial year 2022: €20,700 thousand). The benefits from factoring are mainly based on an improved capital structure. Due to the insurance of the claim and the transfer of the risk of default, the risks exist in the amount of the deductible. As of December 31, 2023, trade receivables were reduced by the sale of receivables in the amount of €14,322 thousand (financial year 2022: €15,338 thousand).

8.4.6 Non-German GAAP Financial Measures (Alternative Performance Measures)

In addition to our German GAAP reporting, we use certain non-German GAAP financial measures (alternative performance measures ("**APMs**")) to track our operating performance and liquidity position. These include EBITDA, Adjusted EBITDA, EBITDA Margin, Net Financial Debt, Net Debt, including Employee Benefits, Leverage, Order Intake, Order Backlog and Net Working Capital. These APMs are not required by, or presented in accordance with, German GAAP or any other generally accepted accounting principles. We present these APMs because we use such information in monitoring our business and because we believe that it is frequently used by analysts, investors and other interested parties in evaluating companies in our industry and it may contribute to a more comprehensive understanding of our business. See also "*2.7 Non-GAAP (German GAAP/IFRS) Financial Measures (Alternative Performance Measures)*". The table below sets forth an overview of certain APMs for the periods and reporting dates indicated:

	As of and for the financial years ended December 31,	
	2023 (German GAAP)	2022 (German GAAP)
	in € thousands (unaudited, unless indicated otherwise)	
EBITDA	43,693	13,082
EBITDA Margin	13.1%	4.5%
Adjusted EBITDA[(1)]	43,693	13,082
Adjusted EBITDA Margin[(1)]	13.1%	4.5%
Net Financial Debt	36,819	45,880
Net Debt, including Employee Benefits[(2)]	63,296	73,212
Leverage	1.4	5.6
Order Intake	354,500	329,500*
Order Backlog	194,100*	176,700*
Net Working Capital	83,689	60,905

* Audited

(1) In accordance with German GAAP personnel expenses related to share-based payments are not recognized.

(2) Employee Benefits pertain to the total of provisions for pensions and similar obligations as per Audited Consolidated Financial Statements 2023 and Audited Consolidated Financial Statements 2022.

8.4.6.1 EBITDA; Adjusted EBITDA

We present EBITDA and Adjusted EBITDA as supplemental financial measures of our operating performance. We believe that EBITDA and Adjusted EBITDA are useful to investors in evaluating our operating performance. Other companies may calculate EBITDA and Adjusted EBITDA differently than we do. Therefore, you should exercise caution in comparing EBITDA and Adjusted EBITDA as reported by use to EBITDA and Adjusted EBITDA of other companies. EBITDA and Adjusted EBITDA are not measures of financial performance under German GAAP and should not be considered as alternatives to other indicators of our operating performance, cash flows or any other measure of performance derived in accordance with German GAAP. The following table provides a reconciliation of PFISTERER Group's Consolidated net profit / loss for the year before non-controlling interests to Profit (+) /Loss (-) after tax to operating result to EBITDA and Adjusted EBITDA for the periods indicated:

	For the financial years ended December 31,	
	2023 (German GAAP)	**2022 (German GAAP)**
	in € thousands (unaudited, unless indicated otherwise)	
Consolidated net profit / loss for the year before non-controlling interests	23,398*	-101*
Other taxes	977*	1,361*
**Profit (+) /Loss (-) after tax ..... **	**24,375***	**1,260***
Income taxes	5,669*	-785*
Financial result	7,329*	6,213*
**Operating result[(1)] ..... **	**37,372**	**6,688**
Depreciation and amortization	6,320*	6,394*
**EBITDA ..... **	**43,693**	**13,082**
Share-based payments[(2)]	0	0
**Adjusted EBITDA ..... **	**43,693**	**13,082**

* Audited.

(1) We have defined operating result based on German GAAP financials as the sum of revenue, increase or reduction of stocks of finished goods and work in progress, work performed by the undertaking for its own purposes and carried as an asset and other operating income less the sum of cost of materials, personnel expenses, amortization / depreciation of intangible assets and items of property, plant and equipment and other operating expenses.

(2) In accordance with German GAAP personnel expenses related to share-based payments are not recognized. IFRS figures cannot be directly compared to German GAAP figures. The management intends, both historically and going forward, not to adjust EBITDA for any gains or losses related to non-recurring or unusual items, regardless of their nature or characteristics. Therefore, the management intends, both historically and going forward, to adjust EBITDA solely for personnel expenses related to equity-settled share-based payments, if any, as also stated in the Audited Consolidated Financial Statements 2024, and refrains from any further adjustments.

Our EBITDA increased by €30,611 thousand or 234.0%, from €13,082 thousand for the financial year 2022 to €43,693 thousand for the financial year 2023. This significant increase was primarily driven by several key factors. Firstly, higher sales improved the gross profit

margin. Secondly, economies of scale and operational efficiencies led to better leverage on operating expenses, particularly personnel expenses. Despite an increase in the cost of materials, the cost of materials ratio fell to 50.5% in the financial year 2023 from 52.1% in the financial year 2022. Additionally, the ratio of personnel expenses to revenue decreased to 25.3% in the financial year 2023 from 27.4% in the financial year 2022. These combined factors resulted in a substantial improvement of our EBITDA margin as outlined below.

8.4.6.2 EBITDA Margin; Adjusted EBITDA Margin

We consider EBITDA Margin and Adjusted EBITDA Margin as meaningful financial measures in assessing the underlying operational financial performance of the Group.

The following table presents the calculation of EBITDA Margin and Adjusted EBITDA Margin for the periods indicated:

	For the financial years ended December 31,	
	2023 (German GAAP)	**2022 (German GAAP)**
	in € thousands (unaudited, unless indicated otherwise)	
EBITDA	43,693	13,082
÷ Revenues	334,160*	288,760*
EBITDA Margin (in %)	**13.1%**	**4.5%**
Adjusted EBITDA[(1)]	43,693	13,082
÷ Revenues	334,160*	288,760*
Adjusted EBITDA Margin (in %)	**13.1%**	**4.5%**

* Audited

(1) In accordance with German GAAP personnel expenses related to share-based payments are not recognized.

8.4.6.3 Net Financial Debt; Net Debt, including Employee Benefits

We believe that Net Financial Debt and Net Debt, including Employee Benefits are useful to investors in evaluating our financial position. The following table provides the calculation of the Group's Net Financial Debt and Net Debt, including Employee Benefits for the periods indicated:

	As of December 31,	
	2023 (German GAAP)	**2022 (German GAAP)**
	in € thousands (unaudited, unless indicated otherwise)	
Financial liabilities[(1)]	50,782*	69,977*
Lease liabilities[(2)]	0	0
Total Financial Debt	**50,782**	**69,977**
Cash and cash equivalents[(3)]	13,963*	24,097*
Net Financial Debt	**36,819**	**45,880**
Pension liabilities and long-term employee benefits[(4)]	26,477*	27,332*
Net Debt, including Employee Benefits[(4)]	**63,296**	**73,212**

* Audited

(1) Financial liabilities pertain to liabilities to credit institutions as per Audited Consolidated Financial Statements 2023.

(2) In accordance with German GAAP leases are expensed as incurred and no lease liability is recognized. Due to the application of different accounting and valuation methods under IFRS, figures cannot be directly compared with German GAAP figures.

(3) Cash and cash equivalents pertain to cash in hand and bank balances as per Audited Consolidated Financial Statements 2023.

(4) Pension liabilities and long-term employee benefits pertain to the total of provisions for pensions and similar obligations as per Audited Consolidated Financial Statements 2023. IFRS figures cannot be directly compared with German GAAP figures.

Our Net Financial Debt decreased by €9,061 thousand, or 19.7%, from €45,880 thousand for the financial year 2022 to €36,819 thousand for the financial year 2023. The decrease was primarily attributable to a decrease in financial liabilities and a reduction in cash and cash equivalents.

Our Net Debt, including Employee Benefits decreased by €9,916 thousand, or 13.5%, from €73,212 thousand for the financial year 2022 to €63,296 thousand for the financial year 2023.

8.4.6.4 Leverage

We present Leverage as a meaningful financial measure in assessing the extent to which we can fulfill our Net Debt, including Employee Benefits obligations from the income from our operating activities as expressed by Adjusted EBITDA.

The following table provides the calculation of the Group's Leverage for the periods indicated:

	For the financial years ended December 31,	
	2023 (German GAAP)	**2022 (German GAAP)**
	in € thousands (unaudited)	
Net Debt, including Employee Benefits	63,296	73,212
÷ Adjusted EBITDA	43,693	13,082
Leverage (Ratio)	1.4	5.6

Our Leverage ratio decreased from 5.6 for the financial year 2022, to 1.4 for the financial year 2023. The decrease was primarily caused by a reduction of the Net Debt, including Employee Benefits by €9,916 thousand with a corresponding increase in Adjusted EBITDA by €30,611 thousand from €13,082 thousand for the financial year 2022 to €43,693 thousand for the financial year 2023.

8.4.6.5 Net Working Capital

We define Net Working Capital as the total of inventories and trade receivables less trade payables and advance payments received from customers (consisting of contract liabilities, long-term and short-term).[17]

[17] Net Working Capital does not include other assets, securities, cash and cash equivalents, tax provisions, other provisions, and other payables.

We present Net Working Capital as a supplemental financial measure of our financial position. The following table provides a reconciliation of the Group's Net Working Capital for the periods indicated:

	For the fiscal years ended December 31,	
	2023 (German GAAP)	2022 (German GAAP)
	in € thousands (unaudited, unless indicated otherwise)	
Inventories [(1)]	52,969*	47,013*
Trade receivables	50,398*	43,563*
Trade payables	17,305*	27,971*
Advances received	2,374*	1,701*
Net Working Capital	83,689	60,905

* Audited.

(1) The advance payments received on inventories are offset from inventories in accordance with German GAAP.

Our Net Working Capital increased by €22,784 thousand or 37.4% from €60,905 thousand for the financial year 2022, to €83,689 thousand for the financial year 2023. The increase was primarily caused by higher inventories and an increase in trade receivables due to higher business volume. This increase was accompanied by a reduction in trade payables caused by the payments-related and balance-sheet-date-related reduction in these liabilities.

8.5 Investments and Capital Expenditures

Our investments include capital expenditures, as well as payments for the acquisition of subsidiaries and shareholding investments. In the periods under review, our principal sources of funds were the net cash flow from operating activities and the loans drawn under the Senior Facilities Agreement. We expect to fund our ongoing and future investments from the net cash flow from operating activities as well as intend to use the net proceeds of the Offering.

	For the financial year ended December 31,			
	2024 (IFRS)[(1)]	2023 (IFRS)[(1)]	2023 (German GAAP)[(1)]	2022 (German GAAP)[(1)]
	in € thousands (unaudited, unless indicated otherwise)			
Capital expenditures				
Thereof additions to property, plant and equipment	14,428*	5,262*	5,262*	5,209*
Thereof additions to intangible assets[(1)]	2,767*	3,134*	1,914*	1,472*
Total Capital expenditures	**17,195***	**8,396***	**7,176***	**6,681***
Payments for the acquisition of subsidiaries and shareholding investments				
Thereof additions to investments, including payments for the acquisitions of subsidiaries and shareholding investments	1,172*	0*	0*	2,606*
Total Capital expenditures including payments for the acquisition of subsidiaries and shareholding investments	**18,367**	**8,396**	**7,176**	**9,287**

* Audited

(1) The figures are based on Audited Consolidated Financial Statements 2022, 2023 and 2024. Due to the application of different accounting and reporting standards, German GAAP figures are not directly comparable with IFRS figures, especially with respect to leases, which are accounted for differently under IFRS and are also presented differently in capital expenditures.

As a percentage of revenue, capital expenditures decreased from 3.2% (German GAAP) for the financial year 2022 to 2.1% (German GAAP) for the financial year 2023 caused by the sharp increase of revenue in the financial year 2023.

As a percentage of revenue, capital expenditures increased from 2.5% (IFRS) for the financial year 2023 to 4.8% for the financial year 2024 due to the significant increase in investment activities. See "*8.5.2 Investments for the financial year 2024*".

8.5.1 Ongoing and future investments

The Company aims to spend €215 million capital expenditures until 2029. Capital expenditures are expected to be focused on the expansion and enhancement of manufacturing capacities and offices as well as surrounding sites within our existing production facility network, on the set-up of in-house laboratories for R&D and electrical End-of-Line testing, in particular in the field of high voltage direct current technology as well as on selective add-on investments to further strengthen our technological know-how, particularly in Europe and the United States. An important part of our planned capital expenditure relates to our new HV center in Winterbach with an estimated investment amount of around €25 million (building and test equipment). Depending on the further development throughout the financial year 2025, additional investments might be initiated.

Purchase commitments for approved capital expenditures in property, plant and equipment or intangible assets totaled €9.9 million as of December 31, 2024.

Capital expenditure for the financial year 2025 up to the date of this Prospectus total €10.0 million and relate to the acquisition of the UK engineering development and services company PCS Holdings (UK) Ltd, investments in machinery, tools and other equipment.

The regional focus of our investments was Europe.

8.5.2 Investments for the financial year 2024

In the financial year 2024, we recorded capital expenditures of €17,195 thousand, of which €14,428 thousand were used for additions to property, plant and equipment, with a focus on investments in technical equipment and machinery (€2,452 thousand), other equipment and machinery (€3,862 thousand), land and buildings (€425 thousand) and advance payments and assets under construction (€7,690 thousand), particularly for investments in technical equipment and machinery in Europe and the U.S. A further €2,767 thousand include additions to other intangible assets, mainly for the expansion of technological development of the product portfolio, particularly HVDC, in the financial year 2024.

The regional focus of our investments was on Europe and the U.S.

8.5.3 Investments for the financial year 2023

In the financial year 2023, we recorded capital expenditures of €7,176[18] thousand (German GAAP), of which €5,262 thousand related to additions to property, plant and equipment, with a focus on investments for technical equipment, machinery as well as for general infrastructure, and IT. €1,914[19] thousand of our capital expenditures related to additions of intangible assets, of which €1,502 thousand related to internally generated intangible assets mainly for the extension of the technological development of the product portfolio, especially HVDC.

The regional focus of our investments was on Europe.

8.5.4 Investments for the financial year 2022

In the financial year 2022, we recorded capital expenditures of €9,287 thousand, of which €5,209 thousand related to additions to property, plant and equipment, with a focus on investments in technical equipment, machinery as well as general infrastructure and IT. €1,472 thousand of our capital expenditures related to additions of intangible assets, of which €1,323 thousand related to internally generated intangible assets mainly for the extension of the technological development of the product portfolio, especially HVDC. Payments for the acquisitions of subsidiaries and shareholding investments of €2,606 thousand related to price adjustments of the disposal of the railway business in 2021.

The regional focus of our investments was on Europe.

8.6 First-time Adoption of IFRS and Comparative Information for the Financial Year 2023

The Audited Consolidated Financial Statements 2024 are the Group's first consolidated financial statements that comply with the requirements of IFRS. PFISTERER prepared its consolidated financial statements in accordance with the German Commercial Code (HGB) for the financial years up to December 31, 2023. The first IFRS-compliant consolidated statement of financial position was prepared as of January 1, 2023. The effects of the first-time adoption of IFRS on net assets, financial position, and results of operations of PFISTERER as of the transition date are described below.

IFRS 1 permits the application of certain exemptions from the retrospective application of other IFRS for any first-time adopter of IFRS.

PFISTERER has applied certain permitted practical reliefs, please refer to the disclosures in the notes, see page F-9.

8.6.1 Notes to the reconciliation of Equity, Consolidated Statement of Profit and Loss, the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Financial Position and the Consolidated Statement of Cash Flows for the Period January 1 to December 31, 2023

Due to the adoption of IFRS, the following reclassifications and revaluations mainly impacted the figures in the Consolidated Statement of Financial Position of the Audited Consolidated Financial Statements 2022 in the transition from German GAAP to IFRS:

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[18] In accordance with German GAAP. The capital expenditures in accordance with IFRS would be €8,396 thousand due to a higher capitalization ratio for internally generated intangible assets.

[19] The capital expenditures related to additions of tangible assets in accordance with IFRS would be €3,134 thousand.

Goodwill

Goodwill must be amortized in accordance with Section 253 para. 3 sentence 1 HGB on a scheduled basis.

Under IFRS, a cash-generating unit to which goodwill has been allocated must be tested for impairment annually and whenever there is an indication that the unit may be impaired (IAS 36.90). A scheduled amortization is not permitted.

For this reason, the scheduled amortization of goodwill in accordance with German GAAP was derecognized for the purposes of the IFRS consolidated financial statements and a possible impairment was assessed using an impairment test for the relevant reporting dates.

Pension Obligations

Provisions for uncertain liabilities were recognized for pension obligations in accordance with Section 249 HGB.

In deviation from accounting under commercial law, liabilities were recognized in the amount of the present value of the defined benefit obligation at the end of the reporting period, considering IFRS-compliant measurement parameters.

Leases

Under German accounting principles, all lease payments were recognized as rental expenses in the period in which they were incurred.

In accordance with IFRS 16, for leases, right-of-use assets and corresponding lease liabilities were capitalized.

In the consolidated statement of profit or loss, depreciation and amortization on the one hand and finance costs on the other increased due to the application of the effective interest method to the lease liabilities. The lease payments recognized under other operating expenses in accordance with previous accounting principles were eliminated accordingly.

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

Other Adjustments

Employee benefits were classified as a separate item in the statement of financial position.

The difference in inventory valuation between German GAAP and IFRS results from a deviation in valuation between German GAAP and IFRS which was adjusted to the requirements of IFRS.

In addition, in the course of applying IFRS, provisions recognized under commercial law were reported as accruals under other liabilities and other financial liabilities.

Within revenue recognized in accordance with German GAAP, income that was not classified as revenue from contracts with customers in accordance with IFRS 15 was reclassified to other income. In this context, the corresponding trade receivables recognized in accordance with German GAAP were classified as other receivables in accordance with IFRS. Associated expenses were reclassified from the cost of materials and purchased services item to the other expenses item.

As part of the preparation of the first IFRS consolidated financial statements, a share-based payment program was recognized in the statement of financial position.

Deferred taxes were also recognized due to the IFRS adjustments.

Further IFRS adjustments result from financial instruments classified in accordance with IFRS 9.

8.6.2 Reconciliation of the Consolidated Statement of Financial Position as of January 1, 2023

	As of		
	December 31, 2022 (German GAAP)	Reclassifications and revaluations	**January 1, 2023 (IFRS)**
Assets	**in € thousands (audited)**		
Intangible assets	2,111	670	2,781
Property, plant and equipment	33,198	-470	32,728
Right-of-use assets[(1)]	0	23,765	23,765
Financial assets	3,092	0	3,092
Other non-financial assets	1,528	-810	718
Deferred tax assets[(2)]	5,873	-871	5,002
Non-current assets[(3)]	**45,801**	**22,284**	**68,085**
Inventories[(4)]	51,279	3,715	54,994
Trade receivables	43,556	789	44,344
Financial assets	4,401	4,200	8,602
Other non-financial assets	2,962	0	2,962
Income tax receivables	816	0	816
Cash and cash equivalents	24,097	-4,200	19,897
Current assets[(5)]	**127,112**	**4,504**	**131,615**
Total assets	**172,913**	**26,787**	**199,700**

	As of		
	December 31, 2022 (German GAAP)	Reclassifications and revaluations	**January 1, 2023 (IFRS)**
Equity and liabilities	**in € thousands (audited)**		
Equity and liabilities			
Subscribed capital	14,595	0	14,595
Capital reserves	10,599	0	10,599
Retained earnings	-22,486	9,603	-12,883
Other reserves	8,643	35	8,678
Non-controlling interests	1,229	0	1,229
Equity	**12,580**	**9,638**	**22,218**
Financial liabilities	31,437	-790	30,647
Employee benefits	29,117	-4,778	24,339
Lease liabilities[(1)]	0	19,243	19,243
Other financial liabilities	25	0	25
Other non-financial liabilities	19	0	19
Provisions	59	0	59
Deferred tax liabilities	0	2,453	2,453
Non-current liabilities[(6)]	**60,658**	**16,128**	**76,785**

Trade payables	29,354	0	29,354
Financial liabilities	38,573	0	38,573
Employee benefits	8,185	-445	7,740
Lease liabilities[(1)]	0	3,895	3,895
Contract liabilities	5,966	-2	5,964
Income tax liabilities	525	0	525
Other financial liabilities	5,775	-303	5,472
Other non-financial liabilities	4,349	-226	4,123
Provisions	6,949	-1,897	5,051
Current liabilities[(7)]	**99,675**	**1,022**	**100,697**
Total Equity and liabilities	**172,913**	**26,787**	**199,700**

(1) In accordance with IFRS 16, right-of-use assets and corresponding lease liabilities were capitalized.

(2) Adjustments related to revaluation effects between German GAAP und IFRS values, accumulated across various items and temporary differences.

(3) The total of non-current assets results from the values of intangible assets, property plant and equipment and financial assets according to the Audited Consolidated Financial Statements 2022; in addition, the total of non-current assets line item in this table includes the following amounts, which result directly from the Audited Consolidated Financial Statements 2022 and are presented differently in the Audited Consolidated Financial Statements 2022: €5,873 thousand deferred tax assets, €1,091 thousand prepaid expenses and €3,525 thousand of the non-current portion of trade receivables (€7 thousand) and other assets (€3,518 thousand).

(4) In contrast to German GAAP, which requires inventories to be valued based on the purchase market, under IFRS inventories are valued based on the selling market.

(5) The total of current assets result from the amounts of inventories, receivables and other assets and securities according to the Audited Consolidated Financial Statements 2022; in addition, the total current assets line item in this table includes the following adjustments, which result directly from the Audited Consolidated Financial Statements 2022 and are presented differently in the Audited Consolidated Financial Statements 2022: Prepayments received on orders reported as an offset to inventories in the Audited Consolidated Financial Statements 2022 (€4,266 thousand) have been reclassified to current liabilities as contract liabilities; cash and cash equivalents (€24,097 thousand) is included in current assets and €3,525 thousand of the non-current portion of trade receivables (€7 thousand) and other assets (€3,518 thousand) are presented in the line item non-current assets.

(6) The total of non-current liabilities results from the amounts according to the Audited Consolidated Financial Statements 2022, as follows: provisions for pensions and similar obligations (€27,333 thousand), partial retirement provision and other provisions (€1,286 thousand) included in other provisions, jubilee provision (€558 thousand) included in other provisions, non-current portion of liabilities to credit institutions (€31,437 thousand), non-current portion of trade payables (€25 thousand) and non-current portion (€19 thousand) of other liabilities.

(7) The total of current liabilities results from the following amounts according to the Audited Consolidated Financial Statements 2022, as follows: current portion of trade payables (€27,945 thousand), provisions for outstanding invoices included in other provisions (€1,407 thousand) included in other provisions; current portion of liabilities to credit institutions (€38,540 thousand) and current liabilities included in other payables (€31 thousand), advance payments received on orders (€4,266 thousand) and advances received on account orders (€1,701 thousand), tax provisions (€525 thousand), and other current liabilities included in other provisions (€17,763 thousand), other payables (€7,463 thousand) and in prepaid expenses (€31 thousand).

8.6.3 Reconciliation of the Consolidated Statement of Financial Position as of December 31, 2023

	As of		
	December 31, 2023 (German GAAP)	Reclassifications and revaluations	**December 31, 2023 (IFRS)**
Assets		**in € thousands (audited)**	
Intangible assets	3,616	1,983	5,598
Property, plant and equipment	31,087	-360	30,728
Right-of-use assets	0	26,856	26,856
Financial assets	128	0	128
Other non-financial assets	1,513	-608	905
Deferred tax assets	6,730	-856	5,874
Non-current assets[(1)]	**43,074**	**27,015**	**70,090**
Inventories	61,674	6,176	67,850
Trade receivables	50,398	1,235	51,633
Financial assets	4,629	3,830	8,459
Other non-financial assets	2,914	0	2,914
Income tax receivables	81	-23	58
Cash and cash equivalents	13,963	-3,830	10,134
Current assets[(2)]	**133,660**	**7,388**	**141,048**
Total assets	**176,734**	**34,404**	**211,138**

	As of		
	December 31, 2023 (German GAAP)	Reclassifications and revaluations	**December 31, 2023 (IFRS)**
Equity and liabilities		**in € thousands (audited)**	
Subscribed capital	14,595	0	14,595
Capital reserves	10,599	372	10,971
Retained earnings	226	12,115	12,341
Other reserves	6,057	-2,637	3,420
Non-controlling interests	2,573	-3	2,570
Equity	**34,049**	**9,848**	**43,897**
Financial liabilities	46,143	-287	45,856
Employee benefits	27,817	-2,275	25,542
Lease liabilities	0	22,678	22,678
Other non-financial liabilities	846	0	846
Provisions	59	0	59
Deferred tax liabilities	0	3,218	3,218
Non-current liabilities[(3)]	**74,865**	**23,334**	**98,199**
Trade payables	17,997	65	18,061
Financial liabilities	4,678	0	4,678
Employee benefits	9,937	-433	9,504
Lease liabilities	0	4,666	4,666

Contract liabilities	11,078	-273	10,805
Income tax liabilities	4,480	0	4,480
Other financial liabilities	3,814	-142	3,672
Other non-financial liabilities	5,011	-235	4,776
Provisions	10,826	-2,427	8,399
Current liabilities[4]	**67,820**	**1,222**	**69,041**
Total equity and liabilities	**176,734**	**34,404**	**211,138**

(1) The total of non-current assets results from the amounts of intangible assets, property plant and equipment and financial assets according to the Audited Consolidated Financial Statements 2023; in addition, the non-current assets line item in this table includes the following amounts, which result directly from the Audited Consolidated Financial Statements 2023 and are presented differently in the Audited Consolidated Financial Statements 2023: €6,730 thousand deferred tax assets, €1,179 thousand prepaid expenses and €458 thousand of the non-current portion of other assets.

The increase in non-current assets by 62.7% when comparing German GAAP 2023 to IFRS 2023 figures is primarily due to the mandatory capitalization of right-of-use assets under IFRS 16 for land and buildings (€20,871 thousand), machinery and equipment (€4,491 thousand), and vehicles (€1,494 thousand), totaling €26,856 thousand.

(2) The total of current assets results from the amounts of inventories, receivables and other assets and securities according to the Audited Consolidated Financial Statements 2023; in addition, the current assets line item in this table includes the following adjustments, which result directly from the Audited Consolidated Financial Statements 2023 and are presented differently in the Audited Consolidated Financial Statements 2023: Prepayments received on orders reported as an offset to inventories (€8,705 thousand) have been reclassified to current liabilities as contract liabilities; cash and cash equivalents (€13,963 thousand) is included in current assets and €458 thousand of the non-current portion of other assets are presented in the line item non-current assets.

The increase in current assets by 5.5% or €7,388 thousand when comparing German GAAP 2023 to IFRS 2023 figures is primarily due to an increase in inventories of €6,176 thousand. This effect results from different approaches in inventory valuation between German GAAP and IFRS.

(3) The total of non-current liabilities results from the amounts according to the Audited Consolidated Financial Statements 2023, as follows: provisions for pensions and similar obligations (€26,477 thousand), partial retirement provision and other provisions (€845 thousand) included in other provisions, jubilee provision (€555 thousand) included in other provisions, non-current portion if liabilities to credit institutions (€46,143 thousand), non-current portion of trade payables (€0 thousand) and non-current portion (€845 thousand) of other liabilities.

For the non-current liabilities, the increase of €23,334 thousand or 31.2% from German GAAP 2023 €74,865 thousand to IFRS 2023 €98,199 thousand is primarily attributable to IFRS 16 leasing liabilities of €22,678 thousand and adjustments related to deferred tax liabilities.

(4) The total of current liabilities results from the amounts according to the Audited Consolidated Financial Statements 2023, as follows: current portion of trade payables (€17,305 thousand), provisions for outstanding invoices included in other provisions (€692 thousand) included in other provisions; current portion of liabilities to credit institutions (€4,639 thousand) and current liabilities included in other payables (€39 thousand), advance payments received on orders (€8,705 thousand), advances received on account orders (€2,374 thousand); tax provisions (€4,480 thousand), and other current liabilities included in other provisions (€22,555 thousand), other payables (€7,015 thousand) and in prepaid expenses (€17 thousand).

(5) For current liabilities, the main difference is due to capitalization of IFRS 16 leasing liabilities of €4,666 thousand and a reduction in provisions of €2,427 thousand due to different valuation and presentation approaches.

8.6.4 Reconciliation of Equity under IFRS and German GAAP for the Financial Year 2023

	As of	
	January 1, 2023	**December 31, 2023**
	in € thousands (audited)	
Equity German GAAP	**12,580**	**34,049**
IAS 2 – Inventories[1]	3,814	6,391
IAS 12 – Deferred taxes	-2,777	-3,926

	As of	
	January 1, 2023	December 31, 2023
	in € thousands (audited)	
IAS 19 – Employee benefits[2]	5,248	2,851
IAS 21 – Foreign exchange	-552	-171
IAS 23 – Borrowing costs	0	77
IAS 36 – Impairment of assets	0	144
IAS 37 – Provisions[3]	2,392	2,402
IAS 38 – Intangible assets	671	1,763
IFRS 2 – Share-based payment	0	0
IFRS 9 – Expected credit loss	674	1,064
IFRS 9 – Hedge accounting and derivatives	0	-242
IFRS 9 – Effective interest method	-20	-11
IFRS 15 – Revenue from contracts with customers	0	0
IFRS 16 – Leases	188	-496
Equity IFRS	**22,218**	**43,897**

(1) This effect results from different approaches in inventory valuation between German GAAP and IFRS.

(2) In deviation from German GAAP, provisions were created for liabilities in the amount of the present value of the defined benefit obligation at the end of the reporting period, taking into account valuation parameters that comply with IFRS.

(3) In the context of subsequent events, the probabilities of occurrence of past events were reassessed. As a result, selected provisions in two subsidiaries were reversed as of January 1, 2023.

8.6.5 Reconciliation of Total Comprehensive Income for the Financial Year 2023

	As of December 31, 2023
	in € thousands (audited)
Consolidated net profit/loss for the year before non-controlling interests (German GAAP)	**23,398**
IAS 2 – Inventories[1]	2,578
IAS 12 – Deferred taxes[2]	-1,149
IAS 19 – Employee benefits[3]	-2,397
IAS 21 – Foreign exchange[4]	-1,548
IAS 23 – Borrowing costs	77
IAS 36 – Impairment of assets	144
IAS 37 – Provisions	10
IAS 38 – Intangible assets[5]	1,092
IFRS 2 – Share-based payment	-372
IFRS 9 – Expected credit loss	391
IFRS 9 – Hedge accounting and derivatives	-242
IFRS 9 – Effective interest method	9
IFRS 15 – Revenue from contracts with customers	0
IFRS 16 – Leases	-684
Total Comprehensive income IFRS	**21,307**

(1) The effect is the result of a different approach in inventory valuation between German GAAP and IFRS. The net realizable value was determined in accordance with IFRS requirements.

(2) Deferred taxes arise from revaluation effects between German GAAP and IFRS, accumulated across various items and temporary differences.

(3) Due to the application of different discount rates and accounting rules, there are variations in the actuarial report and different reporting values under German GAAP and IFRS.

(4) Differences arose essentially due to the concept of functional currency, which is not applicable under German GAAP. Furthermore, there are additional effects from currency translation.

(5) Additional internally generated intangible assets have been capitalized according to IFRS.

8.6.6 Reconciliation of the Consolidated Statement of Cash Flows for the Financial Year 2023

The reconciliation items between the cash flow statements in accordance with German GAAP and IFRS have no net effect on the cash flow generated. Significant changes in the cash flow statement result from the following items: Profit for the period, depreciation and amortization of non-current assets, increase/decrease in provisions, increase/decrease in liabilities, share-based payment agreements, defined benefit plans and repayment of lease liabilities.

The changes resulting from the first-time application of IFRS to cash flow from operating activities mainly relate to the disclosure of interest and principal payments on lease liabilities, which are recognized in cash flow from financing activities in accordance with IAS 7.17(e).

8.7 Selected Information from our Audited Unconsolidated Financial Statements 2024 (German GAAP)

In the financial year 2024, the Company realized a net profit for the period (*Jahresüberschuss*) in accordance with the German Commercial Code (*Handelsgesetzbuch*) of €20,158 thousand and a retained profit (*Bilanzgewinn*) of €58,347 thousand.

As parent company of the Group, the Company performs its business operations through its subsidiaries and investments which are accounted at acquisition costs adjusted for impairment losses and reversal of impairment losses in accordance with the German Commercial Code (HGB).

With respect to the significant accounting policies under German GAAP (HGB) applied, reference is made to the notes of the Audited Unconsolidated Financial Statements 2024, see pages F-149 et seq.

8.8 Quantitative and Qualitative Disclosures about Financial Risks

In the ordinary course of business, we are exposed to a variety of financial risks, including interest rate risk, credit risk and liquidity risk. We monitor and manage these risks as part of our overall risk management. Risk management is an essential aspect of our corporate governance and business processes. It comprises the core elements of corporate planning, including the intra-year review process, risk and opportunity management, the internal control system and the compliance management system. The following section briefly describes the significant financial risks to which we are exposed. This description does not address other risks to which we are exposed in the ordinary course of business, such as operational risks.

For further information, see the notes to the Audited Consolidated Financial Statements 2024.

8.8.1 Credit Risk

Credit risks include direct counterparty risk and the risk of a deterioration in credit quality. We recognize loss allowances for expected credit losses. We have different kinds of financial assets that are subject to the expected credit loss model: trade receivables and contract assets. Cash is also subject to the impairment requirements set out in IFRS 9. The maximum credit risk is limited to the carrying amounts of financial and contract assets presented in the consolidated statement of financial position.

8.8.1.1 Trade Receivables and Contract Assets

In order to mitigate credit and liquidity risk, certain trade receivables are sold as part of factoring and transferred to the factor. In the case of the factoring, essentially all opportunities and risks associated with the trade receivables are transferred to the financial services provider. Consequently, the receivables are derecognized at the time of sale.

Loss allowances on trade receivables, which are not subject to factoring and contract assets are recognized in accordance with the simplified approach of IFRS 9. Under this method, the expected credit losses over the total remaining term of trade receivables and contract assets are calculated based on a provision matrix. Rates are graded depending on the number of days that a trade receivable or contract asset is past due (risk classes). These rates are based on historical loss rates and forward-looking macroeconomic factors.

Contract assets relate to work in progress that has not yet been invoiced and essentially have the same risk characteristics as trade receivables for the same type of contracts. We therefore concluded that the expected loss rate for trade receivables not past due are a reasonable approximation of loss rates for contract assets.

An impairment is recognized on an individual basis or if one or more events that have a detrimental impact on the debtor's credit rating have occurred. These events include defaults, pending insolvency or concessions granted to the debtor on account of payment difficulties.

Trade receivables and contract assets are immediately derecognized if there is no longer a sufficient expectation of recovery. For example, this is the case if the debtor is found to be insolvent.

8.8.2 Liquidity Risk

Liquidity risk describes the risk that we are unable to adequately meet our payment obligations or can raise liquidity only at a higher price. Solvency and the provision of liquidity are regularly monitored on the basis of rolling liquidity planning of the entities of the Group. For this purpose, PFISTERER monitors the amount of expected incoming cash flows from trade receivables together with the expected outgoing cash flows from trade payables and other liabilities.

Cash for the operating units is essentially managed centrally as part of cash pooling. Cash and cash equivalents of the PFISTERER companies are combined. Thus, liquidity surpluses and requirements can be managed as necessary. For external financing, the opportunities on the financial markets are tracked continuously to ensure financial flexibility and to limit refinancing risks.

Cash is essentially used to finance working capital and short-term obligations.

8.8.3 Foreign Currency Risk

We operate internationally and are thus exposed to foreign currency risks. These arise when recognized assets and liabilities and future transactions are denominated in a currency other than the parent company's functional currency. As of December 31, 2024, our foreign exchange exposure was mainly driven by transactions in US Dollar, Swiss Franc, Czech Crown, British pound and Argentinian Peso.

Most operating activities are conducted in the functional currency. Currency risks of the remaining transactions are quantified by PFISTERER on an ongoing basis.

We use currency spot transactions to hedge foreign currency risks, as well as natural hedging, using currencies from corresponding proceeds for purchases in that currency.

8.8.4 Interest Rate Risk – Derivatives

We are exposed to interest rate risk due to long-term loans with variable interest rates, and we counter this risk through interest rate hedging transactions.

Zero-cost interest rate collars are used to hedge interest rate risks and interest payments flows out of the Senior Facilities Agreement. These interest rate hedging agreements serve to limit the variable interest payment and at the same time minimize the risk of an undesirable increase in interest rates. The term of the interest hedging agreements extends from 2023 to 2025 and thus covers the entire period of interest payments based on the Senior Facilities Agreement.

8.9 Significant Accounting Policies

With respect to the significant accounting policies applied under IFRS, reference is made to section "*19.1.6 Notes to the consolidated financial statements*" of the Audited Consolidated Financial Statements 2024, see pages F-8 et seq.

With respect to the significant accounting policies applied under German GAAP (HGB), reference is made to section "*19.2.3 Notes to the Consolidated Financial Statements*" of the Audited Consolidated Financial Statements 2023, see pages F-101 et seq.

Accounting principles under German GAAP differ from IFRS in material respects. For further information for the period from January 1, 2023 to December 31, 2023 and the Company's Audited Consolidated Financial Statements 2024, see pages F-8 et seq. of the Audited Consolidated Financial Statements 2024 and "*8.6 First-time Adoption of IFRS and Comparative Information for the Financial Year 2023*".

9. MARKETS AND COMPETITION

The market and industry data and forecasts and statements regarding our position in the relevant market or market segments in this section are based on various market research and other publicly available information, as well as reports by independent industry sources, see "2.4 Information from Third Parties". Certain statements below are based on our own proprietary information, insights, opinions or estimates, and not on any third-party or independent source; these statements contain words such as we "believe", "expect", "consider" or "estimate", and as such do not purport to cite or summarize any third-party or independent source and should not be read this way.

9.1 Markets

PFISTERER is a family-owned global technology company developing, manufacturing and selling products for the connecting and insulating of electrical conductors for power grid interfaces, offering solutions for voltage levels from 1 kV to 550 kV with applications in power generation, power transmission and power distribution. To a certain extent, we also offer repair solutions, as well as maintenance services covering the requirements of our customers in our respective business segments. We work with project developers, engineering, procurement and construction (EPC) companies, cable manufacturers, OEMs and resellers to serve power grid operators and utilities globally and provide them with safe and reliable solutions. Our end-customers include large utility companies and power grid operators that demand high-quality connection and insulation technologies. With our production sites in Germany, the Czech Republic, and the United States, and a global presence

with 17 operative locations in 15 countries we believe we are well-positioned for future growth.

Demand for our products is driven by the growing demand for electricity resulting from the ongoing trend towards decarbonization of key industries such as heating and mobility, a growing global GDP and population, accompanied by urbanization (source: *IEA 2024*), and the rise of artificial intelligence and data center infrastructure (sources: *McKinsey Data Center Study; McKinsey AI Power Study*). Additionally, grid infrastructure modernization and the increasing penetration of renewable energy production, which is decentralized as compared to the traditional centralized energy generation model, contribute to the need for significant investments in energy generation, transmission, and distribution. There is a growing distance between generation and consumption, and longer cable routes are required to connect distributed generation sources with demand locations. The globally installed transmission and distribution grid line length is expected to increase from 77.1 million kilometers to 166.4 million kilometers between 2021 and 2050 (source: *IEA 2023*). Additionally, older grids are no longer fit-for-purpose for today's transmission and distribution requirements, which require increased voltage and load levels. Approximately, one third of the European distribution lines has exceeded their expected lifetime and more than 50% are expected to be above their expected lifetime of 40 years by 2023. The average age of the transmission infrastructure in the U.S. is approximately 40 years with an average expected useful life of 50 years (source: *Roland Berger General Study*). Upgrading the aging and outdated infrastructure is critical as newer transmission and distribution technology can significantly enhance grid reliability (source: *Roland Berger General Study*). Average global annual grid investments of USD 775 billion per year are required between 2031 and 2040 and of USD 870 billion between 2041 and 2050 respectively (source: *IEA 2023*).

Driven by the expected general increase in electricity demand, resulting from factors such as decarbonization e.g. of heating and mobility, population growth, the expected increasing data center capacities (AI technologies) (sources: *McKinsey Data Center Study; McKinsey AI Power Study*), the increased share of renewable energy generation and the expected pressing need for infrastructure modernization, significant technological trends are emerging. These include advancements in direct current solutions such as HVDC (High-Voltage Direct Current), and in smart solutions for expanding decentralized energy generation. These trends are shaping the industry's future and addressing global sustainability and modernization challenges across all our product segments.

We serve our customers with an extensive product portfolio of cable accessories and components across all voltage levels and operate our business through the following five segments: COM Segment, MVA Segment, OHL Segment, HVA Segment, and HVD Segment. In the following we provide an overview of market developments and trends in the high voltage accessories (HVA) market and medium voltage accessories (MVA) market, which inherently include the market for our solutions from the COM Segment product portfolio, as these are offered across all voltage levels. Separate sections outline each of the market for our OHL Segment products and for our HVD Segment products.

The following geographical regions comprise our main sales markets: America, Europe and Africa, Middle East and India, and Asia.

9.1.1 High Voltage Accessories (HVA) Market

In the HVA market we offer a wide range of our HVA Segment and COM Segment products for transmission system operators ("**TSO**") around the world.

While building and operating transmission grids is a capital-intensive business and grid failures may have far-reaching consequences, TSOs are highly risk averse and focus on reliability and high-quality solutions over components price. The global TSO landscape is largely static, with TSOs operating long-term concessions under agreements with national and/or regional governments. In some countries the transmission network is even considered a national security asset and is operated by publicly (or semi-publicly) owned entities (source: *Roland Berger General Study*).

9.1.1.1 Market Trends

Increasing voltage levels in cable systems: Large integrated cable system manufactures are investing in extra high voltage (EHV) solutions and high voltage direct current (HVDC) cables to remain competitive on the growing market for long-distance interconnections and offshore wind farms requiring higher capacity cables (source: *Roland Berger General Study*).

Increasing share of renewables: Driven by the trend towards decarbonization, the share of renewable energy in global power generation is expected to increase further (source: *IEA 2023*). As energy generation increasingly relies on renewables such as wind farms or solar photovoltaic systems that are often located far from densely populated cities and major consumption centers, the efficient and reliable transmission of electricity over long distances becomes increasingly important, driving demand for HVA solutions (source: *IEA 2023*).

9.1.1.2 Market Outlook

The total capital expenditures ("**Capex**") of TSOs across Germany, France, United Kingdom, Italy, Poland, Spain, the Netherlands, Saudi Arabia, the United Arab Emirates, United States, India, China, Brazil and Argentina are expected to grow at a compound annual growth rate ("**CAGR**") of 11.2% between 2023 and 2030, driven by the need for power grids expansion and modernization (source: *Roland Berger General Study*). Capex increases across Europe, the U.S., and Asia are similar, while stronger growth in spending is expected in the Middle East. Average annual transmission and distribution investments globally are expected to reach a CAGR of 2.7% from 2016 to 2050, with investments of USD 320 billion from 2016 to 2022, and expected investments of USD 500 billion from 2023 to 2030, USD 775 billion from 2031 to 2040, and USD 870 billion from 2041 to 2050. The outlook is supported by significant grid investments recently announced by leading TSOs worldwide. PFISTERER's total addressable market for high voltage (HV) accessories across Germany, France, the United Kingdom, Italy, Poland, Spain, the Netherlands, Saudi Arabia, the United Arab Emirates, the U.S., India, China, Brazil, and Argentina is expected to grow at a CAGR of 11.6% between 2023 and 2030 with extra-high voltage (EHV) products growing faster than HV products which have higher margin prospects due to high product complexity, lower price sensitivity and long homologation processes. Additionally, strong growth of 22% between 2024 and 2030 (CAGR) in offshore wind capacity additions is driving additional demand for HV and EHV accessories (source: *Roland Berger General Study*). Overall, we believe in a resilient growth outlook due to long-term investment plans which are less dependent on overall macroeconomic development.

9.1.2 Medium Voltage Accessories (MVA) Market

In the MVA market we offer our product portfolio of medium voltage solutions from our MVA Segment complemented by products from our COM Segment.

The MVA market primarily either directly or indirectly serves distribution system operators ("**DSOs**"). While the distribution market is typically highly regulated, there is a diverse

number of DSOs per country ranging from just a few (*e.g.*, France) to many hundreds (*e.g.*, Germany). The market is driven by increasing standardization of products and homologation with regional efforts to harmonize specifications (source: *Roland Berger General Study*).

9.1.2.1 Market Trends

Decreasing utilization of heat shrink accessories: Heat shrink accessories have a high failure rate if improperly installed, posing a risk to grid stability. Installation requires skilled personnel and generates environmentally harmful fumes. While heat shrink accessories are still prevalent in countries like India, China, Argentina, and Brazil, the U.S. and some European countries are phasing out of heat shrink, increasing the demand for cold-applied accessories (source: *Roland Berger General Study*).

9.1.2.2 Market Outlook

The total Capex of DSOs in Europe (Germany, France, UK, Italy, Spain, Poland, the Netherlands, Switzerland), the U.S., Middle East (Saudi Arabia and UAE), Asia (China and India) and South America (Brazil and Argentina) is expected to grow at a CAGR of 11.7% between 2023 and 2030 with the U.S. DSOs growing their spending slower compared to other regions, especially Saudi Arabia, the United Arab Emirates, China and India (source: *Roland Berger General Study*). The outlook is supported by significant grid investments recently announced by leading DSOs worldwide. PFISTERER's total addressable market for MV accessories is forecasted to grow at a CAGR of 11.9% between 2023 and 2030 (source: *Roland Berger General Study*).

9.1.3 Overhead Line Accessories (OHL) Market

We provide a wide range of products in our OHL Segment complemented by products and solutions from our COM Segment.

The market for overhead line accessories is highly fragmented with suppliers typically focusing on one type of product (insulators or fittings). While most insulator providers further specialize in specific materials (glass, ceramics, or composites), only few competitors cover both product groups. Additionally, it is possible that, over the long term, the currently high price levels for overhead line accessories may normalize, and customers may become more price-sensitive, especially with new market entrants from India and China pushing into the market, driven by high product standardization and a lower need for innovation (source: *Roland Berger General Study*).

9.1.3.1 Market Trends

Trend towards composite insulators: While composite insulators are more cost effective than alternative materials, ceramics and glass break more easily and are heavier at the same time. Ceramics still dominate the markets in the Middle East and the U.S., while glass insulators are prevalent in Argentina and Brazil. However, the market is expected to shift towards composite insulators which customers increasingly prefer due to lower purchase costs and higher reliability (source: *Roland Berger General Study*). As voltage levels continue to rise, larger insulators are required, and composite insulators offer significant advantages over ceramic and glass alternatives due to their lower weight, making handling, installation, and transportation more efficient.

9.1.3.2 Market Outlook

PFISTERER's total addressable overhead line accessories market is forecasted to grow at a CAGR of 11.1%, driven by strong growth in Saudi Arabia, United Arab Emirates and India (source: *Roland Berger General Study*). We believe the supply chain is moving away from China towards alternate low-cost countries to avoid tariffs on Chinese rods and end-fitting hardware.

9.1.4 High Voltage Direct Current (HVDC) Accessories Market

We aim to compete in the market for high voltage direct current (HVDC) cable accessories with our HVD Segment and aim to generate revenues with our new product portfolio starting from the financial year 2026.

Currently, there is more worldwide demand for HVDC cables than supply. Therefore, the large cable manufacturers are heavily investing in HVDC cable capacities, and smaller regional high voltage (HV) cable manufacturers are considering starting production of HVDC cables. Integrated cable manufacturers offering HVDC cable joints and terminations generally do not supply their accessories to competitors. Thus, we enable regional non-integrated cable manufacturers to complete their HVDC solution offerings and challenge the large integrated players in upcoming HVDC project bids, where generally an offering of full cable systems (cables and accessories) is required. (source: *Roland Berger HVDC Study*)

9.1.4.1 Market Trends

The technical benefits of HVDC transmission over high voltage alternating current (HVAC) (higher capacity per line, lower line power losses, no frequency deviations), as well as the globally increasing transmission needs, are expected to drive HVDC adoption over the coming decades. Trends supporting the adoption include the increasing demand for long-distance interconnections, the increasing investments in AI infrastructure (sources: *McKinsey Data Center Study; McKinsey AI Power Study*), the rising share of renewables and the resulting connection of offshore wind farms to the power grid as well as space limitations for overhead lines driving demand for (HVDC) underground cables. (source: *Roland Berger HVDC Study*)

9.1.4.2 Market Outlook

Currently, several underground HVDC projects are planned or already under construction in Europe, North America, India and the Middle East. A total line length of approximately 6,000 km of underground HVDC cables is estimated for these projects and a significant portion of the forecasted underground cable additions will be medium (50 to 250 km) to long line lengths projects (above 250 km) (source: *Roland Berger HVDC Study*). The long-term market outlook is also positive, with Europe and North America driven by increasing investments in renewable energy expansion, data center / artificial intelligence (AI) infrastructure (sources: *McKinsey Data Center Study; McKinsey AI Power Study*), and a need for resilient and efficient transmission solutions. India and Middle East are also driven by ambitious renewable energy targets, which will likely grow the total HVDC market including underground (source: *Roland Berger HVDC Study*).

Approximately, 220 HVDC projects are expected to be finalized between 2024-2030 worldwide, divided in approx. (i) 54% overhead line projects, which present immediate/short-term opportunities for us, (ii) 31% subsea projects, which present mid-term opportunities for us, and (iii) approx. 15% underground line projects, which represent short- to mid-term opportunities for us (source: Roland Berger HVDC Study; Roland Berger General Study).

9.2 Competition

We consider ourselves the only independent provider of mission-critical energy networks accessories for electricity networks for voltage levels from 1 kV to 550 kV with a global reach and the only cable accessory manufacturer offering an extensive portfolio of EHV products. However, we compete with a variety of competitors in each of our segments:

9.2.1 High Voltage Accessories (HVA)

Our competitors in the HVA Segment include, among others, (in alphabetical order) Brugg Kabel AG, G&W Electric Co., Nexans S.A., NGK-Locke Inc., NKT A/S, Prysmian S.p.A, Südkabel GmbH, Sumitomo Corp., TBEA Co. Ltd., and TE Connectivity plc.

9.2.2 Medium Voltage Accessories (MVA) and Components (COM)

Our competitors in the MVA Segment and COM Segment include, among others, (in alphabetical order) 3M Co., ABB Ltd., Brugg Kabel AG, Elcon Megarad S.p.A., Ensto, G&W Electric Co., Hubbell Inc., Nexans S.A., NKT A/S, Prysmian S.p.A, Raychem Corp., Sicame SA, Südkabel GmbH, TBEA Co. Ltd., and TE Connectivity plc.

9.2.3 Overhead Line (OHL) Accessories

Competitors in the OHL Segment include, among others, (in alphabetical order) Allied Insulators Ltd., Hubbell Inc., Mac Lean Power LLC, NGK Insulators Ltd., Performed Line Products Co., Sicame SA, Siemens Medium Voltage Switching Technologies (Wuxi) Ltd., and Zhongtian Technology Group Co., Ltd.

9.2.4 High Voltage Direct Current (HVDC) Accessories

Our competitors in the HVD Segment include, among others, (in alphabetical order) Eaton Corporation plc, LS Cable & System Ltd., Nexans S.A., NGK-Locke Inc., NKT A/S, Prysmian S.p.A, Sicame SA, Sumitomo Corp., TBEA Co. Ltd., and Trench Ltd.

10. BUSINESS

PFISTERER is a family-owned global technology company developing, manufacturing and selling products for the connecting and insulating of electrical conductors for power grid interfaces, offering solutions for voltage levels from 1 kV to 550 kV with applications in power generation, power transmission and power distribution. To a certain extent, we also offer repair solutions, as well as maintenance services covering the requirements of our customers in our respective business segments. We work with project developers, engineering, procurement and construction (EPC) companies, cable manufacturers, OEMs and resellers to serve power grid operators and utilities globally and provide them with safe and reliable solutions. Our end-customers include large utility companies and power grid operators that demand high-quality connection and insulation technologies. With our production sites in Germany, the Czech Republic, and the United States, and a global presence with 17 operative locations in 15 countries we believe we are well-positioned for future growth.

We operate our business through the following five segments: COM Segment, MVA Segment, OHL Segment, HVA Segment, and HVD Segment.

COM Segment. Our COM Segment offers screw connection solutions for conductors of up to 4,000mm² cross-sectional area depending on the voltage level (from low to extra-high voltage), as well as branching and connection systems for low voltage cables using insulation

piercing contact systems. The portfolio is complemented by products required for the safety of persons and equipment, as well as low voltage distribution cabinets.

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

OHL Segment. Our OHL Segment offers products, solutions and services for overhead lines that ensure highly reliable mechanical connections and insulation. The solutions offered are an essential building block for reliably mechanically fastening the high voltage lines to the earthed masts and at the same time safely insulating them electrically.

HVA Segment. Our HVA Segment provides a wide range of cable accessories, including cable terminations, cable joints, as well as connections for transformers and switchgear, such as plug-in bushings, plug-in surge arresters, and the CONNEX cable plug-in system. These solutions cover voltage levels from 72.5 kV to 550 kV (high to extra-high voltage). All components undergo type and routine testing in accordance with various international standards.

HVD Segment. Our HVD Segment includes cable accessories for high voltage direct current (HVDC) transmission, specifically one-piece slip-on joints, outdoor cable terminations, and plug-in connectors for transformers and switchgear. These solutions cover voltage levels up to 525 kV (high to extra-high voltage). All components are type and routine tested in accordance with various international standards.

The following geographical regions comprise our main sales markets: America, Europe and Africa, Middle East and India, and Asia.

In the financial year 2024 we had revenues from contracts with customers of €383,116 thousand (financial year 2023: €334,140 thousand) and an EBITDA of €60,145 thousand (financial year 2023: €51,886 thousand).

As of December 31, 2024 the PFISTERER Group had 1.239 employees.

10.1 Our Strategy

PFISTERER's strategy 2030 focuses on growth, process optimization, scaling the existing production footprint, leveraging the global supplier & logistics network, innovation, market expansion, and sustainability. We aim to be the preferred partner for innovative, reliable, and mission-critical electrical connection and insulation solutions. The strategy builds on the Group's strengths in high voltage and cable technology, with a focus on expanding in core markets and developing technologies for renewable energy. Key elements of our strategy include:

10.1.1 Growth in Core Markets and Businesses

PFISTERER aims to strengthen its market position in established regions and key markets, particularly in high voltage and medium voltage applications, as well as offshore wind energy, in particular by leveraging its strong technical expertise in existing segments and regions. We aim to secure and increase our delivery performance and to strengthen our reputation as a reliable quality leader through, for example, supply chain optimization and internal process management enhancements. We believe we will benefit from the expected growth in energy demand resulting from the ongoing trend towards decarbonization, population growth, accompanied by urbanization (source: *IEA 2024*), as well as the global rise of artificial intelligence (AI) and data center infrastructure (sources: *McKinsey Data Center Study; McKinsey AI Power Study*). We believe that other growth factors include the expected demand

for renewable energy and the need for the modernization of energy grids worldwide. Additionally, we focus on expanding our portfolio in the medium voltage product segment.

10.1.2 Introduction of New Solutions and Expansion into New Markets

PFISTERER aims to introduce new solutions to complement its existing product portfolio, particularly in medium voltage products and HVDC solutions, and to expand its direct presence in the United States and in certain growth markets, such as Saudi Arabia. In particular, in the Middle East, we focus on local partnerships and investments in infrastructure to benefit from the expansion of energy networks in the region.

10.1.3 Innovation as a Growth Driver

Another strategic focus is the development of innovative solutions, particularly in the field of high voltage direct current (HVDC) technology and connecting solutions for renewable energies. PFISTERER is investing in product development and expanding its in-house laboratories for R&D and electrical end-of-line testing to remain competitive. For example, PFISTERER has entered into a development and supply agreement with a silicone supplier on the development and supply of insulating material based on a liquid silicone rubber composition which ensures a one year exclusive supply to PFISTERER starting from our introduction of HVDC silicone rubber (SiR) accessories on the market (currently expected in the financial year 2026).

10.1.4 Process Optimization and Digitalization

PFISTERER is focusing on digital technologies and automation to achieve efficiency gains. The use of Business Intelligence (BI), SAP, and Artificial Intelligence (AI) is expected to increase in the coming years to optimize processes and increase productivity.

10.1.5 Commitment to Sustainability

PFISTERER has set ambitious sustainability goals to be achieved by 2030, with a clear focus on reducing our CO_2 emissions scope 1 (primarily natural gas and diesel fuel) and scope 2 (primarily electric energy) emissions by 90% (compared to 2020 levels) and achieving net zero GHG emissions by 2030 through compensatory measures and expanding our sustainability targets to include scope 3 (corporate value chain) emissions (all three as defined by the greenhouse gas protocol ("**GHG Protocol**")). Integrating these sustainability goals across the entire value chain in our business aims to position the Company as a responsible and future-oriented market player.

Overall, PFISTERER follows a growth-oriented and innovative strategy that includes product portfolio and geographic expansion, as well as process optimization.

10.2 Our Strengths

Overall, PFISTERER's strengths are characterized by its technological expertise, a strong market position in growth areas, long-term customer relationships, and a clear focus on sustainability and digitalization. These factors help the Group to successfully position itself in a dynamic market environment and capitalize on attractive and value-creative growth opportunities. Further, PFISTERER focuses on continuous expansion of its product portfolio, particularly in medium voltage products and HVDC solutions, offering new growth opportunities in the energy sector across power grid interfaces.

Based on the described strategy and objectives of PFISTERER, we consider the following strengths of the Group as important factors to support our market positioning and long-term success:

10.2.1 Core Competencies

The core focus of PFISTERER's operations lies in silicone processing for high voltage applications, as well as metal processing for the production of essential components like connectors and terminations. For example, on average, fifteen different PFISTERER products are installed in various energy infrastructure applications from all product segments, accounting for approximately 5-8% of the final total production costs of these applications. PFISTERER's in-house expertise in silicone processing results in precise material formulation and high-performance insulation, crucial for the longevity and reliability of high voltage components under extreme environmental conditions. This specific know-how enables PFISTERER to develop customized solutions that meet stringent industry standards, offering clients enhanced operational safety, reduced maintenance needs, and superior resistance to aging and mechanical stress. By maintaining full control over the silicone processing, PFISTERER can offer consistent product quality, rapid innovation cycles, and the ability to swiftly adapt to evolving customer requirements and regulatory demands.

Another core competence of PFISTERER is testing and quality control. Our production sites in Winterbach, Selb, Kadaň, and Rochester, are equipped with advanced testing facilities, capable of conducting high voltage testing and acceptance tests for cable accessories, components, and insulation solutions.

10.2.2 Value Proposition

PFISTERER focuses in particular on high voltage and cable technology. The Group continuously invests in R&D, particularly in innovative and sustainable solutions such as HVDC technologies and connecting products for offshore wind energy. This technical competence and innovation focus enables PFISTERER to position itself as a trusted provider of tailored and flexible solutions focusing on mission-critical, highly innovative, and reliable components with sustainability at its core.

10.2.3 PFISTERER's Market Position

PFISTERER is well positioned in the most relevant geographies worldwide. As a cable-agnostic pure play supplier of electrical connection and insulation solutions and with our in-house expertise we are strategically positioned across all voltage levels, in particular in the high and extra-high voltage levels, to address attractive end-markets that are protected with high barriers to entry due to the associated connection and insulation challenges that require advanced design, manufacturing, and testing expertise. We are the only independent provider of mission-critical energy network accessories across all voltage levels and power grid interfaces and are further differentiated from our competitors by offering a comprehensive portfolio of connecting and insulation products. Further, PFISTERER maintains long-term, stable relationships with transmission system operators ("**TSOs**") and distribution system operators ("**DSOs**") all over the world, which provide a strong and lasting competitive advantage, enabling ongoing market presence and access to long-term projects. PFISTERER also enables localized pure-play cable suppliers to offer integrated cable solutions to compete with integrated cable system manufactures. PFISTERER maintains a well-diversified offering with the largest single product accounting for only 3.5% of the total revenue of the Group in the financial year 2024.

10.2.4 Large and fast-growing Market

PFISTERER is operating in a large and dynamic market, driven by the increasing demand for electricity, higher penetration of renewables and grid modernization. We believe we will benefit from a favorable market environment and underlying megatrends such as electrification, urbanization and the rise of AI for the foreseeable future.

10.2.5 Global Operational Excellence

PFISTERER has a global footprint with presence across more than 90 countries, with a particularly strong presence in Europe and the United States, PFISTERER adapts to local environments by aligning its product offerings with regional regulatory requirements, while also tailoring its solutions to meet specific customer needs in each market. For instance, PFISTERER produces in the Czech Republic for cost efficiency and in the U.S. to comply with local content rules and tariff barriers. PFISTERER has state-of-the-art electrical, mechanical, and environmental stress tests, including HVA and HVD 1,100 kV testing capacity, to ensure products meet international standards and has a proven ability to understand and interpret norms and regulations, and translate them into real life procedures globally. Combining a global, local-for-local industrial presence with strong supplier and logistics partnerships, vertical integration, and proven operational track record allows PFISTERER to respond quickly to local market demands and capture growth opportunities worldwide. This structure makes PFISTERER to some degree resilient against supply chain and geopolitical disruptions.

10.2.6 Sustainability Focus

PFISTERER has set ambitious sustainability goals and is aiming for a significant reduction in CO_2 emissions. This focus on sustainability not only strengthens the brand but also meets the growing market and regulatory demands for environmentally friendly product solutions and business practices.

10.2.7 Process Optimization and Digitalization

PFISTERER is focusing on the digitalization of its processes to increase efficiency and productivity. By using business intelligence (BI), SAP, and AI, the Company aims to further optimize its internal operations to improve its competitiveness through improved decision-making and process efficiency.

10.3 Our History

PFISTERER was founded in 1921 by Karl Pfisterer in Stuttgart, Germany, and has since then specialized in the development and production of solutions for electrical connection technology for over a century. The Company's early years were marked by the production of metallic contact elements, which laid the foundation for its later innovative capabilities.

Over the decades, PFISTERER continuously expanded its expertise, particularly in the field of high voltage cable accessories. In 1962, PFISTERER started with large-scale silicone processing. In the 1970s, the Company began developing silicone-based insulation technologies, leading to significant advancements in the industry. By the late 1970s and early 1980s, PFISTERER had established silicone insulators for high voltage overhead line systems and further enhanced its knowledge in insulation technology.

A milestone in the Company's history was the introduction of the CONNEX system in 1975 consisting of a plug-in and maintenance-free solution for high voltage cable connections. The

system was continuously developed and now covers a broad range of voltage levels. Thereafter, PFISTERER further advanced its knowledge in high voltage cable accessories and significantly expanded its product portfolio resulting in the launch of a single-pole voltage detector for HVAC in 1983, the introduction of the silicone OHL insulator (SILCOSIL) in 1985, and the launch of the PLUG low voltage system in 1997. In 2018, the Company launched the FRONTCON system.

While the acquisition of the LAPP Insulators group in 2015 from Quadriga Capital allowed us to further strengthen our position in the high voltage insulators market, the acquisition did not realize the expected benefits and, starting from the financial year 2016, had a significant adverse effect on our business, financial condition, and results of operations. In addition, the relocation of production capacities to Kadaň led to financial losses mainly caused by initial ramp-up difficulties and underutilization. In the following financial years the Group underwent a restructuring phase which resulted in 2021 in the sale of its ceramic insulator division to PHI Industrial and its rail business to Knill Energy Holding GmbH. Through these divestitures, PFISTERER re-focused on its core expertise in the areas of components and systems for high voltage overhead lines and underground cable networks based on the materials of silicone and metal. In 2022 the Group was able to successfully end its restructuring phase.

Starting in 2023, PFISTERER initiated an extensive expansion strategy focused on geographical growth and the development of technologies, such as in the field of high voltage direct current (HVDC) and extra-high voltage (EHV). By leveraging synergies between various technologies, the Company continues to develop new electrical connection solutions. In 2024, PFISTERER was the first manufacturer to pass Siemens' qualification test for 420 kV clean air technology.

With 104 years of experience, PFISTERER operates today globally based on a vertically integrated business model starting from the design process, production, and testing phase through the delivery of its technology solution and products across all voltage levels.

10.4 Our Product Offerings

PFISTERER offers a wide range of products and solutions designed to meet the needs of the energy sector, focusing on high-quality and reliable connection and insulation technologies. The Company's product portfolio is divided into five product segments:

In the COM Segment, the PFISTERER Group offers screw connection solutions for conductors up to 4,000 mm² cross-sectional area depending on the voltage level (from low to extra-high voltage), as well as branching and connection systems for low voltage cables using insulation piercing contact systems. The portfolio is complemented by products required for the safety of persons and equipment, as well as low voltage distribution cabinets.

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

For the OHL Segment, PFISTERER offers products, solutions and services that cover "everything between the tower and the conductor". The solutions offered are an essential building block for reliably mechanically fastening the high voltage lines to the earthed masts and at the same time safely insulating them electrically. PFISTERER prides itself in delivering tailor made solutions to its customers, especially in challenging applications where the

advantage of expertise in both insulators and overhead line fittings is essential. The products and solutions also ensure that the valuable and sensitive conductors are well secured and protected from harmful wind induced vibrations. PFISTERER has more than a century of experience in overhead line products and technologies, as well as more than forty years of experience with silicone composite insulators, across various voltage classes up to UHV (ultra-high voltage, i.e. 110 kV), alternating current (AC) and direct current (DC).

The HVA Segment includes a wide range of cable accessories, including cable terminations, cable joints, and connectors for transformers and switchgear, such as plug-in bushings, plug-in surge arresters, and the CONNEX plug-in cable connection system. These solutions cover voltage levels from 72.5 kV to 550 kV (high to extra-high voltage).

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

In addition to the product segments, PFISTERER emphasizes the development of customized solutions to meet the specific needs of its clients, providing tailored products and services for a wide range of industries, from energy utilities to industrial sectors. The Company's commitment to innovation, quality, and sustainability is reflected across its entire product range, making it a reliable partner for energy providers worldwide. PFISTERER also focuses on products designed for the integration of renewable energy, such as solar and wind power. This includes solutions for offshore wind farms, which require specialized products like underwater cable accessories and connections. PFISTERER also provides services related to the testing and certification of electrical components, ensuring that all products meet rigorous standards for quality, safety, and performance.

Special emphasis is placed on the 100% testing of high voltage assemblies. Cable component testing takes place in the testing facilities of Kadaň and Winterbach, with Winterbach also allowing the testing of special assemblies and specific testing methods. This in-house testing capabilities are key to ensure reliability in mission-critical applications and to meet the industry's high-quality requirements.

10.5 Research and Development

PFISTERER invests in engineering, research and development to solidify its strong position in the field of insulation and connection technology for energy networks. In the financial year 2024, the Company invested €21,295 thousand in R&D (*audited*), with a portion of these costs allocated to internally generated intangible assets, and including significant costs for third party testing studies. The focus is on the continuous development of product solutions that meet market demands and offer a clear competitive advantage.

A significant current project in product development is the creation of a new generation of cable accessories for high voltage direct current (HVDC) transmission. PFISTERER is currently the only independent global cable manufacturer of such products and successfully completed type testing sequences for individual products in 2024. Further, PFISTERER has entered into a development and supply agreement with a silicone supplier on the development and supply of insulating material based on a liquid silicone rubber composition which ensures a one year exclusive supply to PFISTERER starting from our introduction of HVDC silicone rubber (SiR) accessories on the market (currently expected in the financial year 2026). In the

field of material research, external academic projects are working to evaluate the long-term stability and material suitability of the developed insulating material systems. In the offshore wind energy sector, several projects have been advanced. A key achievement was the successful qualification of a repair solution for underwater joints. Additionally, the development of a plug-in connection system for use in higher-performance wind turbines with higher voltage levels has been initiated. In the overhead line sector, research is focused on the development of insulators with larger core diameters to meet higher mechanical resistance requirements, as well as the development of new overhead line fittings for HVDC applications. For the low voltage sector, a new family of screwable low voltage connectors was developed and has successfully begun the market qualification process. PFISTERER follows a clear strategy of investing in R&D to develop innovative solutions that meet the changing needs of the market and technology. PFISTERER also collaborates with customers in early-stage R&D to anticipate trends and develop solutions for future power grid interfaces. In addition, we work with key customers to create tailored training programs that address specific needs and requirements.

Another important investment in the Group's research and development capacities will be the construction of a new innovation laboratory in Winterbach. This state-of-the-art facility will enhance PFISTERER's capabilities in high voltage testing, material research, and prototype development, ensuring continuous innovation in insulation and connection technology. By expanding its R&D infrastructure, PFISTERER reinforces its commitment to delivering sophisticated solutions that meet the evolving demands of the energy sector, particularly in areas such as HVDC technology and grid modernization. The new innovation laboratory will also facilitate closer collaboration with customers and industry partners, allowing for tailored product development and faster adaptation to regional regulatory and market requirements. The commencement of the full operation of the new innovation laboratory is planned for 2027.

10.6 IT Infrastructure

PFISTERER's IT infrastructure is designed to ensure robust, secure, and efficient operations across all business units. It provides reliable support for development and service functions while maintaining high standards of security and availability.

The Company's network infrastructure connects locations through a resilient and secure system, ensuring seamless communication and protection against threats. The server landscape combines hybrid cloud and on-premises solutions, delivering flexibility and operational control.

Client systems are optimized for modern work requirements, supporting both office-based and mobile workflows. This approach enables efficient collaboration and productivity across the organization.

The IT team is supported by external specialists for key services such as SAP operations, IT security, and network management. These partnerships ensure high performance and allow the internal team to focus on strategic initiatives.

PFISTERER continuously invests in IT projects aimed at enhancing digital capabilities, improving collaboration, and supporting the Company's growth strategy. Cybersecurity is a priority, with measures in place to protect data and systems, supported by regular assessments and compliance with relevant regulations.

This strategic approach serves that PFISTERER's IT infrastructure aligns with business needs and adapts to future challenges effectively.

10.7 Intellectual Property

PFISTERER's intellectual property ("**IP**") portfolio is a key element of its innovation strategy, safeguarding its competitive position in the energy infrastructure sector. The Group holds 105 active patents and 17 patent families. These patents are assigned to the COM Segment, MVA Segment, OHL Segment, HVA Segment, and HVD Segment, strategically distributed across all key markets.

PFISTERER also owns several key brand names, including PFISTERER, KP(U) (alt), KP(U) (neu), CONNEX, SICON, ISICOMPACT, RODURFLEX, SILCOSIL, IXOSIL, and SEFAG, ensuring strong brand recognition across its product portfolio in Germany and Switzerland.

PFISTERER's proactive IP management ensures its innovations remain protected, supporting market leadership and continuous development.

10.8 Operations and Production

PFISTERER operates a global network of five key production facilities and distribution partners in more than 90 countries, with a strong focus on maintaining a standardized approach across all its locations. The Group's production and operations are spread across various sites, each specializing in different aspects of its diverse product offerings.

10.8.1 Key Production Facilities

We manufacture our products at five key production sites in three countries: Germany, Czech Republic and the United States.

Our facility in Winterbach (*Germany*) focuses on silicone processing, particularly for extra-high voltage (EHV) products, including cable accessories for HV and MV offshore applications. The site also includes an EHV test field capable of handling up to 1 million volts. Winterbach is our innovation factory, especially for prototyping and development in silicon-related products. The Company aims to expand its HVDC production and enhance its HV laboratory for research and development, there.

Our facility in Gussenstadt (*Germany*) specializes in metal production, focusing on components, with a total production area of 8,035 m². It is equipped with a laboratory and a warehouse for logistics, along with room for future expansion. This site is known for its expertise in metal processing and prototyping for metal development activities.

Our facility in Selb (*Germany*) specializes in the testing and production of high voltage components, including insulators and bushings for the global market. The site features the renowned "high voltage house", capable of testing insulators and components with voltages of up to 1.5 million volts.

Our facility in Kadaň (*Czech Republic*) is focused on silicone processing and the production of overhead line (OHL) insulators and cable accessories for HV and MV. The site also includes an HV test field and is known for producing composite insulators under the SILCOSIL brand. It is a key player in producing cable terminations, joints, and other related components. Expansion plans include doubling the facility and further developing R&D capabilities for HV and MV cable accessories. The production in Kadaň is expected to be fully ramped up by the end of Q2/2025 following the relocation from our facility in Wunsiedel to Kadaň due to the fire in our Wunsiedel facility on September 10, 2024.

Our facility in Rochester (*United States*) specializes in the production of composite insulators like Rodurflex as well as offshore HV cable assembly and testing. The facility supports the North American market, offering training, components production, and offshore HV cable assembly. The Company plans further expansion of production and sales related to the fabrication of components and OHL production.

PFISTERER's production sites are certified under ISO 9001:2015 (quality management), ISO 14001:2015 (environmental management), and ISO 45001:2018 (occupational health and safety management), with external audits confirming full compliance.

10.8.2 Real Property

The table below lists the main locations of real property used by us and the primary product or activity focus:

Location	Product Focus	Owned/Leased
Germany (Gussenstadt)	Metal production (components), metal processing, prototyping for metal development	**Owned**
Germany (Winterbach)	Headquarter; Silicone processing for EHV products, HV/MV cable accessories, offshore products	**Owned**
Germany (Selb)	End-of-line tests for products	**Owned**
Germany (Wunsiedel)	Sales, Engineering, and Administration (OHL)	**Leased**
Czech Republic (Kadaň)	Silicone processing, OHL insulators, HV/MV cable accessories, composite insulators (SILCOSIL), HV end-of-line testing	**Leased**
United States (Rochester)	Offshore HV cable assembly & test, composite insulators (Rodurflex), components production, customer training center	**Leased**
Switzerland (Küssnacht/Altdorf	R&D, Sales, Customer Service, Product Management	**Leased**
Poland (Płochocin)	General distribution, regional market support	**Leased**
Italy (Novate Milanese)	General distribution, regional market support & Production (Linkbox)	**Owned**
Spain (Barcelona)	General distribution, regional market support	**Owned**
France (Rixheim)	General distribution, regional market support	**Leased**
United Kingdom (Hailsham)	Development and supply of subsea cable joints and connection systems, including repair and splicing solutions	**Leased**
United Kingdom (Sheffield)	General distribution, regional market support	**Leased**
Argentina (Buenos Aires)	General distribution, regional market support	**Owned**

Brazil (Sao Paulo)	General distribution, regional market support	**Leased**
United Arab Emirates (Dubai)	General distribution, regional market support	**Leased**
Saudi Arabia (Riyadh)	General distribution, regional market support	**Leased**
China (Beijing)	General distribution, regional market support	**Leased**
China (Changshu)	General distribution, regional market support	**Leased**

10.9 Supply Chain Management

PFISTERER operates a globally integrated supply chain with a clear focus on leveraging the potential of global sourcing markets. The Company's centralized global procurement and supply chain management emphasizes key factors such as total cost of ownership, fast and reliable raw materials and components availability, and compliance with sustainability standards and both local and international regulations. This procurement and supply management system enables a consistent supply of parts and components which is fully aligned with the Group's production planning processes.

Selected suppliers from Europe and Asia manufacture components according to PFISTERER designs, often using tools designed and specified by PFISTERER and manufactured by a third party, ensuring high quality standards. The Company's supply chain is supported by established relationships between its various production locations.

PFISTERER has a diversified and global supplier network from around 35 countries, spanning across Europe, Asia and North America. Metal, epoxy and extruded parts are often produced on PFISTERER-designed and owned molds and tools ensuring a consistent flow of parts and components fully aligned in real-time with production planning processes. Sourced materials and components primarily include epoxy, silicones, cast and forged as well as extruded parts. In general, there are four different types of supplier contracts: (i) Framework purchasing agreements include a definition of the basis of the relationship and are generally agreed for a one year term or for an indefinite period of time with the option to terminate at any time, while also incorporating pricing indexations to ensure transparency and adaptability to market fluctuations. (ii) Quality assurance agreements define the quality policies applied while (iii) logistics agreements represent general stocking agreements with suppliers. (iv) Price-quantity contracts are negotiated for hedging purposes with the scopes varying depending on the material. The share of the top 10 suppliers in the total purchasing volume of the Group was 35.4% in 2024. The Company has identified seven critical suppliers and is in the process of further reducing dependencies.

10.10 Sales and Marketing

PFISTERER is distinguished by a diverse sales structure and a comprehensive marketing approach that covers the various market segments of the Company. The Company maintains long-standing and close relationships with a wide range of customers across various market sectors, including contractors, original equipment manufacturers (OEMs), cable manufacturers, distributors as well as customers from the utility sector. This customer base is well-diversified, which is also reflected in the Company's revenue. The top ten customers accounted for 27.5% of consolidated revenue in the financial year 2024, creating a stable and resilient customer base. PFISTERER's single largest customer accounted for less than 5% of

consolidated revenue in 2024. Through partnerships with its customers PFISTERER is able to strengthen its procurement and supply chain capabilities and to ensure reliable global delivery with a plug-and-play approach. PFISTERER delivers all components needed for a customer project, including third-party items, through a global logistics network, for a seamless installation in a single package solution.

In addition to high-quality, customized products and systems such as mechanical connections and silicone insulations, PFISTERER also offers its customers a range of comprehensive services. These include project management, installation training and monitoring, thereby avoiding significant management complexity for the customers, as well as laboratory and condition testing, covering the entire lifecycle of the products and solutions. In addition, PFISTERER ensures that its customers receive not only high-quality products, but also required services tailored to the specific needs of each project. This fosters strong customer loyalty and contributes to long-term business growth.

10.11 Employees

As of December 31, 2024, the PFISTERER Group had 1,239 employees. Between December 31, 2024 and the date of the Prospectus, the number of our employees has not materially changed. PFISTERER recognizes its employees as the key to the Company's sustainable success. Employees play a crucial role in driving technological leadership, innovation, and ensuring competitiveness in an increasingly dynamic and international environment. To secure a stable foundation for growth, PFISTERER focuses on attracting, training and retaining talent, alongside fostering long-term employee engagement, individual development and a strong corporate culture. This approach addresses the challenges of the labor shortage by utilizing innovative methods for talent acquisition, as evidenced by the Company's ongoing successful recruitment efforts in 2024. Employee retention is a central priority for PFISTERER.

In 2024, significant efforts were made to enhance the Company's values and identity, culminating in the adoption of a new corporate mission and vision statement. The core values, which include trust and collaboration, are integral to fostering a productive and harmonious workplace. Measures to promote work-life balance, health management, and personal development were also implemented to support employees comprehensively. In terms of employee development, PFISTERER places great importance on leadership development. The Company's Leadership Program, which has been continuously developed since 2022, entered its fourth module in 2024. This program provides leaders with the opportunity to expand their skills and make a lasting contribution to the Company's success. Additionally, further training and development initiatives for all employees will continue in the future to ensure continuous growth. PFISTERER is also focused on fostering its own talent pipeline.

In response to the ongoing skills shortage, the Company is strategically investing in the education and development of future professionals. This includes long-established programs for vocational training in commercial and industrial fields, as well as dual study programs in business administration and industrial engineering. A significant step in 2024 was the investment of €1.2 million in a new state-of-the-art training facility at the Gussenstadt site, providing optimal conditions for training young talent and preparing them for future roles. This in-house training initiative is seen as a critical factor for the Company's success, and the training program continues to expand to address the growing need for skilled labor.

The table below shows our number of employees (headcount), by geography, as of the reporting dates indicated:

	As of December 31, 2024	As of December 31, 2023	As of December 31, 2022
		(unaudited)	
Europe and Africa	1,080	1.010	939
Americas	133	97	99
Asia-Pacific	12	11	12
Middle East and India	14	12	
Total employees	**1,239**	**1,130**	**1,050**

The following table shows the number of employees (headcount) by functional areas, as of the reporting dates indicated:

	As of December 31, 2024	As of December 31, 2023	As of December 31, 2022
		(unaudited)	
Administration	132	117	108
Production & QM	545	513	456
Sales	177	169	160
Services	57	38	23
Supply Chain Management	163	139	143
Technology	165	154	160
Total employees	**1,239**	**1,130**	**1,050**

10.12 Risk Management and Compliance

We have established compliance management procedures aimed at ensuring lawful conduct by our employees. Our compliance procedures are designed to identify potential violations in advance and to systematically prevent their occurrence. These procedures comprise, among other things, guidelines offering an overview of our compliance regime and our mandatory compliance policies, regular employee training courses on relevant compliance risks and measures as well as a whistleblowing system to allow employees and third parties to report potential compliance violations. Our compliance procedures are, among others, aimed at preventing bribery and corruption as well as violations of anti-money laundering, sanctions control, data protection, antitrust and antidiscrimination laws and regulations.

10.13 Environmental, Social and Governance

PFISTERER recognizes the growing importance of ESG (Environmental, Social, Governance) matters for multiple stakeholders. At PFISTERER, ESG has been integrated as a fundamental component of our corporate strategy. Our bronze medal ESG rating by EcoVadis reflects our commitment to addressing the growing expectations. Key focus areas include greenhouse gas (GHG) emissions, climate-related risks, diversity, and inclusion; responsible sourcing and supply chain management, human rights and social responsibility, risk management, and corporate governance. These priorities lead to increasingly complex mandatory and voluntary reporting requirements, due diligence processes, and disclosures. Rapidly evolving laws, regulations, policies, and interpretations together with heightened enforcement actions by regulatory authorities pose challenges for PFISTERER's operations. To address these demands, PFISTERER has defined specific ESG targets across dedicated action areas. The Company is committed to reducing environmental impacts, fostering social

responsibility, and maintaining strong governance practices. While PFISTERER is committed to achieving its ESG goals, failure or perceived failure to meet these targets or comply with emerging regulations could harm its reputation and increase scrutiny from stakeholders.

10.13.1 Environmental

PFISTERER is focused on minimizing its environmental footprint by implementing ambitious climate goals. The Company aims to reduce Scope-1 and Scope-2 GHG emissions by 90% by 2029 (compared to 2020 levels) and achieve net zero GHG emissions by 2030 through compensatory measures. Scope-3 emissions will be measured starting in 2024 with target setting planned for 2025. PFISTERER also aims to ensure that by 2030 the energy demand at all locations of the Group is sourced 100% from renewable energy and is further committed to increasing its recycling rate (2023 at 83%) and improving energy efficiency by reducing the Group's energy intensity by 5% per year.

In addition to internal operational improvements, PFISTERER's product portfolio supports the global energy transition. The Group develops environmentally friendly technologies such as SF6-free solutions (e.g., clean air) and dry-type cable terminations that reduce environmental impacts compared to traditional oil-filled alternatives. These initiatives align with PFISTERER's enabling position to the decarbonization of energy networks.

10.13.2 Social

PFISTERER places a strong emphasis on social responsibility by fostering a safe, inclusive, and future-ready workplace. We implemented a "Zero Accident" policy aimed at reducing workplace injuries (lost time injury rate - "**LTIR**") by 10% annually. Significant progress has already been made, with LTIR dropping from 32.16 in 2020 to 10.25 in 2024. Employee development is another key focus area. PFISTERER has significantly increased training hours in 2024 by more than 556% since 2020 with an annual goal of a 5% increase in training efforts. The Company also supports diversity initiatives and actively strengthens local communities through targeted engagement programs. This effort is intended to ensure that stakeholder expectations regarding employee well-being, inclusion, and social impact are met.

10.13.3 Governance

PFISTERER is committed to maintaining strong governance, ethics and compliance standards. We believe that our governance structure and in particular our compliance procedures, such as our whistleblowing system, enable open lines of communication and enhances implementation of our risk-mitigating compliance measures throughout the Group.

Our Management Board, overseen by our Supervisory Board, plays an integral role in our governance structure and is ultimately responsible for our sustainability management. Our sustainability management is governed by various policies, including our code of conduct and our supplier code of conduct. As part of our sustainability management, we also oversee our data protection measures and perform human rights and environmental due diligence on suppliers, where deemed necessary due to legal requirements or our internal policies.

10.14 Insurance

As part of our ongoing business, we purchase insurance coverage for many categories of risk as required by applicable law or to the extent we consider appropriate, including general liability, cybersecurity, property and D&O insurance. We may from time to time and as required enter into additional project related insurance agreements.

10.15 Legal Proceedings

From time to time, we are involved in legal proceedings arising in the ordinary course of business. These in particular relate to matters of employment law, in which we typically act as defendant, as well as matters relating to allegations of defects' liability in respect of our products. For example, we are currently in discussions with some of our European customers regarding potential claims such customers may have related to alleged failures of products we supplied. In case such alleged failures prove to be true this could also result in possible damage claims of U.S. end-customers.

We are, however, not aware of any legal proceedings (whether pending or threatened) which may have, or have had, a material impact on our business, results of operations or financial position during the past twelve months.

11. MATERIAL AGREEMENTS

11.1 Senior Facilities Agreement

On December 20, 2022, the Company as borrower and the Company and certain of the Company's subsidiaries as guarantors (the "**Guarantors**") entered into a senior facilities agreement, as amended on April 8, 2025 (the "**Senior Facilities Agreement**") with COMMERZBANK, LBBW and UniCredit Bank GmbH (formerly UniCredit Bank AG), as mandated lead arrangers and bookrunners, and each of these entities and HSBC Trinkaus & Burkhardt GmbH and Kreissparkasse Heidenheim as original lenders and LBBW as agent and as security agent. The Senior Facilities Agreement comprises (i) a €30 million term loan facility and (ii) a €60 million revolving credit facility. As of February 28, 2025, the term loan facility was fully drawn in the amount of €30 million and the revolving cash credit facility was drawn in the amount of €9.967 million. The loans under the Senior Facilities Agreement mature on December 22, 2025. The Senior Facilities Agreement allows for voluntary prepayments (subject to minimum prepayment amounts of €1,000,000 in each case and giving prior written notice of not less than ten business days) at any time.

The Senior Facilities Agreement is guaranteed on a senior basis by the Guarantors and is secured by first-priority security interests granted over (i) the German bank accounts of the Guarantors with the original lenders, and (ii) the claims for return of land charges granted by Pfisterer Kontaktsysteme GmbH. The Senior Facilities Agreement requires compliance with certain customary affirmative covenants, such as covenants relating to compliance with laws and sanctions and maintenance of insurances and of intellectual property rights. It also contains operating covenants, subject to certain agreed exceptions, including amongst others covenants restricting the ability of certain members of the Group to create security, make investments (including granting loans and guarantees), dispose of assets, incur indebtedness, consolidate or merge with other entities or change the business, enter into acquisitions or joint ventures, or make restricted payments (including dividends and other distributions).

The Company shall procure a guarantor coverage of Group companies representing at least (i) 70% of the Group's aggregated adjusted EBITDA, and (ii) 70% of the sum of all assets of the members of the Group and which is tested bi-annually.

Furthermore, the Senior Facilities Agreement contains (i) a financial covenant based on the consolidated equity ratio of the Group (as defined and calculated in accordance with the terms of the Senior Facilities Agreement) that is tested quarterly, and (ii) another financial covenant based on the consolidated net financial leverage of the Group (as defined and calculated in

accordance with the terms of the Senior Facilities Agreement) that is also tested quarterly. The Senior Facilities Agreement includes events of default, including failure to pay amounts under the Senior Facilities Agreement when due, breach of the financial covenants, non-compliance with other obligations, misrepresentation, cross-default/cross-acceleration with other financial indebtedness (subject to an agreed threshold) as well as certain insolvency- and restructuring-related events. In case of a continuing event of default, the lenders under the Senior Facilities Agreement may demand immediate repayment of all amounts outstanding under the Senior Facilities Agreement by majority decision.

The rate of interest on term rate loans or revolving loans is the aggregate of EURIBOR plus the applicable margin. The initial margin is 3.50% per annum. The margin applicable to the term loan or revolving facility is adjusted from time to time, subject to certain leverage-based conditions within a range of 3.00% per annum to 1.25% per annum. The initial margin for loans is 3.50% per annum.

Each lender under the Senior Facilities Agreement may require prepayment of any loans extended by it and cancellation of its commitments upon (i) any person or group of persons acting in concert, other than Karl-Heinz Pfisterer, Dorothee Stängel, any of their respective descendants or heirs, or a foundation established by one of the aforementioned persons, or a foundation into which any of the aforementioned persons contributes any shares or voting (these persons and the organizations together the "**Family**"), acquiring, directly or indirectly, 50% or more of the outstanding shares or voting rights of the Company; or (ii) the Family no longer directly or indirectly holds more than 50% of the outstanding shares or voting rights of the Company.

11.2 Factoring Agreements

The following Group companies (i) Pfisterer Kontaktsysteme GmbH, (ii) Pfisterer SAS, and (iii) Pfisterer Insulators Wunsiedel GmbH are party to non-recourse factoring agreements with SüdFactoring GmbH and B.N.P. Paribas Factor S.A. Under these agreements, the factors agreed to purchase trade receivables originated by the aforementioned companies in the ordinary course of business, up to an aggregate amount of €20,200,000. As of February 28, 2025, €10,732,597.98 (*unaudited*) of this aggregate amount had been utilized.

11.3 Virtual Share Option Program

In 2023, we implemented a one-off IPO related virtual share option program (the "**VSOP 2023**"), pursuant to which we have granted in 2023 and in 2024 virtual shares with certain base prices (the "**Virtual Shares**") to the members of the Management Board of the Company and certain key employees in order to incentivize and retain them.

The Listing will constitute for 50% of the Virtual Shares held by each beneficiary an exit event under the VSOP 2023 rules resulting in a respective vesting of such virtual shares. The value of such 50% vested portion of the Virtual Shares will be determined upon the completion of the Listing and will correspond to the difference between (i) the Offer Price and (ii) the applicable strike price, multiplied by the number of the vested Virtual Shares held by the respective beneficiary. The remaining 50% unvested Virtual Shares of each beneficiary will vest over a two year period after completion of the Listing (with a vesting of the first 25% tranche after a one year period, and of the second 25% tranche after a two year period) and their value will be determined upon exercise after their vesting based on the difference between: (i) the volume-weighted average price of the Company's listed shares in Xetra trading or comparable successor trading systems of the last ten trading days before the end of

the respective vesting period and (ii) the applicable strike price multiplied by the number of such Virtual Shares. The Company may elect to settle the respective claims under the Virtual Shares in cash or in shares of the Company.

As of December 31, 2024, PFISTERER recognized the claims for the Virtual Shares in its Audited Consolidated Financial Statements 2024 as equity-settled share-based payments in an amount of €4,828 thousand.

12. REGULATORY ENVIRONMENT

12.1 Export Control Regulations and Economic Sanctions

We manufacture products (e.g., certain cable lugs or connectors) which may be subject to restrictions under EU, U.S. and other applicable export control regulations. In addition, applicable Sanctions Laws may generally restrict us from engaging in business in or with designated countries, entities or individuals.

We therefore have to observe the applicable export control regulations of the relevant country of development and manufacturing and the relevant country of dispatch. Applicable export control regulations may limit or prohibit the export of such products if specific countries, entities, individuals or end-users are the destination of such shipments or other transfers.

When selling and/or delivering our products to customers around the globe we must observe Sanctions Laws and embargoes. Such measures can be based on national legislation (like in Germany, the United Kingdom or the United States), but also on acts of supranational organizations like the European Union and the United Nations. They can take the form of comprehensive embargoes (total embargoes), partial embargoes, such as arms, sectoral or financial embargoes and may be directed at countries, organizations, groups, non-state entities and individuals. Person-related sanctions usually prohibit placing assets of any kind at the disposal of sanctioned parties or providing them with any economic resources.

Furthermore, export control regulations and Sanctions Laws of specific countries may have an impact on our customer or supplier relationships even if these relationships do not relate directly to such countries. These regulations and sanctions may apply to any of our products that are exported, re-exported or made available in a country where such regulations apply, or to our operations in countries where such sanctions are applicable.

In particular, we have to comply with EU trade sanctions with respect to Russia, particularly with Regulation (EU) 833/2014 as amended by Regulation (EU) 2024/3192 as of December 16, 2024. In its Annex XL, which applies to a significant proportion of our products, Regulation (EU) 833/2014 lists certain common high priority products. Irrespective where our direct customer is based, we are obliged to take certain measures in order to mitigate risks of the circumvention of Russia sanctions. With regards to our customers, we are also obliged to comply with Regulation (EU) 269/2014 as amended by Regulation (EU) 2024/3189 as of December 16, 2024, that freezes the assets of certain persons and companies. Thus, we are prohibited from doing business with those persons and companies. We are in particular obliged to operate, implement, and routinely update EU sanctions compliance procedures adapted to our business model, geographic areas of our operations and specifics and risk-profiles of our customers, other business partners and staff.

12.2 Public Procurement

We generate a certain part of our revenue from public customers. The funding of such contracts is subject to procurement law, which is determined mainly by U.S., European, and national rules, and legislations.

Public procurement law generally requires public entities, sectoral contracting entities, and concession grantors to award contracts and concessions in a transparent and non-discriminatory tender procedure, depending on certain thresholds, either on the national or on the European level. Tender obligations also apply to material amendments to existing contracts. In case of violations of public procurement law requirements, the underlying contract may be null and void and, depending on the jurisdiction, penalties or other measures may be imposed. In addition, competitors may claim damages in case of such violations, in particular against the public contracting entity.

12.3 Health, Safety and Environment

12.3.1 General Regulations

We are subject to health and safety laws, rules, and regulations, which are largely based on European and national legal standards. We review our work safety requirements on a regular basis and aim at improving the relevant workplace conditions and operations to reduce the risks of injuries to a minimum. We are aware of the impact that work has on health, safety and the environment.

Our operations are subject to various obligations and requirements relating to the protection of the environment, depending on the location of our production facilities. In Germany, applicable laws include, for instance, the Water Resources Act (*Wasserhaushaltsgesetz - WHG*), the Closed Substance Cycle Waste Management Act (*Kreislaufwirtschaftsgesetz - KrWG*) and the Federal Emissions Control Act (*Bundes-Immissionsschutzgesetz - BImSchG*) including its related ordinances.

We are subject to legislation regarding the identification and reduction of adverse health and safety consequences caused by chemicals or hazardous substances. For example, we undertake various measures to comply with Regulation (EC) No 1907/2006 ("**REACH Regulation**"), which result in numerous requirements with respect to the use of, chemicals required for our manufacturing processes. Additionally, some electronic devices manufactured by our customers are subject to the requirements of Directive (EU) 2011/65 on the restriction of the use of certain hazardous substances in electrical and electronic equipment. It restricts the use of chemicals lead, cadmium, mercury, and hexavalent chromium, as well as flame retardants polybrominated biphenyls (PBBs) and polybrominated diphenyl ethers (PBDEs). Manufacturers of electrical and electronic equipment are required to replace these chemicals in their products with less hazardous alternatives.

In addition, we are subject to reporting obligations under the CBAM Regulation which establishes from January 31, 2024, on extensive reporting obligations for importers of certain goods (e.g. iron, aluminum, and processed products from them) into the customs territory of the EU. As from January 1, 2026, the CBAM Regulation further requires that we purchase certificates to compensate for the embedded emissions associated with the relevant goods imported to the EU. On 26 February, 2025, the European Commission announced its plans to mitigate certain reporting requirements under the CBAM Regulation and to postpone the requirement to purchase emissions compensation certificates until February 2027.

In the U.S., the Occupational Safety and Health Act of 1970 is a U.S. labor law governing occupational health and safety in the United States and is administered by the Occupational Safety and Health Administration (the "**OSHA**"), which is an agency of the United States Department of Labor that covers most private sector employers and their employees within the U.S., as well as individual states. Its primary goal is to ensure that employers provide employees with an environment free from recognized hazards, such as exposure to toxic chemicals, excessive noise levels, mechanical dangers, heat or cold stress, or unsanitary conditions. OSHA creates rules which are, together with all other rules created by federal regulatory agencies, collected into a multi-part document called the Code of Federal Regulations. Individual states also have established their own occupational health and safety standards, and these are in some cases more stringent than those promulgated by OSHA. Under the "General Duty Clause" found at Section 5(a)(1) of the Occupational Safety and Health Act of 1970, employers are required to provide their employees with a place of employment that is "free from recognized hazards that are causing or are likely to cause death or serious physical harm." Furthermore, we are subject to additional standards issued by the OSHA and other associations such as the Association for Advancing Automation and the National Fire Protection Association.

12.3.2 Electric Devices

Some parts of power transformers and other electronic devices our customers manufacture are subject to requirements of Directive (EU) 2014/35 on electrical equipment designed for use within certain voltage limits (Low Voltage Directive). This directive requires manufacturers to avoid endangering health and safety of persons, domestic animals and property when electrical equipment is installed, maintained and used. Thus, we must employ technical measures to protect persons and domestic animals (i) from hazards resulting from the electrical equipment (e.g., arising through contact with the equipment or from certain temperatures, arcs or radiation) and (ii) against hazards which may be caused by external influences on the electrical equipment.

In the U.S., the electrical components we produce require approval by recognized testing laboratories (29 CFR Part 1910). Electric equipment must generally be free from recognized hazards that are likely to cause death or serious physical harm to employees, taking into account, among others, the mechanical strength and heating effects under all conditions of use. In addition, state governments and local authorities have adopted as law the National Electrical Code ("**NEC**"). The NEC covers the installation of electrical products for public or private use and requires that certain electrical products (e.g., wires, cabinets and switches) meet the requirements of specific standards. In particular, according to the NEC all electrical components must be listed, labelled or approved for installation.

12.4 Cybersecurity

We fall into the scope of Directive (EU) 2022/2555 of the EU Parliament and of the Council of December 14, 2022 ("**NIS2 Directive**"). The NIS2 Directive contains legal measures to increase the overall level of cybersecurity in the EU. In particular, companies designated by EU member states as essential or important entities in critical sectors of the EU economy, such as energy infrastructure, must take appropriate security measures and inform competent national authorities of significant incidents.

In Germany, the NIS2 Directive has not yet been implemented. A draft law for the implementation of the NIS2 Directive was introduced in the Federal Parliament but has not

been passed until the Federal Elections in February, 2025. Consequently, the implementation will not occur before the new Federal Government and Parliament are inaugurated.

12.5 Customs Laws

Our business is also subject to international and national customs laws. Regulation (EU) 952/2013 lays down the Union Customs Code ("**UCC**"). The UCC entered into force on May 1, 2016, and defines the legal framework for customs rules and procedures in the EU customs territory, adapted to modern trade models and communication tools. In parts, there remains room for national provisions. In Germany, these are predominantly based on the regulations for financial administration, in particular in the Fiscal Code (*Abgabenordnung*).

12.6 ESG-Related Disclosures and Human Rights

In addition to increasing expectations and demands from external stakeholders regarding transparency on our ESG measures and disclosures, we are also facing a number of new or changing laws, rules and regulations related to the external reporting on ESG and sustainability (in particular concerning human rights) aspects in several jurisdictions in which we operate.

On January 5, 2023, Directive (EU) 2022/2464 as regards corporate sustainability reporting ("**CSRD**") entered into force and has to be transposed into national law by the EU member states. While many EU member states have transposed the CSRD into national law, the transposition is still pending in some EU member states, including Germany. The CSRD modernizes and strengthens the rules concerning the social and environmental information that companies have to report. A broader set of large companies, as well as listed small and medium-sized enterprises, will now be required to report on sustainability. The new rules will ensure that investors and other stakeholders have access to the information they need to assess the impact of companies on people and the environment and for investors to assess financial risks and opportunities arising from climate change and other sustainability issues. We currently expect that we will have to apply the new rules for the first time in the 2027 financial year, for reports published in 2028 (due to the postponement according to the so called 'stop the clock' legislation passed by the European Parliament on April 3, 2025).

The CSRD is linked to the Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment, as amended ("**Taxonomy Regulation**"). The Taxonomy Regulation aims to allow investors to know whether an economic activity is environmentally sustainable by setting common EU-wide criteria, which companies have to report on as part of their annual management report.

Directive (EU) 2024/1760 on Corporate Sustainability Due Diligence ("**CSDDD**") was adopted on the EU level which we will have to apply as of the financial year 2029. The CSDDD entered into force on July 25, 2024, and will have to be transposed into national law by the EU member states. The CSDDD aims to provide a harmonized legal framework for sustainability considerations in the supply chain of EU companies. Among other things, it will establish a corporate due diligence duty, which is aimed at ending, preventing, mitigating, and accounting for negative human rights and environmental impacts in a company's own operations, including subsidiaries, and their value chains. The CSDDD will be rolled out in phases, depending on the number of employees and net worldwide turnover. Five years after entry into force of the directive, it will apply to companies that had more than 1,000 employees and a net worldwide turnover above €450 million in the last financial year.

13. MAJOR SHAREHOLDERS

13.1 Shareholder Structure (Before and After the Offering)

As of the date of this Prospectus, the following shareholders of the Company (together "**Major Shareholders**") directly hold an interest in the Company's share capital and voting rights that would qualify as a notifiable interest within the meaning of Section 33 of the German Securities Trading Act (*Wertpapierhandelsgesetz* – "**WpHG**"), if this provision was applicable to the Company:

- Karl-Heinz Pfisterer
- Anna Dorothee Stängel

The following table sets forth all major shareholders which directly hold an interest of 3% or more (calculated pursuant to Sections 33 et seqq. WpHG) in the Company's capital and voting rights immediately prior to the Offering, and their expected shareholdings, together with the expected shareholdings of the public float, upon completion of the Offering (including information based on the assumption of a final placement of all Offer Shares, and full exercise of the Upsize Option and the Greenshoe Option):

	Shareholding in %		
		Upon completion of the Offering	
Shareholder	**Immediately prior to the Offering***	**(No exercise of Upsize Option and Greenshoe Option)**	**(Full exercise of Upsize Option and Greenshoe Option)**
Karl-Heinz Pfisterer	69.45%	53.27%	46.20%
Anna Dorothee Stängel	25.82%	15.30%	12.53%
Board members(1)	4.73%	2.76%	2.76%
Free float	0.00%	28.68%	38.50%
Total(2)	**100%**	**100%**	**100%**

* As of the date of this Prospectus

(1) Selling Shareholders who are members of the Management Board or the Supervisory Board are subject to a lock-up period of 360 days after the commencement of trading of the Company's shares on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment), see "*3.9.3 Lock-up of the Members of the Management Board and the Supervisory Board*".

(2) The figures in this table have been rounded. As a result, these rounded figures may not add up exactly to the totals contained in the table.

13.2 Controlling Interest

Karl-Heinz Pfisterer holds 69.45% of the share capital and voting rights in the Company and therefore holds a controlling interest in the Company.

Following completion of the Offering and assuming placement of all Offer Shares and full exercise of the Upsize Option and the Greenshoe Option, Karl-Heinz Pfisterer will continue

to hold approximately 46.20% of the Company's share capital and voting rights. Therefore, Karl-Heinz Pfisterer will continue to hold a controlling interest in the Company.

A shareholder controlling the Company may not use its influence to persuade the Company to act against the Company's interests unless there is a domination agreement (*Beherrschungsvertrag*) between such shareholder and the Company in place and the influence exerted is within the limits of certain statutory mandatory provisions or any damages are compensated. Anyone intentionally exercising influence to cause a member of the Management Board or the Supervisory Board, an authorized signatory (*Prokurist*), or a general representative (*Handlungsbevollmächtigter*) to act to the detriment of the Company or its shareholders is required to compensate the Company and its shareholders for any damages resulting from such behavior. In addition, in this context, the members of the Management Board and the Supervisory Board are jointly and severally liable if their actions or omissions amount to a violation of their duty of care.

14. GENERAL INFORMATION ON THE COMPANY AND THE GROUP

14.1 Formation and Incorporation

The Company was formed as a German limited liability company (*Gesellschaft mit beschränkter Haftung*) and incorporated under the laws of Germany by articles of association dated March 19, 1982. Its legal name was Pfisterer Holding GmbH with its registered office in Stuttgart, registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stuttgart under HRB 10217.

The Company changed its legal form into a German stock corporation (*Aktiengesellschaft*) under German law upon registration into the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stuttgart on October 15, 1999.

By resolution of the shareholders' meeting of May 26, 2023, the Company changed its legal form from a stock corporation (*Aktiengesellschaft*) under German law into a European company (Societas Europaea - SE) organized under European and German law by way of a change of legal form (*formwechselnde Umwandlung*) and changed its legal name to PFISTERER Holding SE. The change in legal form and legal name was registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stuttgart, Germany, on July 27, 2023.

14.2 Commercial Name, Registered Office, LEI

The Company is a European company (*Societas Europaea*) incorporated under the laws of Germany having its registered office in Winterbach. The legal name of the Company is PFISTERER Holding SE. It is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stuttgart, Germany under HRB 790497.

The Company and the Group operate under the commercial name "PFISTERER".

The Company's registered business address is at Rosenstraße 44, 73650 Winterbach, Germany. The Legal Entity Identifier (LEI) of the Company is 529900APPYG9TGZYS639.

14.3 Financial Year, Duration of the Company and Corporate Purpose

The Company's financial year is the calendar year. The Company was established for an unlimited period of time.

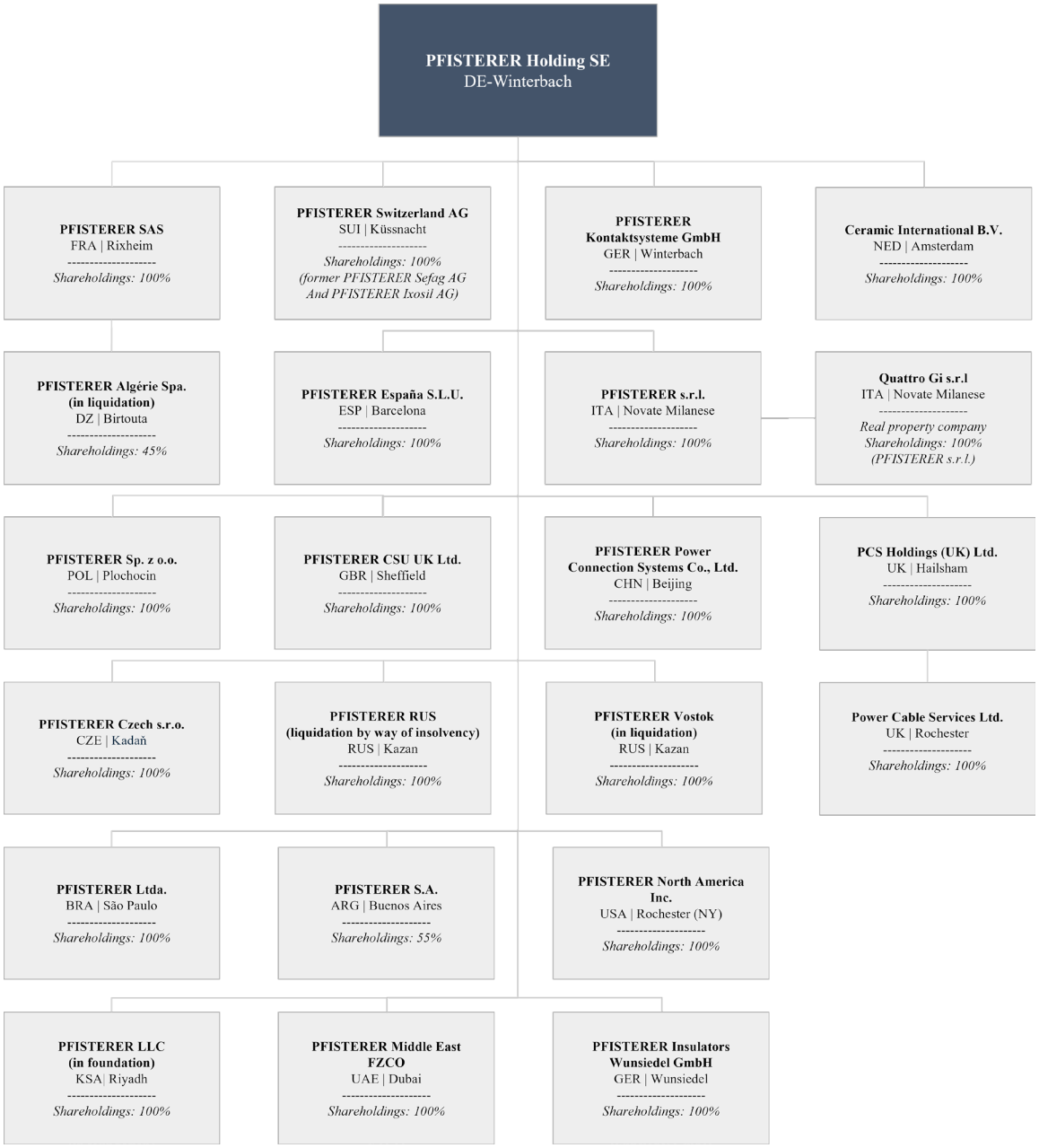
Pursuant to Section 2.1 of the Articles of Association, the Company's corporate purpose is the development and manufacturing of and trade in specialized electrical products and similar products for technical infrastructure for the supply of electricity, in particular in connection with the construction and operation of plants for the generation of electricity and the construction and operation of electricity grids. The Company is authorized to acquire interests in companies and to provide services of any kind to these associated companies, provided there are no legal provisions to the contrary.

14.4 Group Structure

The Company is the parent company of the other entities of the Group. While it provides certain holding functions for the Group, in particular regarding finance, human resources, legal and mergers and acquisitions, it also carries out business operations.

The Company's Audited Consolidated Financial Statements include all material subsidiaries whose financial and business policy can be controlled by the Company, either directly or indirectly. The group of consolidated companies includes 22 subsidiaries as of the date of the Prospectus.

The following diagram sets forth a summary structure (in simplified form) of the Group as of the date of the Prospectus:



14.5 Significant Subsidiaries

The following table provides an overview of the Company's significant subsidiaries as of December 31, 2024. The shareholdings reflect the Group's direct and indirect economic interest in the respective entity Shares held by the respective company itself are not taken into account when computing the percentage of participation. As of the date of this Prospectus, no amount was outstanding under the issued shares for each of the below listed subsidiaries.

Legal Name	Main Business Activity	Seat	Company share of capital
Pfisterer Kontaktsysteme GmbH	Silicone processing for EHV products, HV/MV cable accessories, offshore products	Winterbach, Germany	100%
PFISTERER Switzerland AG	R&D, Sales, Customer Service, Product Management	Küssnacht, Switzerland	100%

PFISTERER North America Inc.	Offshore HV cable assembly & test, composite insulators (Rodurflex), components production, customer training center	Rochester (NY), United States	100%
Pfisterer Insulators Wunsiedel GmbH	Sales, Engineering, and Administration (OHL)	Wunsiedel, Germany	100%
Pfisterer Czech s.r.o.	Silicone processing, OHL insulators, HV/MV cable accessories, composite insulators (SILCOSIL), HV end-of-line testing)	Kadaň, Czech Republic	100%

14.6 Statutory Auditors

For the financial years ended December 31, 2024, BDO AG Wirtschaftsprüfungsgesellschaft ("**BDO**"), Hanauer Landstraße 115, 60314 Frankfurt am Main, Germany, was appointed as statutory auditor of the Company. For the financial years ended December 31, 2023, and December 31, 2022, BDO AG Wirtschaftsprüfungsgesellschaft ("**BDO**"), Eichwiesenring 11, 70567 Stuttgart, Germany, was appointed as statutory auditor of the Company. BDO audited the consolidated financial statements of the Company as of and for the financial year which ended December 31, 2024 prepared in accordance with IFRS and the additional requirements of German commercial law pursuant to Section 315e para. 1 of the German Commercial Code (*Handelsgesetzbuch*). BDO also audited the German language versions of the consolidated financial statements of the Company as of and for the financial year ended December 31, 2022, for the financial year ended December 31, 2023, prepared in accordance with the applicable provisions of the German Commercial Code (*Handelsgesetzbuch*) and for the Audited Unconsolidated Financial Statements of the Company prepared in accordance with the German Commercial Code (*Handelsgesetzbuch*) as of and for the financial year ended December 31, 2024. BDO conducted its audits in accordance with Section 317 HGB and in compliance with German generally accepted standards for financial statement audits promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.*, IDW) and issued German language unqualified independent auditor's reports (*uneingeschränkte Bestätigungsvermerke des unabhängigen Abschlussprüfers*) of which translations are contained in this Prospectus.

BDO AG Wirtschaftsprüfungsgesellschaft, Frankfurt, Germany, is a member of the Chamber of Public Accountants in Germany.

14.7 Announcements

In accordance with Section 3 of the Articles of Association, the Company's announcements are published in the Company Register (*Unternehmensregister*), unless mandatory statutes provide otherwise.

In accordance with the Prospectus Regulation, announcements in connection with the approval of the Prospectus or any supplements thereto will be published in the manner of publication provided for in the Prospectus, *i.e.*, through publication on the Company's website at www.pfisterer.com.

15. DESCRIPTION OF SHARE CAPITAL OF THE COMPANY AND APPLICABLE REGULATIONS

15.1 Current Share Capital; Shares

The Company's share capital currently amounts to €14,595,238.00 and is fully paid in. It is divided into 14,595,238 ordinary bearer shares with no par value (*Stückaktien*). The Company's shares were created pursuant to the laws applicable to a European company (*Societas Europaea - SE*), in particular Council Regulation (EC) No 2157/2001 of October 8, 2001, on the statute for a European company (SE), as amended ("**SE Regulation**"), in conjunction with the German Stock Corporation Act (*AktG*) and are denominated in Euro.

15.2 Development of the Share Capital since the Company's Foundation

The share capital of the Company has developed as follows:

The Company was formed as a German limited liability company (*Gesellschaft mit beschränkter Haftung*) and incorporated under the laws of Germany by articles of association dated March 19, 1982. Its legal name was Pfisterer Holding GmbH with its registered office in Stuttgart, registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stuttgart under HRB 10217.

The initial registered share capital (*Stammkapital*) was DM50,000.00. On June 30, 1987, the Company's shareholders' meeting resolved to increase the registered share capital by DM200,000.00 to DM250,000.00. On December 16, 1992, the shareholders' meeting resolved to increase the registered share capital by DM1,250,000.00 to DM1,500,000.00. On June 27, 1995, the registered share capital was increased to DM 10,000,000.00 from company reserves (*aus Gesellschaftsmitteln*). On July 9, 1996, the registered share capital was increased to DM20,000,000.00 from company reserves (*aus Gesellschaftsmitteln*).

On August 10, 1999 / August 18, 1999, the registered share capital was converted to Euro and increased to €12,000,000.00 from company reserves (*aus Gesellschaftsmitteln*).

On August 10, 1999, the Company changed its legal form into a German stock corporation (*Aktiengesellschaft*) under German law. The change of the legal form was entered into the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stuttgart on October 15, 1999.

The Company's shareholders' meeting held on August 3, 2021, passed a resolution on authorized capital (*Genehmigtes Kapital*) of up to €4,500,000.00. Based on this authorization, the supervisory board resolved on November 9, 2021, to increase the Company's share capital from €12,000,000.00 by €2,595,238.00 to €14,595,238.00 by issuing 2,595,238 new shares against cash contribution and a payment of further €2,854,761.80 into the capital reserves of the Company. The implementation of the capital increase was registered in the commercial register on November 25, 2021.

On January 31, 2025, the Company's shareholders' meeting resolved to convert all existing Shares of the Company from registered shares (*Namensaktien*) into bearer shares (*Inhaberaktien*) and such change became legally effective upon entry in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stuttgart, Germany, on March 7, 2025.

15.3 Authorized Capital

Pursuant to Section 6 of the Articles of Association, the Management Board is authorized, subject to the consent of the Supervisory Board, in the period ending on January 30, 2030, to increase the Company's registered share capital in one or more tranches by up to €7,297,619.00 in the aggregate by issuing up to 7,297,619 new no par value bearer shares against cash contribution or contributions in kind ("**Authorized Capital 2025/I**"). The Authorized Capital 2025/I was registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stuttgart, Germany, on April 29, 2025.

In principle, shareholders are to be granted subscription rights. The statutory subscription rights of the shareholders may be granted in such a way that the new shares are taken over by a credit institution and/or one or more other companies that fulfill the requirements of Article 5 of the SE Regulation in conjunction with Section 186 para. 5 AktG (*Finanzinstitute*) or a syndicate of such credit or financial institutions with the obligation to offer them indirectly to the shareholders for subscription within the meaning of Article 5 of the SE Regulation in conjunction with Section 186 para. 5 AktG.

However, the statutory subscription rights of the shareholders are excluded for one or more capital increases by up to a total of €3,500,000.00 under the Authorized Capital 2025/I if the Authorized Capital 2025/I is used to offer the new shares by way of a public offering in the Federal Republic of Germany and by way of a private placement in other jurisdictions outside the Federal Republic of Germany at a selling price yet to be determined by the Management Board, subject to the approval of a resolution of the Supervisory Board or a formed committee, in each case combined with an introduction of the shares of the Company to trading on a German stock exchange ("**IPO**").

The Management Board is further authorized, subject to the consent of the Supervisory Board, to exclude the statutory subscription rights of the shareholders in relation to one or more increases of the registered share capital within the scope of the Authorized Capital 2025/I in the event of any of the following conditions:

(i) to exclude fractional amounts resulting from the subscription ratio from the statutory subscription rights of the shareholders;

(ii) in the case of increases of the registered share capital against non-cash contributions in particular – but without limitation – to acquire companies, divisions of companies or equity interests in companies;

(iii) in the case of capital increases against cash contributions, if the issue price of the new shares is not significantly lower than the stock exchange price of the already listed shares of the company. However, this authorization shall apply only under the condition that the calculated portion of the share capital attributable to the shares issued under exclusion of the subscription right pursuant to Section 186 para. 3 sentence 4 AktG does not exceed the limit of 20% of the company's share capital, neither at the time the Authorized Capital 2025/I takes effect nor – if this amount is lower – at the time the Authorized Capital 2025/I is exercised. The pro-rata amount of the share capital is to be included in this limit of 20% of the share capital (i) that is attributable to shares that are sold during the term of the Authorized Capital 2025/I on the basis of an authorization to sell treasury shares pursuant to Sections 71 para. 1 no. 8 sentence 5, 186 para. 3 sentence 4 AktG, excluding subscription rights, (ii) that is attributable to shares issued to service subscription rights or to fulfil conversion

rights or conversion obligations arising from convertible bonds and/or bonds with warrants, profit participation rights and/or participating bonds (or combinations of these instruments) (collectively, "**debt securities**"), provided that the corresponding bonds are issued during the term of the Authorized Capital 2025/I in corresponding application of Section 186 para. 3 sentence 4 AktG, excluding the shareholders' subscription rights, and (iii) the shares attributable to the conversion or option rights or conversion or option obligations issued or to be issued during the term of the Authorized Capital 2025/I on the basis of other authorizations of the General Meeting or by virtue of other authorizations of the General Meeting or by virtue of other authorizations of the General Meeting or by virtue of other authorizations of the General Meeting or by virtue of other authorizations of the General Meeting or by virtue of other authorizations of the General Meeting or by virtue of other authorizations of the General Meeting or by virtue of other authorizations of the General Meeting or by virtue of other authorizations of Section 186 para. 3 sentence 4 AktG, excluding the shareholders' subscription rights; as well as (iii) that is attributable to shares that are issued during the term of the Authorized Capital 2025/I on the basis of other capital measures, excluding the shareholders' subscription rights, in corresponding application of Section 186 para. 3 sentence 4 AktG;

(iv) in the case of capital increases against cash contributions, to issue a total of up to 250,000 new no-par bearer shares to employees of the company or its subordinate group companies; the issue may also be made in accordance with Section 204 para. 3 AktG;

(v) insofar as this is necessary to be able to grant new shares in the company to bearers or creditors of bonds issued by the company or by its subordinate group companies when the conversion or option right is exercised or the conversion or option right, as well as, to the extent necessary, to grant the holders of bonds issued by the Company or its subordinated Group companies pre-emptive rights to new shares to the extent that they would be entitled to such rights as shareholders after exercising the option or conversion rights or after fulfilling the conversion or option obligations; and

(vi) in the event of capital increases against contributions in kind, in particular in the context of business combinations or for the (direct or indirect) acquisition of companies, businesses, parts of companies, equity interests or other assets or claims for the acquisition of assets, including claims against the company or its group companies.

The Management Board shall determine, subject to the consent of the Supervisory Board, the further details regarding the rights attached to the shares and the conditions of the share issue. In particular, the profit entitlements of the new shares may be determined in deviation from Article 5 of the SE Regulation in conjunction with Section 60 para. 2 AktG and may include a profit entitlement as of the beginning of the financial year preceding the issuance of the new shares, provided that at the time of the issuance of the new shares the Company's shareholder meeting has not yet resolved upon the appropriation of profits for such financial year.

15.4 Conditional Capital

The Company's general meeting held on January 31, 2025, resolved a conditional increase of the share capital of the Company by up to €4,378,571.00, divided into up to 4,378,571 new

ordinary bearer shares with no-par value (the "**Conditional Capital 2025/I**"). The Conditional Capital I was registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stuttgart, Germany on March 7, 2025. The Company's general meeting held on January 31, 2025, also resolved another conditional increase of the share capital of the Company by up to €2,000,000.00, divided into up to 2,000,000 new ordinary bearer shares with no-par value (the "**Conditional Capital 2025/II**"). The Conditional Capital/II was registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stuttgart, Germany on March 7, 2025.

The Conditional Capital 2025/I serves to grant shares to the holders or creditors of convertible or warrant-linked bonds as well as profit-sharing certificates with option or conversion rights which are issued based on the authorization approved by the Company's shareholders' meeting held on January 31, 2025 by the Company or companies which are controlled by it or in which it holds a majority interest. The Conditional Capital 2025/I may only be implemented to the extent that warrants or conversion rights under the aforementioned warrant-linked bonds and convertible bonds as well as profit-sharing certificates conferring option or conversion rights have been exercised or conversion obligations under such bonds have to be fulfilled and to the extent that neither treasury shares nor new shares from the Authorized Capital 2025/I are used to fulfill such claims. The issue amount of the new shares in this regard shall be equal to the warrant and/or conversion price to be set in each case subject to the aforementioned authorization. The Management Board is authorized to stipulate the additional details of the implementation of the Conditional Capital 2025/I.

The Conditional Capital 2025/II serves to satisfy subscription rights from stock options granted to members of the Company's Management Board, managers (in particular those with the job titles "Vice President" and "Head of") and other employees of PFISTERER Holding SE and of group companies, and finally members of the management of group companies, on the basis of the authorization of the shareholders' resolution of January 31, 2025, in the period up to January 30, 2030. The capital increase from the Conditional Capital 2025/II will only be implemented to the extent that the respective holders exercise their stock options and the Company does not use treasury shares or cash payments to settle these option rights. The Company has set up a stock option plan 2025. The stock option plan provides for a four-year period before participants can exercise their options. The Company has already granted options to the two members of the Management Board (see "*16.2.3.2(iii) Compensation System and Benefits / Variable Compensation*") and intends to issue options to other beneficiaries in the course of the financial year 2025.

15.5 Authorization to Acquire Treasury Shares

The Company may not acquire its own shares unless authorized by a shareholders' meeting or in other very limited circumstances as set out in the AktG. Shareholders may not grant a share repurchase authorization that is valid for more than five years. The rules of the AktG generally limit repurchases to 10% of the share capital and re-sales must generally be made either on a stock exchange, in a manner that treats all shareholders equally or in accordance with the rules that apply to subscription rights relating to a capital increase.

On April 11, 2025, the shareholders' meeting of the Company resolved to authorize the Company to acquire for any purpose permissible, on or before April 10, 2030, treasury shares of up to a total maximum of 10% of the share capital existing at the time of the adoption of the resolution or – if such amount is lower – at the time the authorization is exercised. The authorization can be exercised individually or jointly, by the Company or also by one of its

subordinate Group companies, or by third parties on behalf of the Company or on behalf of its subordinate Group companies. The authorization to acquire and use own shares can be exercised in whole or in part, once or multiple times.

The shares acquired based on this authorization, together with other shares of the Company which are in the possession of the Company or are attributable to it pursuant to Sections 71a et seq. of the AktG, may at no time exceed 10% of the Company's share capital. At the discretion of the Management Board, such acquisition may be conducted (i) through a stock exchange or (ii) by means of a public offer directed at all shareholders or a public solicitation to submit offers ("**Acquisition Offer**").

- If the acquisition is conducted through a stock exchange, the consideration paid by the Company for each of the Company's shares (excluding incidental acquisition costs) may not be more than 10% higher or lower than the price of the Company's shares, as determined by the opening auction on the trading date, in the Xetra trading system (or a comparable successor system) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

- If the acquisition is made by way of an Acquisition Offer, the purchase or sales price offered, or the maximum amount of the purchase or sales price range per share (excluding incidental purchasing costs), may not be more than 10% higher or 20% lower than the average of the closing auction price in the Xetra trading system (or a comparable successor system) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) over the three stock trading days before the date of the public announcement of the offer or the public request to submit a sales offer. If there is significant deviation from the relevant price after publication of a purchase offer, the offer can be adjusted. In this case, the average price over the three stock trading days before the date of publication of any adjustment will be the reference figure and the 10% or 20% ceiling must be applied to this amount. In addition, numbers can be rounded down to avoid fractional shares.

The authorization to acquire treasury shares can be exercised for any legally permissible purpose, particularly in pursuit of one of more of the purposes set out below, under exclusion of the subscription rights of the shareholders:

- The Management Board is authorized to cancel the treasury shares purchased on the basis of this authorization pursuant to Section 71 para. 1 no. 8 AktG without adopting another resolution of the Company’s shareholder meeting. The cancellation may be restricted to part of the shares purchased. As a general rule, the cancellation shall result in a capital reduction. In derogation from this, the Management Board may stipulate that the registered share capital remains unchanged and that instead the proportion of the remaining shares in the registered share capital be increased as a result of the cancellation pursuant to Section 8 para. 3 AktG. In this case the Management Board is authorized to adjust the corresponding number in the Articles of Association.

- The Management is authorized to sell treasury shares on the stock exchange or, with the consent of the Supervisory Board, by means of an Acquisition Offer.

- The Management Board is authorized, with the consent of the Supervisory Board, to sell shares acquired under the above authorization in another manner than through the stock exchange or by submitting an Acquisition Offer, provided that the sale is

made for cash and at a price that is not significantly lower than the stock exchange price of the Company's shares at the time of sale. The shares sold pursuant to this authorization cannot exceed 10% of the share capital, either at the time the resolution takes effect or when this authorization is exercised. In addition the ceiling of 20% of the share capital in Section 186 para. 3 sentence 4 AktG applies. The ceiling of 20% of the share capital shall be reduced by the pro-rated amount of the capital stock attributable to those shares issued or sold during the period of effectiveness of this authorization under the exclusion of the subscription right in direct or analogous application of Section 186 para. 3 sentence 4 AktG. Furthermore, this ceiling is decreased by shares that have been or must be issued in order to satisfy option or conversion rights, if the bonds were granted or imposed under exclusion of the subscription right in accordance with Section 186 para. 3 sentence 4 AktG during the period of effectiveness of this authorization.

- The Management Board is authorized, with the consent of the Supervisory Board, to use the shares acquired under the above authorization to meet obligations under conversion or option rights or conversion obligations under convertible or option bonds issued by the Company or a subsidiary Group company, or under participation rights or participation bonds (or combinations of these instruments) that grant a conversion right or option right or stipulate a conversion or option obligation.

- The Management Board is authorized, with the consent of the Supervisory Board, to transfer the shares acquired under the above authorization to third parties for contribution in kind, particularly for the acquisition of companies, parts of companies, or interests in companies or for business combinations, as well as for the acquisition of other assets.

- The Management Board is authorized, with the consent of the Supervisory Board, to use the shares acquired under the above authorization in order to grant holders of stock options granted by the Company under the stock option plan 2025 as approved by the Company's shareholders' meeting on January 31, 2025, shares in the amount they would be entitled to after exercising the option rights, or to which they would have a subscription right after fulfillment of the option obligation. In case shares shall be transferred to members of the Management Board the Supervisory Board is responsible.

- The Management Board is authorized, with the consent of the Supervisory Board, to offer the shares acquired under the above authorization to members of the Management Board, or managing directors or persons who are employed by the Company or one of its affiliated companies for purchase (employee shares) against cash consideration or for free. In case shares shall be offered to members of the Management Board the Supervisory Board is responsible.

Additionally, in the event of a sale of shares with an offer to all shareholders, the Management Board can exclude the subscription right of the shareholders for fractional amounts with the consent of the Supervisory Board.

In each case, the Management Board must inform the shareholders' meeting about the utilization of the above authorizations, in particular about the reasons for and the purpose of the acquisition of treasury shares, the number of treasury shares acquired and the amount of the share capital attributable to them, the portion of the share capital represented by them and the equivalent value of the shares.

15.6 General Provisions Governing a Change in the Share Capital

The AktG provides that the share capital of a stock corporation may be increased by a resolution adopted at the general shareholders' meeting. Such resolution must be adopted by a majority of at least 75% of the share capital represented when the resolution is passed, unless the stock corporation's articles of association provide for a different majority. Section 22.2 of the Articles of Association provides that resolutions of the general shareholders' meeting are adopted by a simple majority of the votes cast, except as otherwise provided by mandatory law (as in case of a capital increase) or the Articles of Association of the Company. In case of an increase of capital, the profit share of the new shares can be determined in deviation from Article 5 of the SE Regulation in conjunction with Section 60 para. 2 AktG according to Section 6.5 of the Articles of Association. Article 5 of the SE Regulation in conjunction with Section 60 para. 2 AktG provides that, if contributions to share capital have not been made in the same proportion for all shares, shareholders shall first be paid from the distributable profit in an amount of 4% of the contributions made, and, if the profit is insufficient to make such payment, the amount to be paid shall be determined on the basis of an appropriately lower percentage (contributions which have been made during the course of the financial year shall be taken into account in proportion to the time which has elapsed since the date of such contributions).

In addition, shareholders may resolve to issue authorized capital (*Genehmigtes Kapital*) upon a vote of 75% of the share capital represented at the passing of the resolution authorizing the Management Board to issue shares of up to a specific amount within a period not exceeding five years. The nominal amount of such issuance may not exceed 50% of the share capital in existence at the time the resolution of the general shareholders' meeting is registered with the commercial register *(Handelsregister*). The authorized capital for the Company is described above under "*15.3 Authorized Capital*".

Additionally, shareholders may resolve to create conditional capital (*Bedingtes Kapital*) for the purpose of issuing shares (i) to holders of convertible bonds or other securities convertible into shares of the Company, (ii) as consideration in connection with a merger with another company or (iii) to executives and employees. A resolution to create conditional capital must be adopted by at least 75% of the share capital represented at the passing of the resolution. The nominal amount of the conditional capital created for the purpose of share issues to executives and employees may not exceed 10% of the nominal share capital in existence at the time such resolution is passed, while the nominal amount of the conditional capital created for the purpose of share issues to holders of convertible bonds or other securities convertible into shares of the Company or as consideration in connection with a merger with another company may not exceed 50% of the nominal share capital in existence at the time such resolution is passed; however, there is generally no limitation with respect to a time period during which the contingent capital may be used. The conditional capital for the Company is described above under "*15.4 Conditional Capital*". The authorization of the Management Board to issue convertible bonds or other securities convertible into shares of the Company must be limited to a period not exceeding five years from the date of the respective shareholder resolution.

15.7 General Provisions Governing Subscription Rights

Article 5 of the SE Regulation in conjunction with Section 186 AktG generally grants all shareholders the right to subscribe for new shares of the Company issued in a capital increase. The same applies to convertible bonds, bonds with warrants, profit participation rights and

participating bonds. Subscription rights are freely transferable and may be traded on German stock exchanges for a prescribed period before the deadline for subscription expires. However, shareholders do not have the right to demand admission to trading for subscription rights. Subscription rights that are not exercised before expiry of the deadline for subscription will lapse and have no value and any shareholders whose rights have lapsed will not receive any compensation. The Company's shareholders' meeting may resolve to exclude shareholders' subscription rights with a vote of 75% or more of the share capital represented at the vote. Exclusion of shareholders' subscription rights, wholly or in part, also requires a report from the Management Board to the shareholders' meeting that justifies the exclusion and demonstrates that the Company's interest in excluding subscription rights outweighs the interests of the shareholders to be granted subscription rights. An exclusion of shareholders' subscription rights is, in particular, permissible if:

- the Company increases its share capital against cash contributions;
- the amount of the capital increase of the issued shares with no subscription rights does not exceed 20% of the share capital at issue, both at the time when the authorization takes effect and at the time when it is authorized; and
- the price at which the new shares are being issued is not materially lower than the stock exchange price of the Company's shares.

15.8 Exclusion of Minority Shareholders

15.8.1 Squeeze-Out under Stock Corporation Law

Article 9 para. 1 lit. c) (ii) of the SE Regulation in conjunction with Sections 327a *et seq.* AktG, which govern a so-called "squeeze-out under stock corporation law", provide that upon request of a shareholder holding 95% or more of the Company's share capital, the Company's shareholders' meeting may resolve to transfer the shares of minority shareholders to such majority shareholder against payment of an adequate compensation in cash. The amount of the cash compensation offered to minority shareholders must reflect "the circumstances of the Company" at the time the shareholders' meeting passes the resolution. The amount of the cash compensation is based on the full value of the Company, which is generally determined using the capitalized earnings method. Minority shareholders are entitled to file for a valuation proceeding (*Spruchverfahren*), wherein the court will review the fairness (*Angemessenheit*) of the cash compensation.

15.8.2 Squeeze-Out under Reorganization Law

Under Section 62 para. 5 of the German Transformation Act (*Umwandlungsgesetz* – "**UmwG**"), a majority shareholder holding at least 90% of the Company's share capital may require the Company's shareholders' meeting to resolve to transfer the shares of the minority shareholders to such majority shareholder against payment of an adequate compensation in cash, provided that (i) the majority shareholder is a stock corporation (*Aktiengesellschaft* (*AG*)), a partnership limited by shares (*Kommanditgesellschaft auf Aktien* (*KGaA*)) or a European company (*Societas Europaea - SE*) having its registered office in Germany and (ii) the squeeze-out is performed to facilitate a merger under the UmwG between the majority shareholder and the Company. The shareholders' meeting held to approve the squeeze-out must take place within three months of the conclusion of the merger agreement.

The procedure for a squeeze-out under the UmwG is essentially identical to the "squeeze-out under stock corporation law" described above, including the minority shareholders' right to judicial review of the appropriateness of the cash compensation.

15.8.3 Integration

Under Article 9 para. 1 lit. c) (ii) of the SE Regulation in conjunction with Section 319 *et seq.* AktG, the Company's shareholders' meeting may vote for an integration (*Eingliederung*) into another stock corporation that has its registered office in Germany, provided the prospective parent company holds at least 95% of the shares of the Company. The former shareholders of the Company are entitled to adequate compensation, which generally must be provided in the form of shares in the parent company. The amount of the compensation must be determined using the "merger value ratio" (*Verschmelzungswertrelation*) between the two companies, *i.e.*, the exchange ratio which would be considered reasonable in the event of merging the two companies. Fractional amounts may be paid out in cash.

15.9 Non-Applicability of the WpÜG; Statement on Public Takeover Offers

The WpÜG does not apply to the Company, as no market segment on which the Shares shall be traded following the Listing is an organized market (*organisierter Markt*) within the meaning of Section 1 para. 1 WpÜG. Therefore, even if a shareholder of the Company gains control of the Company, i.e., at least 30% of the Company's voting rights pursuant to Section 29 para. 2 WpÜG, such shareholder will neither be required to publish this fact nor to make a mandatory takeover offer (*Pflichtangebot*) to the other shareholders of the Company pursuant to Section 35 WpÜG.

15.10 Shareholder Notification Requirements

As the Shares will not be admitted to trading on a regulated market (*regulierter Markt*), the Company will not be subject to WpHG provisions governing, among other things, disclosure requirements for significant shareholdings. However, according to Article 10 of the SE Regulation, the following provisions of the AktG governing shareholder notifications of significant shareholdings are applicable to the Company as a European company (*Societas Europaea - SE*):

As soon as more than one quarter of the Shares belong to an enterprise (*Unternehmen*), the Company must be notified of this fact in writing without undue delay pursuant to Article 10 of the SE Regulation in conjunction with Section 20 para. 1 AktG. For purposes of this notification obligation, the Shares belonging to the enterprise include also Shares (i) regarding which the enterprise, an enterprise under its control, or some other party acting for the account of the enterprise, or for the account of an enterprise under its control, may demand that title to such Shares be transferred, and (ii) that the enterprise, an enterprise under its control, or some other party acting for the account of the enterprise, or for the account of an enterprise under its control, is obliged to purchase.

In addition, as soon as the enterprise holds a majority interest in the Company, the Company must also be notified of this fact without undue delay and in writing.

If the enterprise is a corporation (*Kapitalgesellschaft*), it must, as soon as it owns more than one-fourth of the Shares, also notify the Company thereof in writing without undue delay.

If the aforementioned shareholding no longer exists in the aforementioned amounts, the Company must also be notified in writing without delay.

The Company has to publish the existence and non-existence of a participation notified to it in the German Federal Gazette (*Bundesanzeiger*) without undue delay.

15.11 Managers' Transactions

A person discharging managerial responsibilities within the meaning of Article 3 (1) no. 25 MAR (*i.e.*, the members of the Management Board and the Supervisory Board), must notify the Company and BaFin of transactions undertaken for their own account relating to the shares or debt instruments of the Company or to derivatives or other financial instruments linked thereto (subject to a €20,000.00 *de minimis* exception per calendar year for all such transactions). This also applies to persons closely associated with a person discharging managerial responsibilities within the meaning of Article 3 (1) no. 26 MAR. Such notifications shall be made promptly and no later than three business days after the date of the relevant transaction. The Company shall ensure that such notifications are made public promptly and no later than three business days after the relevant transaction.

During a closed period of 30 calendar days before the announcement of an interim financial report or a year-end report which the Company is required to make public according to (i) the rules of the trading venue where the Shares are admitted to trading or (ii) national law, persons discharging managerial responsibilities are prohibited from conducting for their own account or for the account of a third party any transactions directly or indirectly relating to shares or debt instruments of the Company, or to derivatives or other financial instruments linked to such securities.

15.12 EU Short Selling Regulation (Ban on Naked Short-Selling)

Pursuant to Regulation (EU) 236/2012 of the European Parliament and of the Council of March 14, 2012 on short selling and certain aspects of credit default swaps (the "Short Selling Regulation"), the European Commission's delegated regulation for the purposes of detailing the Short Selling Regulation, and the German EU Short Selling Implementation Act (*EU Leerverkaufsausführungsgesetz*) of November 15, 2012, the short selling of the Shares is only permitted under certain conditions. Additionally, under the provisions of the Short Selling Regulation, significant net short selling positions in the Shares must be reported to BaFin and published if they exceed a specific percentage. The reporting and publication process is detailed in the German Regulation on Net Short Positions (*Netto Leerverkaufspositionsverordnung*) of December 17, 2012. The net short selling positions are calculated by offsetting the short positions of a natural person or legal entity in the Shares with its long positions in such shares. The details are regulated in the EU Short Selling Regulation and the other regulations the European Commission enacted on short selling. In certain situations, described in the Short Selling Regulation, BaFin may restrict short selling and comparable transactions.

15.13 Disclosure Requirements

As a result of the Listing, the Company will be subject to, inter alia, the following "follow-up inclusion obligations" pursuant to Section 21 of the DBAG General Terms and Conditions:

- the submission and publication of the annual financial statements and the management report;
- the submission and publication of the half-yearly financial statements and the interim management report;

- the publication of a Company's short profile and a research study by a research provider on the Company's website;
- the update and submission of the Company's corporate calendar;
- the conduct of an information event for analysts and investors;
- the commissioning of a Capital Market Partner; and
- the notification on and submission of changes with regard to the Company or the Shares.

15.13.1 Voluntary Fulfillment of Prime Standard Follow-up Disclosure Obligations

The Management Board and the Supervisory Board intend to further enhance the transparency of the Company's financial information and the respective information needs of the shareholders, creditors and other stakeholders as well as the public. Therefore, the Company intends to comply on a voluntary basis with the following follow-up disclosure obligations applicable to listed companies at the sub-segment of the regulated market segment (*regulierter Markt*) with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (for the avoidance of doubt, excluding the disclosure requirements for significant shareholdings under Sections 33 et. seq. WpHG):

- preparation and publication of all consolidated financial statements in accordance with IFRS;
- publication of quarterly and half-yearly consolidated financial statements;
- publication of all consolidated financial statements and ad hoc disclosures both in German and English language; and
- issuance of a balance sheet oath by the members of the Management Board relating to the Company's annual consolidated financial statements.

The Company will publish its respective financial information within the respective publication period of four months (for its full-year financial statements), three months (for its half-year financial statements) and two months (for its quarterly statements), as applicable, stipulated by the stock exchange rules for the sub-segment of the regulated market segment (*regulierter Markt*) with additional post-admission obligations (*Prime Standard*).

16. DESCRIPTION OF THE GOVERNING BODIES OF PFISTERER HOLDING SE

16.1 Overview

The Company's governing bodies are the Management Board, the Supervisory Board and the shareholders' meeting. The powers and responsibilities of these governing bodies are governed by the SE Regulation, the SE Implementation Act (*SE-Ausführungsgesetz* – "**SEAG**"), the AktG, the Articles of Association and the bylaws (*Geschäftsordnungen*) of the Management Board and the Supervisory Board.

The Management Board manages the Company's business in accordance with the law, the Articles of Association, and the bylaws of the Management Board, taking into account the resolutions of the shareholders' meeting. The Management Board represents the Company in its dealings with third parties. The Management Board is required to implement and maintain appropriate risk management and risk controlling measures, including setting up a monitoring

system in order to ensure that any developments that could potentially endanger the continued existence of the Company can be identified early. In addition, the Management Board must report regularly to the Supervisory Board on the performance and the operations of the Company. The Management Board is also required to present to the Supervisory Board for its approval, no later than at the last Supervisory Board meeting of each financial year, certain business planning matters (including financial investment and personnel planning) for the following financial year. Furthermore, each member of the Management Board who becomes aware of any matter that is of particular significance to the Company must immediately report such matter to the Supervisory Board. Significant matters include any development or event at an affiliated company that could have a material impact on the Company.

The Supervisory Board advises the Management Board in the management of the Company and monitors its management activities. The Management Board may not transfer management tasks to the Supervisory Board. However, pursuant to the Articles of Association in combination with the bylaws of the Management Board, the Management Board must obtain the consent of the Supervisory Board for certain measures and resolutions, such as: the annual budget, in particular the financial, investment and personnel planning; transactions and measures that affect the corporate structure or the principles of corporate strategy or that lead to a significant change in corporate development; the acquisition or obligation to acquire companies, interests in companies or companies, or the formation of new companies; the sale of subsidiaries or interests in subsidiaries or other disposals of these interests, as well as the liquidation of companies, without any limit on the amount involved; the acquisition, sale and other disposals of or relating to real estate or rights equivalent to real estate; the conclusion, amendment and termination of service or employment contracts exceeding a certain remuneration; participation in capital increases of subsidiaries; the granting of long-term loans to subsidiaries.

Pursuant to the Articles of Association, the Supervisory Board consists of five members. The Supervisory Board appoints the members of the Management Board and has the right to remove them for good cause. Simultaneous membership on the Management Board and the Supervisory Board is prohibited.

The members of the Management Board and the Supervisory Board owe duties of loyalty and due care to the Company. In discharging these duties, the members of the governing bodies are required to take into account a broad range of interests, including those of the Company, its shareholders, its employees and its creditors. The Management Board must also take into account the rights of shareholders to equal treatment and equal information. If the members of the Management Board or the Supervisory Board fail to discharge their duties, they are jointly and severally liable to the Company for damages. A D&O insurance policy, which provides for a deductible for the Management Board and Supervisory Board members, protects the Management Board and Supervisory Board members against claims for damages.

Under the AktG, neither individual shareholders nor any other person may use its influence on the Company to cause a member of the Management Board or the Supervisory Board to act in a manner that would be detrimental to the Company. Persons using their influence to cause a member of the Management Board or the Supervisory Board, an authorized signatory (*Prokuristen*) or an assistant manager (*Handlungsbevollmächtigter*) to act in a manner that causes harm to the Company or its shareholders, are liable to compensate the Company for any resulting losses. Moreover, in this case, the members of the Management Board and Supervisory Board are jointly and severally liable in addition to the person using its influence if they have acted in breach of their obligations to the Company.

Generally, an individual shareholder may not take action against the members of the Management Board or the Supervisory Board if such shareholder believes that they have acted in breach of their duties to the Company and, as a result, the Company has suffered loss. The Company's claims for damages against the members of the Management Board or the Supervisory Board may generally only be pursued by the Company itself. In the case of claims against members of the Supervisory Board, the Company is represented by the Management Board, and in case of claims against members of the Management Board, it is represented by the Supervisory Board. Pursuant to a ruling by the German Federal Court of Justice (*Bundesgerichtshof*), the Supervisory Board must bring claims that are likely to succeed against Management Board members unless significant considerations of the Company's well-being, which outweigh or are at least equivalent to those in favor of such claim, render such a claim inadvisable. If the relevant governing body decides against pursuing a claim, it must nevertheless be asserted if the shareholders' meeting adopts a resolution to this effect by a simple majority.

Shareholders and shareholder associations can solicit other shareholders to file a petition, jointly or by proxy, for a special audit, for the appointment of a special representative, or to convene a general shareholders' meeting or exercise voting rights in a general shareholders' meeting in the shareholders' forum of the German Federal Gazette (*Bundesanzeiger*), which is also accessible via the website of the German Company Register (*Unternehmensregister*). If there are facts that justify the suspicion that the Company was harmed by dishonesty or a gross violation of law or the Articles of Association, shareholders who collectively hold 1% of the share capital or a pro rata share of €145,952.38 may also, under certain further conditions, seek damages from members of the Company's governing bodies in their own names through court proceedings seeking leave to file a claim for damages. Such claims, however, become inadmissible if the Company itself files a claim for damages.

The Company may only waive or settle a claim for damages against board members if at least three years have elapsed since the vesting of the claim, so long as the shareholders' meeting approves the waiver or settlement by a simple majority and provided that no minority of shareholders whose aggregate shareholdings amount to at least one-tenth of the share capital records an objection to such resolution in the minutes of the shareholders' meeting.

16.2 Management Board

16.2.1 Current Composition of the Management Board

Pursuant to Section 7 of the Articles of Association and Article 9 para. 1 lit. c) (ii) of the SE Regulation in conjunction with Section 78 AktG, the Management Board consists of one or more persons and the Supervisory Board determines the exact number of the members of the Management Board. The Supervisory Board may appoint a Management Board member as chairman, vice chairman, spokesman or vice spokesman of the Management Board. Currently, the Management Board consists of two members.

Reappointment or extension, each for a maximum period of up to five years, is permissible. The Supervisory Board may revoke the appointment of a Management Board member prior to the expiration of his or her term for good cause, such as a gross breach of fiduciary duty, or if the shareholders' meeting passes a vote of no confidence with respect to such member, unless the no-confidence vote was clearly unreasonable. The Supervisory Board is also responsible for entering into, amending and terminating employment agreements with Management Board members and, in general, for representing the Company in and out of court against the Management Board.

Pursuant to Article 9 para. 1 lit. c) (ii) of the SE Regulation in conjunction with Section 78 AktG and Section 8.4 of the Articles of Association, the Company is represented vis-à-vis third parties and in court proceedings by the Management Board. If the Management Board consists of several persons, the Company will be represented by two members of the Management Board or a member of the Management Board jointly with an authorized signatory (*Prokurist*). The Supervisory Board may determine that all or specific members of the Management Board are authorized to represent the Company individually.

The table below lists the current members of the Management Board:

Name	Age	Member since	Appointed until	Responsibilities
Johannes Linden.....	55	2023	2028	Co-CEO, speaker of the Management Board, Head of Finance and Operations
Dr. Konstantin Kurfiss	60	2020	2028	Co-CEO, Head of Sales and Technology

The members of the Management Board may be reached at the Company's office at Rosenstraße 44, 73650 Winterbach, Germany (tel. +49 7181 7005-0).

The following description provides summaries of the *curricula vitae* of the current members of the Management Board and indicates their principal activities outside the Group to the extent that those activities are significant with respect to the Group.

Johannes Linden

Born in 1969, Johannes Linden holds a diploma in engineering from RWTH Aachen University and a degree in business engineering (*Wirtschaftsingenieur*) from Fernuniversität Hagen. He has been the sole and group managing director of large, medium-sized, internationally operating solution providers in the automation and mechanical engineering industry for over 20 years.

He was appointed as a member of the management board of the Company in 2023.

Alongside his office as Co-Chief Executive Officer and speaker of the Management Board, Johannes Linden is, or has within the last five years been, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside of PFISTERER:

Currently:

- None.

Previously:

- Vice General manager (CEO), NINGBO PIA Automation Holding Corp., Ningbo (China) (2017 to 2021);
- Managing director (CEO), PIA Automation Holding GmbH, Bad Neustadt a. d. Saale, Germany (2017 to 2021);
- Managing Director, PIA Automation Austria GmbH, Raaba-Grambach, Austria (2017 to 2020);

- Chairman of the supervisory board of PIA Automation Austria GmbH, Raaba-Grambach, Austria (2019 to 2019);
- Member of the board of directors, PIA Automation US Inc., Evansville, United States; PIA Automation Canada Inc., Toronto, Canada (2017 to 2021);
- Managing director, PMPP GmbH & Co. KG, Bad Neustadt a. d. Saale, Germany (2018 to 2022);
- General manager, NINGBO PMPP Ltd., Ningbo, China (2017 to 2022)

Other than listed above, Johannes Linden has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

Dr. Konstantin Kurfiss

Born in 1964, Dr. Konstantin Kurfiss holds a diploma and a doctorate in agricultural engineering from University in Hohenheim. He has over 20 years of experience in power transmission and distribution technology as a board member, managing director and vice president of technology, sales and production at international manufacturers of cables, cable fittings and overhead line systems. He joined PFISTERER in 2020 as a member of the management board of the Company.

Alongside his office as Co-Chief Executive Officer and member of the Management Board of the Company, Dr. Konstantin Kurfiss is, or has within the last five years been, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside of PFISTERER:

Currently:

- None.

Previously:

- Managing director, NKT GmbH (2013 to 2019)

Other than listed above, Dr. Konstantin Kurfiss has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

16.2.2 Service Agreements

The service agreement between the Company and Johannes Linden was concluded on December 12, 2022, as amended. The service agreement became effective on January 1, 2023. The term of the service agreement runs until 2028. The service agreement between the Company and Dr. Konstantin Kurfiss was concluded on May 9, 2019, as amended. The service agreement became effective on January 1, 2020. The term of the service agreement runs until 2028. The service agreements do not provide for a termination right in the event of a change of control of the Company.

16.2.3 Compensation and Other Benefits of the Management Board Members

16.2.3.1 Compensation and Pension Commitments in the Year Ended December 31, 2024

For the financial year ended December 31, 2024, expenses recorded for the total remuneration of the two current members of the Management Board (including fixed and variable components and fringe benefits) amounted to €1,733 thousand in the aggregate, of which €867,500 are attributable to Johannes Linden and €865,500 to Dr. Konstantin Kurfiss. In addition, in the course of a one-off IPO related virtual share option program described above (see "*11.3 Virtual Share Option Program*"), both members of the Management Board have been granted in 2024 a specific number of virtual shares amounting, in each case, to €495,015 thousand based on an at equity accounting method.

16.2.3.2 Compensation System and Benefits

The compensation is based on service agreements between the members of the Management Board and the Company and consists of an annual base salary as well as the variable compensation instruments. It is particularly aimed at aligning the Management Board members' compensation with the long-term development and success of the Company and at complying with the legal requirements for Management Board members' compensation in stock corporations under Article 9 para. 1 lit. c) (ii) of the SE Regulation in conjunction with Section 87 AktG. The compensation of the members of the Management Board generally consists of a fixed annual base salary, variable compensation instruments, consisting of a short-term and a long-term incentive, as well as additional fringe benefits/benefits in kind.

(i) Annual Base Salary

The members of the Management Board receive a fixed annual base salary in cash, which is paid out in equal monthly installments (*e.g.*, twelve equal monthly installments). The fixed base gross salary amounts to €400,000 for Johannes Linden and €408,000 for Dr. Konstantin Kurfiss. Additionally, Johannes Linden receives ancillary benefits in the amount of €18,000; Dr. Konstantin Kurfiss receives ancillary benefits in the amount of €30,000.

(ii) Virtual Share Option Program

The members of the Management Board both participate in the Virtual Share Option Program as described above under "*11.3 Virtual Share Option Program*".

The portion of the virtual shares attributable both to Johannes Linden and Dr. Konstantin Kurfiss, based on an at equity accounting method as of December 31, 2024 amounts, in each case, to €536,942 (including the financial year ended December 31, 2023).

(iii) Variable Compensation

In addition to the annual base salary, the current members of the Management Board are entitled to variable compensation instruments, a short-term incentive ("**STI**") and a long-term incentive ("**LTI**"), which are oriented towards the Company's sustainable development and in line with the Company's steering logic. Therefore, the STI as well as the LTI are based on key performance indicators ("**KPIs**") reflecting the strategy. The LTI is linked to the share price development of the Company. Both the LTI and the STI make up 50% of the variable compensation. The KPIs of the STI and the LTI differ.

The STI is designed as a target bonus model with a performance period of one year. The annual gross target amount (*i.e.*, payout amount at 100% target achievement) is €110,000 for Johannes Linden and €100,000 for Dr. Konstantin Kurfiss. The payout amount of the STI at the end of the performance period is determined by multiplying the target amount with the total target achievement. The total target achievement is calculated as the sum of the target achievements of all performance criteria considering their respective weighting. The total target achievement depends on the financial and non-financial performance of the Company, operationalized via Operative Cash Flow (weighted with 33.33%), EBITDA margin (weighted with 33.3%) and the Company's ESG-Rating (weighted with 33.3%).

Before or at the beginning of each financial year, the Supervisory Board will set a target value for each of the performance criteria upon achievement of which the target achievement will be 100%. The Supervisory Board will further set a minimum value upon achievement of which the target achievement will be 0% and a maximum value upon achievement of which the target achievement will be 150%. Between the minimum value and the target value, as well as between the target value and the maximum value, the target achievement is determined by linear interpolation. Resulting from this, the payout amount of the STI can range between 0% and 300% (cap) of the individual target amount.

The LTI is designed as a stock option plan. The stock options are granted annually in rolling tranches (starting each financial year) and the first tranche has been granted to the members of the Management Board in February 2025. The gross target amount (*i.e.*, payout at 100% target achievement) is €110,000 for Johannes Linden and €100,000 for Dr. Konstantin Kurfiss. The payout amount is capped at 800% of the individual target amount agreed in the respective service agreement. The number of stock options is determined by the individual target amount divided by the absolute target performance per share. The exercise price of the stock options is defined as the closing share price of the Shares at the Listing or, following the Listing, the arithmetic means of the closing price of the Shares of the Company in the Xetra trading system of the Frankfurt Stock Exchange for the last 30 trading days before the exercise of the respective stock options. The exercise of the stock options in accordance with the agreement gives the members of the Management Board the right to (i) obtain shares against payment of the exercise price (ii) receive settlement in cash or (iii) both. The stock options generally fully vest after four years (in tranches of 25% per year) and can only be exercised if: (i) we have executed a public offering, (ii) the waiting period of four years has elapsed, (iii) at the time of exercise, the closing price of the shares exceeds the strike price by a minimum of 30%, and (iv) the share price has performed similar or better than the SDAX index of the Frankfurt Stock Exchange. The stock options can be exercised at the latest seven years after the allocation date. If they have not been exercised by that date, they will forfeit without compensation.

The service agreements further provide for customary good leaver/bad leaver clauses, wherein good leavers, *i.e.*, due to retirement, occupational disability, or death, are paid out on a pro-rated basis, while bad leavers, *i.e.*, termination with due cause within the meaning of Section 626 of the German Civil Code (*Bürgerliches Gesetzbuch*) or by plan participant, forfeit their right to a payment under the variable compensation plan.

(iv) Additional Benefits

Additional benefits which we believe correspond to common market practice are awarded to the members of the Management Board. These include a company car, contribution to personal and occupational accident and life insurance, D&O insurance and reasonable travel expenses. Insofar as benefits constitute taxable compensation, the taxes shall be borne by the Management Board member.

(v) Malus and Clawback

In case of certain violations of the Management Board's duties, the Supervisory Board has the right to fully or partially reduce the variable STI compensation of the Management Board that has not yet been paid out (malus) or to reclaim the variable STI compensation of the Management Board that has already been paid out (clawback). In addition, the Supervisory Board can declare the fully or partial forfeiture of the stock option rights granted as LTI for the financial year in which the violation occurred. The set of violations in which such an opportunity applies, is defined in the service agreements of the members of the Management Board.

16.2.3.3 Share Ownership Guideline

The service agreements of the members of the Management Board include a share ownership guideline ("**SOG**"). Under this share ownership guideline, each member of the Management Board is obliged to hold a certain number of shares in the Company on December 31 of each year (the "**Target Date**"). This obligation aims to strengthen the alignment of the Management Board's and shareholders' interests. For Johannes Linden and Dr. Konstantin Kurfiss, the required number of shares initially (i.e. immediately after the Listing) corresponds to 300% of the annual gross base salary and to 250% of the annual gross base salary on the subsequent Target Dates ("**SOG Target**"). The SOG Target for future members of the Management Board corresponds to 100% of the annual gross base salary. Future members of the Management Board are obliged to prove the acquisition of shares in the amount of the SOG Target within three years after the Listing.

16.2.3.4 Non-Compete

During the term of their service agreement, the current members of the Management Board may be subject to certain non-compete obligations, including a prohibition from working (self-employed or employed or otherwise) for any third party, that is in direct or indirect competition with the Company.

16.3 Supervisory Board

Pursuant to Section 10.1 of the Articles of Association, the Supervisory Board consists of five members, elected at the general shareholders' meeting.

A quorum of the Supervisory Board is present if three of its members are present. Resolutions of the Supervisory Board are passed with simple majority, unless otherwise mandated by law. This also applies to elections.

For each member of the Supervisory Board, the shareholders may, at the same time the respective member is elected, appoint substitute members. These substitute members will replace the elected Supervisory Board member in the event of his or her premature departure in an order that was defined at the time of the appointment. The term of office of the substitute member replacing the departing member terminates if a successor is elected at the next

shareholders' meeting or the following one, at the close of the shareholders' meeting, otherwise on the expiry of the term of office of the departed member of the Supervisory Board. Members of the Supervisory Board who were elected by the shareholders' meeting may be dismissed at any time during their term of office by a resolution of the shareholders' meeting adopted by 75% of the votes cast, unless the articles of association stipulate otherwise. In accordance with Section 10.4 of the Articles of Association, any member or substitute member of the Supervisory Board may resign at any time, even without providing a reason, by giving a four weeks' notice of his or her resignation in writing. This does not affect the right to resign with immediate effect for good cause.

16.3.1 Members of the Supervisory Board

The Company does and will voluntarily comply with the statutory requirements for companies listed at the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) regarding the expertise of the individual members of the Supervisory Board.

The table below lists the current members of the Supervisory Board

Name	Age	Member since	Appointed until	Responsibilities
Prof. Dr. Wolfgang Blättchen ..	71	2010	2030	Chairman of the Supervisory Board
Erich Anton Schefold	65	2015	2028	Deputy Chairman of the Supervisory Board
Matthias Benz	53	2015	2028	Member of the Supervisory Board
Prof. Dr. Petra Denk	52	2015	2028	Member of the Supervisory Board
Dr. Stefan Seipl	62	2021	2028	Member of the Supervisory Board

The members of the Supervisory Board may be reached at the Company's office at Rosenstraße 44, 73650 Winterbach, Germany (tel. +49 7181 7005-0).

The following description provides summaries of the *curricula vitae* of the current members of the Supervisory Board and indicates their principal activities outside the Group to the extent that those activities are significant with respect to the Group.

Prof. Dr. Wolfang Blättchen

Born in 1953, Prof. Dr. Wolfgang Blättchen holds diplomas in economics and business administration and a doctorate in business administration from McGill University (Canada) and HEC-Paris, Université Dauphine Paris IX (France). He has worked in different legal set-ups as an advisor for financing and capital market projects for over 35 years, with an international background and active on the supervisory boards of family-owned and listed companies. He has overseen numerous successful IPOs, follow-on offerings and complex capital market transactions. Until May 2019, he was the deputy chairman and the head of the audit committee of the supervisory board of AIXTRON SE, Herzogenrath, and until 2021 he was a member of the "Issuer Markets Advisory Committee" of Deutsche Börse AG. He was a long-standing member and at times advisory board member of DVFA. In November 2021, he was appointed honorary consul of the Republic of Latvia. Since 2010 he is shareholder and managing director of Blättchen Financial Advisory GmbH. In 2010, he was appointed as chairperson of the supervisory board.

Alongside his membership of the Supervisory Board, Prof. Dr. Wolfgang Blättchen is, or has within the last five years been, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside of PFISTERER:

Currently:

- Managing director of Blättchen Financial Advisory GmbH, Leonberg, Germany;
- Member of the supervisory board at Südvers Holding GmbH & Co. KG, Freiburg, Germany; and
- Chairman of the board (*Vorsitzender des Stiftungsrats*) of KAP Stiftung, Dettingen, Germany.

Previously:

- Deputy Chairman of the supervisory board of PAS Financial Advisory AG, Stuttgart, Germany (2022 to 2024).

Other than listed above, Prof. Dr. Wolfgang Blättchen has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

Erich Anton Schefold

Born in 1960, Erich Anton Schefold holds a degree in business administration from Berufsakademie Heidenheim. He has more than three decades of experience in finance and management. As the former CFO of GARDENA AG and shareholder-managing director of Schleich Holding GmbH, he has overseen numerous financial market transactions.

Alongside his membership of the Supervisory Board, Erich Anton Schefold is, or has within the last five years been, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside of PFISTERER:

Currently:

- Member of the supervisory board at IWL AG, Ulm, Germany.

Previously:

- Member of the advisory board of Adlatus Robotics GmbH, Ulm, Germany (2021 to 2022); and
- Member of the advisory board of Schleich Holding GmbH, Munich, Germany (2018 to 2019).

Other than listed above, Erich Anton Schefold has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

Matthias Benz

Born in 1971, Matthias Benz holds a diploma in business administration from Berufsakademie Ravensburg and participated in the Stanford Executive Programme. He has been CEO of the Zeppelin Group, an international construction technology corporation, since 2024. He has an extensive professional background with three decades of experience in various key positions

in corporate management, sales and finance. In 2015, he was appointed as member of the Supervisory Board.

Alongside his membership of the Supervisory Board, Matthias Benz is, or has within the last five years been, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside of PFISTERER:

Currently:

- Managing director (CEO) Zeppelin GmbH, Garching, Germany; and
- Member of the supervisory board of Bertrandt AG, Ehningen, Germany.

Previously:

- Managing director Fried v. Neumann GmbH, Marktl, Austria (2020);
- Managing director at Raufoss Holding GmbH, Marktl, Austria (2020 to 2024); and
- Member of the Management Board Zeppelin GmbH, Garching, Germany (July 1, 2024 to September 30, 2024).

Other than listed above, Matthias Benz has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

Prof. Dr. Petra Denk

Born in 1972, Prof. Dr. Petra Denk holds a degree in Physics from LMU Munich, a doctorate in Physics from LMU Munich as well as a degree in business administration (EBW). She has extensive expertise in the energy industry. She has been a professor of energy and business administration since 2009. Prior to that, she held various management positions at E.ON. Since 2012, she has also been managing director of the Institute for Systemic Energy Consulting, where she advises industry, energy suppliers and municipalities. In 2015, she was appointed as member of the Supervisory Board.

Alongside her membership of the Supervisory Board, Prof. Dr. Petra Denk is, or has within the last five years been, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside of PFISTERER:

Currently:

- Professor of Applied Sciences Landshut, Landshut, Germany
- Managing director at Institut für Systematische Energieberatung GmbH, Oberschleißheim, Germany;
- Member of the board of BKW AG, Bern, Switzerland;
- Managing director at PMPL Consulting GmbH, Oberschleißheim, Germany;
- Member of the board of trustees (Kuratoriumsmitglied) of the Bayerische Zentrum für Angewandte Energieforschung, Garching, Germany; and
- Member of the board of VAT Vakuumventile AG, Haag, Switzerland.

Previously:

- Member of the supervisory board of Aixtron SE, Herzogenrath, Germany (2011 to 2024).

Other than listed above, Prof. Dr. Petra Denk has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

Dr. Stefan Seipl

Born in 1962, Dr. Stefan Seipl has been managing director of seipl consult GmbH since 2013. He has over three decades of experience in the energy sector, corporate governance and supervisory board mandates. He is also a senior advisor at First Sentier Investors. As founder and managing director of enerpeak GmbH, he is actively involved in the field of renewable energies. Previous positions include other management positions at major international energy companies.

In 2021, he was appointed as a member of the Supervisory Board.

Alongside her membership of the Supervisory Board, Dr. Stefan Seipl is, or has within the last five years been, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside of PFISTERER:

Currently:

- Managing director at enerpeak GmbG, Gräfelfing, Germany;
- Managing director at seipl consult GmbH, Gräfelfing, Germany;
- Managing director at seipl consult Beteiligungs-UG (haftungsbeschränkt), Gräfelfing, Germany;
- Managing director at Solarpark Kyffhäuserland GmbH & Co. KG, Bendeleben, Germany;
- Member of the supervisory board at MVV Energie AG, Mannheim, Germany;
- Chairman of the supervisory board at Ferngas Netzgesellschaft mbH, Schwaig, Germany; and
- Member of the supervisory board at Nordion Energi AB, Malmö, Sweden.

Previously:

- None.

Other than listed above, Dr. Stefan Seipl has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Group within the last five years.

16.3.2 Supervisory Board Committees

The Supervisory Board may form committees subject to applicable legal provisions. Currently, the Supervisory Board has established an audit committee and a nomination and compensation committee as recommended by the German Corporate Governance Code (*Deutscher Corporate Governance Kodex* – "**Code**"). Further, the Supervisory Board has

established a technology committee and a capital markets committee. Members of the audit committee are Prof. Dr. Wolfgang Blättchen, Erich Anton Schefold (Chairman) and Matthias Benz. Members of the nomination and compensation committee are Prof. Dr. Wolfgang Blättchen (Chairman), Erich Anton Schefold and Matthias Benz. Members of the technology committee are Prof. Dr. Wolfgang Blättchen, Prof. Dr. Petra Denk (Chairwoman) and Dr. Stefan Seipl. Members of the capital markets committee are Prof. Dr. Wolfgang Blättchen (Chairman) and Erich Anton Schefold.

16.3.3 Compensation of the Members of the Supervisory Board

Pursuant to the Articles of Association, the members of the Supervisory Board receive a fixed annual compensation of €30,000. The chairperson of the Supervisory Board receives three times the fixed annual compensation. In addition, the members of the Supervisory Board receive an attendance fee of €1,000 for each meeting of the Supervisory Board and its committees that they attend. The Chairman of the Supervisory Board and the chairpersons of the Supervisory Board committees each receive three times that amount. This remuneration is to be paid after the end of the meeting.

The members of the Supervisory Board shall also receive a variable annual remuneration of 1% of the total dividend actually distributed for the respective financial year in accordance with the relevant resolution of the Annual General Meeting ("**Variable Total Remuneration**"). However, the members of the Supervisory Board are only entitled to a Variable Total Remuneration if the dividend actually to be distributed for the respective financial year exceeds a minimum amount totaling €5,000,000. Of the Variable Total Remuneration, the Chairman of the Supervisory Board shall receive three sevenths (3/7) and the other members of the Supervisory Board shall each receive one seventh (1/7). Should the number of members of the Supervisory Board change, the denominator shall be increased or reduced by the number of members added or removed. The payment amount from the variable total remuneration is capped at the amount of the fixed annual remuneration to which the respective member of the Supervisory Board is entitled. Supervisory Board members who have only belonged to the Supervisory Board for part of the financial year receive a lower variable remuneration pro rata temporis. This variable remuneration provision applies from the ordinary Annual General Meeting 2025.

In addition, the members of the Supervisory Board also receive reimbursement of all expenses, an annual budget of €3,000 per member for further training, and reimbursement of any VAT payable on their remuneration and expenses. The members of the Supervisory Board are covered by the Company's D&O insurance, with coverage in line with best market practice.

16.4 Shareholdings of the Members of the Management Board and Supervisory Board

The following members of the Company's Management Board hold shares in the Company as of the date of this Prospectus:

Name	Number of shares held	Interest in the share capital of the Company (in %)
Johannes Linden	71,428	0.49
Dr. Konstantin Kurfiss	47,619	0.33

The following members of the Company's Supervisory Board hold shares in the Company as of the date of this Prospectus:

Name	Number of shares held	Interest in the share capital of the Company (in %)
Prof. Dr. Wolfgang Blättchen	357,142	2.45
Prof. Dr. Petra Denk	71,428	0.49
Dr. Stefan Seipl.....	71,428	0.49
Erich Anton Schefold.....	71,428	0.49

Following the consummation of the Offering, the participation in the Company's aggregate share capital of the members of the Management Board and the Supervisory Board is expected to amount to approximately 2.76%, with roughly 0.23% held by Johannes Linden, 0.23% held by Dr. Konstantin Kurfiss, 1.32% held by Prof. Dr. Wolfgang Blättchen, 0.33% held by Prof. Dr. Petra Denk, 0.33% held by Dr. Stefan Seipl, and 0.33% held by Erich Anton Schefold.

16.5 Certain Information Regarding the Current Members of the Management Board and Supervisory Board

In the last five years, no member of the Management Board or the Supervisory Board has been convicted of fraudulent offences. In the last five years, no member of the Management Board or the Supervisory Board has been associated with any bankruptcy, receivership, liquidations, or companies put into administration acting in its capacity as a member of any administrative, management or supervisory body or as a senior manager. In the last five years, no official public incriminations and/or sanctions have been made by statutory or legal authorities (including designated professional bodies) against the current members of the Management Board or the members of the Supervisory Board, nor have sanctions been imposed by the aforementioned authorities. No court has ever disqualified any of the current members of the Management Board or the members of the Supervisory Board from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

Existing shares from holdings of (i) Johannes Linden and Dr. Konstantin Kurfiss, who are members of the Management Board of the Company, and (ii) Prof. Dr. Wolfgang Blättchen, Prof. Dr. Petra Denk, Erich Anton Schefold and Dr. Stefan Seipl, who are members of the Supervisory Board of the Company, are part of the Offering. In addition, the members of the management board participate in the virtual share option program of the Company and the completion of the Listing will constitute an exit event for 50% of the virtual shares. Accordingly, their interests with respect to the Offering, may not be aligned with those of the Company or the Company's other shareholders, which constitutes a potential conflict of interest. Other than that, there are no conflicting interests with respect to the Offering.

No member of the Management Board or the Supervisory Board has entered into a service agreement with a company of the Group that provides for special benefits, such as severance pay, at the end of the business relationship (other than pensions or compensation in the case of an early termination of the service agreement, which is determined on the basis of the remaining term of the agreement and the contractually agreed compensation). The current members of the Management Board may be subject to certain non-compete obligations, including a prohibition from working (self-employed or employed or otherwise) for any third party, that is in direct or indirect competition with the Company, during the term of their service agreements.

There are no family relationships between the current members of the Management Board and those of the Supervisory Board, either among themselves or in relation to the members of the respective other body.

16.6 Shareholders' Meeting

Pursuant to Article 54 para. 1 of the SE Regulation, the Company's shareholders' meeting must take place within the first six months of each financial year and must be held, as the convening body shall decide, at the Company's registered office, a branch office of the Company or in a German city where a stock exchange is located. Except where other persons are authorized to do so by law or by the Articles of Association, the shareholders' meeting is convened by the Management Board. Notice must be issued in the German Federal Gazette (*Bundesanzeiger*) at least 30 days before the day of the shareholders' meeting (the "**Minimum Term**"); the day of the meeting itself and the day of the receipt of the notice not being included when calculating this period. The articles may provide that attendance at the meeting, or the exercise of voting rights shall require the shareholders giving notice of their attendance prior to the meeting. The notice of attendance must be delivered to the Company at least six days prior to the shareholders' meeting at the address specified for this purpose in the notice calling the shareholders' meeting. The articles or the notice if authorized by the articles may provide for a shorter time limit which is to be calculated in days. The day of receipt shall not be included in this calculation. The Minimum Term shall be prolonged by the number of days of the deadline for giving notice of attendance.

If the Management Board does not convene the shareholders' meeting in due time or if required for the Company's welfare, the Supervisory Board may convene the shareholders' meeting. Additionally, shareholders whose shares collectively make up 5% of the capital stock of the Company may convene a shareholders' meeting. Shareholders or shareholder associations may solicit other shareholders to make such a request, jointly or by proxy, in the shareholders' forum of the German Federal Gazette (*Bundesanzeiger*), which is also accessible via the website of the German Company Register (*Unternehmensregister*).

Prior to the shareholders' meeting, shareholders are required to register in order to be entitled to participate in the shareholders' meeting and to exercise voting rights and have to provide evidence of their shareholding in the form of a confirmation by the depository institute prior to the beginning of the twenty-first day before the shareholders' meeting.

Each ordinary share entitles its holder to one vote at the shareholders' meeting. Unless otherwise stipulated by mandatory statutory provisions or provisions of the Articles of Association, resolutions of the shareholders' meeting are adopted by a simple majority of the votes cast or, if a capital majority is required, by a simple majority of the registered share capital represented in the resolution. The Management Board is authorized to provide that shareholders may participate in the shareholders' meeting without being present in person at the place of the shareholders' meeting or being represented and to allow shareholders to vote by mail or to participate in the shareholder's meeting online.

Under applicable German law, as a matter of principle, the shareholders of a stock corporation are to be treated equally under the same conditions. Accordingly, shareholders, including minority shareholders may challenge resolutions of the shareholders' meeting which give rise to unjustified unequal treatment of shareholders. Shareholders have certain initiative rights and one or more shareholders whose shares together amount to at least one twentieth of the share capital can demand that a shareholders' meeting of the Company be convened. Further, one or more shareholders whose shares together amount to at least one twentieth of the share

capital or represent a *pro rata* amount of €500 thousand may request that additional items be included in the agenda of a shareholders' meeting, such request to be received by the Company at least 30 days prior to the shareholders' meeting. At the shareholders' meeting, any shareholder has the right to request information from the Management Board concerning matters pertaining to the Company to the extent such information is required to assess the items on the agenda of the shareholders' meeting. The request for information may be refused in certain cases as stipulated in the German Stock Corporation Act, in particular, if the disclosure of information is suited to cause a material disadvantage to the Company or its affiliated companies.

According to the current version of the AktG, resolutions of fundamental importance (*grundlegende Bedeutung*) require both a majority of votes cast and a majority of at least 75% of the registered share capital represented at the vote on the resolution. Resolutions of fundamental importance include:

- amendments, other than editorial amendments, to the articles of association of the Company, in particular amendments to the object of the Company;
- approval of contracts within the meaning of Articles 5, 57 and 59 of the SE Regulation, and Section 51 of the SEAG in conjunction with Section 179a AktG (transfer of the entire assets of the Company) and management actions of special significance that require the approval of the shareholders' meeting in compliance with legal precedents;
- capital increases, including the creation of conditional or authorized capital;
- the issuance of, or authorization to issue, convertible and profit-sharing certificates and other profit-sharing rights;
- exclusion of subscription rights as part of an authorization on the use of treasury stock;
- capital reductions;
- withdrawal of shares pursuant to Article 5 of the SE Regulation in conjunction with Section 237 para. 2 AktG;
- liquidation of the Company;
- continuation of the liquidated company after the resolution on liquidation or expiry of the time period;
- approval to conclude, amend or terminate affiliation agreements (*Unternehmensverträge*);
- integration of a stock corporation into another stock corporation and squeeze-out of the minority shareholders; and
- action within the meaning of the German Reorganization and Transformation Act (*Umwandlungsgesetz*).

Neither German law nor the Articles of Association limit the right of foreign shareholders or shareholders not resident in Germany to hold shares of the Company or exercise the voting rights associated therewith.

16.7 Corporate Governance

Following the Listing, the Company will not become subject to the obligation to declare compliance with the recommendations of the German Corporate Governance Code (*Deutscher Corporate Governance Kodex* – "**Code**") pursuant to Section 161 para. 1 AktG. Such obligation requires a listing in a regulated market in Germany. The Company also does not intend to voluntarily issue declarations of compliance (*Entsprechenserklärungen*) with the recommendations of the Code. Whereas the Management Board and the Supervisory Board consider a good corporate governance as important for the Company and aim to take into account the main recommendations of the Code, they believe that such structures can be established in a more flexible manner rather than voluntarily complying with the recommendations of the Code.

17. CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In accordance with IAS 24, transactions with persons or companies that are, among others, members of the same group as the Company or that are in control of or controlled by the Company must be disclosed unless they are already included as consolidated companies in the Company's consolidated financial statements. Control exists if a shareholder owns more than half of the voting rights in the Company or, by virtue of an agreement, has the power to control the financial and operating policies of the Company's management. The disclosure requirements under IAS 24 also extend to transactions with associated companies, including joint ventures, as well as transactions with persons who have significant influence over the Company's financial and operating policies, including close family members and intermediate entities. This includes the members of the Management Board and the Supervisory Board and close members of their families, as well as those entities over which the members of the Management Board and the Supervisory Board or their close family members are able to exercise a significant influence or in which they hold a significant share of the voting rights.

Set forth below in is a detailed description of such transactions with related parties for the financial years ended December 31, 2022, 2023 and 2024, as well as for the current financial year until the date of the Prospectus. Further information with respect to related party transactions, including quantitative amounts, are contained in the notes to the Company's Audited Consolidated Financial Statements.

17.1 Relationships with the Selling Shareholders

17.1.1 Cost Sharing and Indemnity Agreement

On April 29, 2025 the Selling Shareholders and the Company entered into a cost sharing and indemnity agreement regarding the allocation of costs and liability in connection with the Offering (the "**Cost Sharing and Indemnity Agreement**").

The Selling Shareholders further agreed to indemnify the Company from all liability risks in connection with the Offering on a *pro rata* basis, including the *pro rata* share of all reasonable legal costs. In addition, the Company has agreed, upon indemnification by the Selling Shareholders and to the extent legally permissible, to assign certain claims the Company may have against third parties to the Selling Shareholders.

17.1.2 Other Transactions with Related Parties

On February 21, 2023, Pfisterer Kontaktsysteme GmbH granted Karl-Heinz Pfisterer and his wife a right of residence (*Wohnungsrecht; beschränkte persönliche Dienstbarkeit*) at Pfisterer

Kontaktsysteme GmbH's property at Bahnhofstraße 28, 89547 Gerstetten, Germany. The residence right is subject to the payment of a monthly rent of €1,500.00. In addition, Karl-Heinz Pfisterer is obliged to pay a lump sum of €300.00 per month to cover ancillary costs.

18. TAXATION IN THE FEDERAL REPUBLIC OF GERMANY

Income received from shares of the Company is subject to taxation. In particular, the tax laws of any jurisdiction with authority to impose taxes on the Company's shareholders and the tax laws of the Company's state of incorporation, statutory seat and place of effective management (*i.e.*, Germany) may affect the income received from shares of the Company.

The following section outlines certain key German tax principles that may be relevant with respect to the acquisition, holding or transfer of shares in the Company. It is important to note that the legal situation may change, possibly with retroactive effect. This summary is not and does not purport to be a comprehensive or exhaustive description of all German tax considerations that may be relevant to shareholders of the Company. In particular, this summary does not cover tax considerations that may be relevant to a shareholder that is a tax resident of a jurisdiction other than Germany under the tax laws of such non-German jurisdiction. This presentation is based upon domestic German tax laws in effect as of the date of this Prospectus and the provisions of double taxation treaties currently in force between Germany and other countries. We cannot rule out that the German tax authorities or courts will interpret these laws and provisions differently than what is described in this section.

This section does not replace the need for individual shareholders of the Company to seek personal tax advice. It is therefore recommended that shareholders consult their own tax advisors regarding the tax implications of acquiring, holding, or transferring shares of the Company and what procedures are necessary to secure the repayment of German withholding tax (*Kapitalertragsteuer*), if possible. Only qualified tax advisors are in a position to adequately consider the particular tax situation of individual shareholders.

18.1 Taxation of Shareholders

Shareholders are taxed in particular in connection with the holding of shares (see "*18.1.1 Taxation of Dividend Income*"), upon the sale or disposal of shares (see "*18.1.4 Taxation of Capital Gains*") and the gratuitous transfer of shares (see "*18.1.7 Inheritance and Gift Tax*").

18.1.1 Taxation of Dividend Income

18.1.1.1 No Taxation in Case of Payments from a Tax Recognized Contribution Account

To the extent that the Company is able to pay dividends from a tax recognized contribution account (*steuerliches Einlagekonto*) in the future, such dividends are not subject to withholding tax, personal income tax (*Einkommensteuer*) or corporate income tax (*Körperschaftsteuer*) (including the solidarity surcharge (*Solidaritätszuschlag*) and church tax (*Kirchensteuer*), if applicable), as the case may be, and, trade tax (*Gewerbesteuer*), if applicable. Yet dividends paid out of a tax recognized contribution account lower the acquisition costs of the shares, which may result in a higher amount of taxable capital gains upon the shareholder's sale or disposal of the shares. Special rules apply to the extent that dividends from the tax recognized contribution account exceed the then lowered acquisition costs of the shares (the details are outlined below).

18.1.1.2 Withholding Tax

Dividends and certain other shares in profits ("**Dividends**") distributed by the Company that are not paid out of the tax recognized contribution account (*steuerliches Einlagekonto*) are subject to a deduction at source (withholding tax) at a 25% rate plus a solidarity surcharge of 5.5% on the amount of withholding tax (amounting in total to a rate of 26.375%) and church tax, if applicable. The basis for determining the dividend withholding tax is the Dividend approved for distribution by the Company's shareholders' meeting.

In general, dividend withholding tax is withheld regardless of whether and, if so, to what extent the shareholder must report the Dividend for tax purposes and regardless of whether the shareholder is a resident of Germany or of a foreign country.

As the Company's shares are admitted to be held in collective safe custody (*Sammelverwahrung*) with a central securities depository (*Wertpapiersammelbank*) pursuant to Section 5 of the German Act on Securities Accounts (*Depotgesetz*) and are entrusted to such central securities depository for collective safe custody in Germany, the Company is generally not responsible for withholding the withholding tax. Instead one of the following entities in Germany is responsible and authorized to collect withholding tax and to remit it to the relevant tax authority for the account of the relevant shareholder: (i) a domestic bank or financial services institution (*inländisches Kredit- oder Finanzdienstleistungsinstitut*) (including the domestic branches of foreign banks or financial service institutions) or a domestic securities institution (*inländisches Wertpapierinstitut*) that holds the shares in custody or that administers such shares and that pays out or credits the shareholder's investment income or that pays the investment income to a foreign entity, or (ii) the central securities depository (*Wertpapiersammelbank*) holding the collective deposit shares in custody if it pays the investment income to a foreign entity, or (iii) the Company itself if and to the extent shares held in collective safe custody (*girosammelverwahrt*) by the central securities depository (*Wertpapiersammelbank*) are treated as shares being held separately (*abgesetzte Bestände*), (each person within the meaning of (i) through (iii) a "**Dividend Paying Agent**").

Where Dividends are distributed to a company resident in another member state of the EU within the meaning of Article 2 of Council Directive 2011/96/EU of November 30, 2011 on the common system of taxation applicable in the case of parent companies and subsidiaries of different member states, as amended (the "**Parent-Subsidiary Directive**"), withholding of the dividend withholding tax may not be required (withholding tax exemption) or may be refunded, provided that the required application is submitted and additional requirements are met. This also applies to Dividends distributed to a permanent establishment located in another member state of the EU of such parent company or of a parent company that is tax resident in Germany, if the interest in the dividend-paying subsidiary is part of the respective permanent establishment's business assets. Important prerequisites for the exemption from withholding at the source or a refund of withholding tax under the Parent-Subsidiary Directive are that the shareholder has directly held at least 10% of the Company's registered share capital continuously for twelve months and that the German Federal Central Office of Taxation (*Bundeszentralamt für Steuern*), with its registered offices in An der Küppe 1, 53225 Bonn, Germany, has certified to the creditor of the Dividends, based upon an application filed by such creditor on the officially prescribed form, that the prerequisites for exemption have been met. If there is a holding of at least 10% of the Company's registered share capital and the shares held in collective safe custody by Clearstream are treated as so-called shares being held separately (*abgesetzte Bestände*), the German tax authorities will not object when the main

paying agent (*Hauptzahlstelle*) of the Company disburses Dividends without deducting withholding tax, assuming a valid exemption certificate (*Freistellungsbescheinigung*) and proof that the relevant shares have been held separately are presented to the main paying agent. An exemption certificate is granted upon application with the German Federal Central Office of Taxation (*Bundeszentralamt für Steuern*) at the aforementioned offices.

The dividend withholding tax rate for Dividends paid to shareholders without a tax residence in Germany will be reduced in accordance with any applicable double taxation treaty between Germany and the relevant shareholder's country of residence, provided that the shares are neither held as part of the business assets of a permanent establishment or a fixed base in Germany nor as part of the business assets for which a permanent representative in Germany has been appointed. The reduction in the dividend withholding tax is generally obtained by applying to the German Federal Central Office of Taxation (*Bundeszentralamt für Steuern*), with its registered offices in An der Küppe 1, 53225 Bonn, Germany, for a refund of the difference between the dividend withholding tax withheld, including the solidarity surcharge, and the amount of withholding tax actually owed under the applicable double taxation treaty, which usually amounts to between 5% and 15%. Depending on the applicable double taxation treaty, a reduced withholding tax rate may be applicable in the tax withholding process, if the shareholder has applied for an exemption certificate (*Freistellungsbescheinigung*) from the German Federal Central Office of Taxation (*Bundeszentralamt für Steuern*). The applicable double taxation treaty may also provide for a full exemption from the German dividend withholding tax, if the relevant shareholder has directly held at least 10% of the Company's registered share capital and if further prerequisites are met. Forms for the refund and exemption procedure are available at the German Federal Central Office of Taxation (*Bundeszentralamt für Steuern*).

Corporations that are not tax residents in Germany will upon application receive a refund of two fifths of the dividend withholding tax that was withheld and remitted to the tax authorities subject to certain requirements. This applies regardless of any further reduction or exemption provided for under the Parent-Subsidiary Directive or a double taxation treaty.

Foreign corporations will generally have to meet certain stringent substance criteria defined by statute in order to receive an exemption from, or (partial) refund of, German dividend withholding tax.

Pursuant to a special rule on the restriction of withholding tax credit, the aforementioned relief in accordance with applicable double taxation treaties as well as the credit of withholding tax described for shares held as private and as business assets (see "*18.1.2 Taxation of Dividends of Shareholders with a Tax Residence in Germany*") is subject to the following three cumulative prerequisites: (i) the relevant shareholder must qualify as beneficial owner of the shares in the Company for a minimum holding period of 45 consecutive days occurring within a period of 45 days prior and 45 days after the date the Dividends become due, (ii) the shareholder has to bear at least 70% of the change in value risk related to the shares in the Company during this minimum holding period without being directly or indirectly hedged, and (iii) the shareholder is not required to fully or largely, directly or indirectly, transfer the Dividends to third parties (the tests under (i) through (iii) together the "**Minimum Risk Test**").

Should any of the three prerequisites not be met, the following applies:

- As regards the taxation of Dividends of shareholders with a tax residence in Germany, three fifths of the withholding tax imposed on the Dividends may not be

credited against the shareholder's (corporate) income tax liability, but may, upon application, be deducted from the shareholder's tax base in a tax assessment procedure for the relevant assessment period. A shareholder that has received gross Dividends without any deduction of withholding tax (*e.g.*, due to a tax exemption without qualifying for a full tax credit) or that has already obtained a refund of tax withheld, has to notify the competent local tax office accordingly and has to make a payment in the amount of 15% of the Dividend to the competent tax office. The special rule on the restriction of withholding tax credit does not apply to a shareholder whose overall Dividend earnings within an assessment period do not exceed €20,000.00 or who has been the beneficial owner of the shares in the Company for at least one uninterrupted year upon receipt of the Dividends.

- As regards the taxation of Dividends of shareholders without a tax residence in Germany who have applied for a full or partial refund of the withholding tax pursuant to a double taxation treaty, no refund is available. This restriction does not apply to a shareholder (i) that is a corporation which directly holds at least 10% of the shares in the Company and that is subject to (corporate) income tax in the country of its tax residence without any exemptions, or (ii) a shareholder that has been the beneficial owner of the shares in the Company for at least one uninterrupted year upon receipt of the Dividends, or (iii) if the applicable tax rate pursuant to the applicable double taxation treaty is at least 15%.
- In addition to the aforementioned statutory provisions, the German Federal Ministry of Finance (*Bundesministerium der Finanzen*) has published a decree outlining the treatment of transactions where the credit of withholding tax will be denied even when the statutory minimum tests described above are met, in order to prevent abuse.

Prospective shareholders should seek their own professional advice as to whether they can obtain a tax credit or tax refund with respect to withholding taxes on Dividends.

In case of individual shareholders holding the shares in the Company as private assets, the Dividend Paying Agent which keeps or administrates the shares and pays or credits the capital income is required to create so-called pots for offsetting losses (*Verlustverrechnungstöpfe*) to allow for negative capital income to be set off against current and future positive capital income. A set off of negative capital income at one Dividend Paying Agent against positive capital income at another Dividend Paying Agent is only possible in the course of the income tax assessment at the level of the respective shareholder. In such case, the relevant shareholder has to apply for a certificate confirming the amount of losses not offset with the Dividend Paying Agent where the pot for offsetting losses exists. The application is irrevocable and must reach the Dividend Paying Agent until December 15 of the respective year, as otherwise the losses will be carried forward by the respective Dividend Paying Agent to the following year.

Withholding tax will not be withheld by a Dividend Paying Agent if the shareholder provides such Dividend Paying Agent with an application for exemption (*Freistellungsauftrag*) to the extent such shareholder's capital income does not exceed the annual savers' allowance (*Sparerpauschbetrag*) of €1,000.00 (€2,000.00 for jointly filing individuals) as outlined on the application for exemption. Furthermore, no withholding tax will be levied if the shareholder provides the Dividend Paying Agent with a non-assessment certificate (*Nichtveranlagungsbescheinigung*) to be applied for with the competent tax office.

18.1.2 Taxation of Dividends of Shareholders with a Tax Residence in Germany

18.1.2.1 Individuals who Hold the Shares as Private Assets

For individuals who are tax resident in Germany (generally, individuals whose residence or habitual abode is located in Germany) and who hold their shares in the Company as private assets, the withholding tax of 25% plus solidarity surcharge of currently 5.5% thereon, resulting in a total tax rate of 26.375% (plus church tax, if applicable) will generally serve as a final tax (*i.e.*, once such tax has been deducted, the shareholder's income tax liability on the Dividends will be settled, and he or she will no longer have to declare them on his or her annual tax return (*Abgeltungsteuer*, the "**Flat Tax**")).

The purpose of the Flat Tax is to provide for separate and final taxation of capital investment income earned (*i.e.*, taxation that is irrespective of the individual's personal income tax rate). Shareholders may apply to have their capital investment income assessed in accordance with the general rules and with an individual's personal income tax rate if this results in a lower tax burden. In this case, the base for taxation is the gross dividend income less the savers' allowance (*Sparerpauschbetrag*) of €1,000.00 (€2,000.00 for jointly filing individuals). Subject to the Minimum Risk Test, any tax and solidarity surcharge already withheld is credited against the income tax and solidarity surcharge so determined, and any overpayment refunded. Income related expenses cannot be deducted from capital gains in either case. The only possible deduction is the savers' allowance (*Sparerpauschbetrag*) of €1,000.00 (€2,000.00 for jointly filing individuals) on all private capital income. Furthermore, dividend income can only be offset by losses from capital income, except for losses generated by the disposal of shares. A case challenging the constitutionality of the limitations for offsetting losses generated by the disposal of shares is currently pending with the German Federal Constitutional Court (*Bundesverfassungsgericht*).

If the individual owns (i) at least 1% of the shares in the Company and is able to exercise a significant entrepreneurial influence on the business activity of the Company by virtue of his or her professional activity (*berufliche Tätigkeit*) for the Company, or (ii) at least 25% of the shares in the Company, the tax authorities may upon application allow for the Dividends to be taxed under the partial income method (see "*18.1.2.2(ii) Sole Proprietors (Individuals)*").

Entities required to collect withholding taxes on capital investment income are required to likewise withhold the church tax on payments to shareholders who are subject to church tax, unless the shareholder objects in writing to the German Federal Central Office of Taxation (*Bundeszentralamt für Steuern*) against the sharing of his or her private information regarding his or her affiliation with a religious denomination (*Sperrvermerk*). If church tax is withheld and remitted to the tax authority as part of the withholding tax deduction, the church tax on the Dividends is also deemed to be discharged when it is deducted. The withheld church tax cannot be deducted in the tax assessment as a special expense (*Sonderausgabe*). 26.375% of the church tax withheld on the Dividends is, however, deducted from the withholding tax (including the solidarity surcharge) withheld. If no church tax is withheld along with the withholding of the withholding tax, the shareholder who owes church tax is required to report his or her Dividends in his or her income tax return. The church tax on the Dividends will then be imposed by way of a tax assessment.

Contrary to the above, dividend payments that are funded from the Company's tax recognized contribution account (*steuerliches Einlagekonto*) and are paid to shareholders who are tax resident in Germany whose shares are held as private assets, do not form part of the shareholder's taxable income but reduce the acquisition costs for such shares. If the dividend

payment funded from the Company's tax recognized contribution account (*steuerliches Einlagekonto*) exceeds the shareholder's acquisition costs, the German tax authorities take the view that negative acquisition costs will arise which may result in a higher capital gain in case of a disposal of the shares. This will not apply if (i) the shareholder or, in the event of a gratuitous transfer, its legal predecessor, or, if the shares have been gratuitously transferred several times in succession, one of his or her legal predecessors at any point during the five years preceding the disposal directly or indirectly held at least 1% of the share capital of the Company (a "**Qualified Participation**") and (ii) the dividend payment funded from the Company's tax recognized contribution account (*steuerliches Einlagekonto*) exceeds the acquisition costs of the shares. In case of a Qualified Participation, a dividend payment funded from the Company's tax recognized contribution account (*steuerliches Einlagekonto*) is considered a sale of the shares and is taxable as a capital gain if and to the extent the dividend payment funded from the Company's tax recognized contribution account (*steuerliches Einlagekonto*) exceeds the acquisition costs of the shares. In this case the taxation corresponds to the taxation of capital gains of shareholders maintaining a Qualified Participation (see "*18.1.4 Taxation of Capital Gains*").

18.1.2.2 Shares Held as Business Assets

The Flat Tax does not apply to Dividends from shares of the Company held as business assets of shareholders who are tax resident in Germany. In this case, the taxation is based on whether the shareholder is a corporation, an individual or a partnership. Subject to the Minimum Risk Test, the withholding tax withheld and paid to the tax authorities, including the solidarity surcharge (and church tax, if applicable), is credited against the income or corporate income tax and the solidarity surcharge (and church tax, if applicable) of the shareholder, and any overpayment will be refunded.

Dividend payments that are funded from the Company's tax recognized contribution account (*steuerliches Einlagekonto*) and paid to shareholders who are tax resident in Germany and whose shares are held as business assets are generally fully tax exempt in the hands of such shareholders. At the same time such dividend payments lead to a corresponding reduction of the acquisition costs/book value for the relevant shares. To the extent the dividend payments funded from the Company's tax recognized contribution account (*steuerliches Einlagekonto*) exceed the acquisition costs/book value of the shares, a taxable capital gain should occur. The taxation of such gain corresponds to the taxation of shareholders whose shares are held as business assets (see "*18.1.4 Taxation of Capital Gains*"). As regards the application of the 95% exemption in case of a corporation, this is, however, not undisputed.

(i) Corporations

Dividends received by corporations that are tax resident in Germany are generally exempt from corporate income tax and solidarity surcharge. 5% of the Dividends are, however, treated as a non-deductible business expenses and, as such, are subject to corporate income tax (plus the solidarity surcharge) with a total tax rate of 15.825%.

Portfolio Dividends (*i.e.*, Dividends earned on direct shareholdings in a distributing corporation equal to less than 10% of its share capital at the beginning of the respective calendar year) are fully taxed at the corporate income tax rate (plus solidarity surcharge thereon). The acquisition of a shareholding of at least 10% during a calendar year is deemed to have occurred at the beginning of the respective calendar year. Participations which a shareholder holds through a commercial

partnership are only attributable to such shareholder on a pro rata basis at the ratio of the interest share of the shareholder in the assets of the relevant partnership.

Business expenses actually incurred and with a direct business relationship to the Dividends may be fully deducted.

Any Dividends (after deducting business expenses related to the Dividends) are fully subject to trade tax, unless the corporation held at least 15% of the Company's registered share capital at the beginning of the relevant tax assessment period, entitling it to an intercorporate privilege for trade tax purposes. In such case, the aforementioned exemption of 95% of the dividend income applies analogously for trade tax purposes. The applicable trade tax depends on the tax rate imposed by the local municipalities in which the shareholder maintains its operations or permanent establishments.

(ii) Sole Proprietors (Individuals)

If the shares in the Company are held as part of the business assets of a sole proprietor (individual) with his or her tax residence in Germany, only 60% of any Dividend are subject to the individual's personal tax rate plus solidarity surcharge thereon (partial income method (*Teileinkünfteverfahren*)). Correspondingly, only 60% of the expenses economically related to the Dividends are tax deductible. The partial income method also applies when individuals hold the shares indirectly through a partnership (with the exception of individual investors who hold their shares through partnerships that are neither commercial partnerships nor deemed to be commercial partnerships). The partial income method does, however, not apply with respect to church tax (if applicable). If the shares are held as business asset of a domestic commercial permanent establishment, the full amount of the dividend income (after deducting business expenses that are economically related to the Dividends) is also subject to trade tax, unless the respective shareholder held at least 15% of the Company's registered share capital at the beginning of the relevant tax assessment period. In the latter case, the net Dividends (after deducting directly related expenses) are exempt from trade tax. Trade tax is, however, generally credited, in full or in part, as a lump sum against the relevant shareholder's personal income tax liability, depending on the tax rate imposed by the local municipality and certain individual tax-relevant circumstances of such shareholder.

(iii) Commercial Partnerships

If a shareholder is a partnership, the personal income tax or corporate income tax, as the case may be, and the solidarity surcharge are levied at the level of each partner rather than at the level of the partnership. The taxation of each partner depends upon whether the partner is a corporation or an individual. If the partner is a corporation, Dividends are generally 95% tax exempt. Dividends from an indirect shareholding representing less than 10% of the share capital for the relevant partner are, however, fully subject to taxation (see "*18.1.2.2(i) Corporations*"). If the partner is an individual and the shares are held as business assets of the partnership, only 60% of the dividend income is subject to income tax. In this case, the partial income method does not apply with respect to church tax, if applicable (see "*18.1.2.2(ii) Sole Proprietors (Individuals)*"). Upon application and subject to further conditions, an individual who is a partner can have his or her personal income tax rate lowered for earnings not withdrawn from the partnership.

In addition, if the shares are held as business assets of a domestic permanent establishment of an actual or presumed commercial partnership, the full amount of dividend income is generally also subject to trade tax at the level of the partnership. In the case of partners who are individuals, the trade tax that the partnership pays on the relevant partner's portion of the partnership's income is generally credited as a lump sum, in full or in part, against the individual's personal income tax liability depending on the tax rate imposed by the local municipality and certain individual tax relevant circumstances of such shareholder. If the partnership held at least 15% of the Company's registered share capital at the beginning of the relevant tax assessment period, the Dividends (after deduction of business expenses economically related thereto) should generally not be subject to trade tax. In this case, trade tax should, however, be levied on 5% of the Dividends to the extent they are attributable to the profit share of such corporate partners to whom at least 10% of the shares in the Company are attributable on a look through basis, since this portion of the Dividends should be deemed to be non-deductible business expenses. The remaining portion of the dividend income attributable to partners other than such specific corporate partners (which includes individual partners and should, according to a literal reading of the law, also include corporate partners to whom, on a look through basis, only portfolio participations are attributable) should not be subject to trade tax. Due to a lack of case law and administrative guidance, the exact application of the rules for the taxation of Dividends from portfolio participations is, however, unclear. Shareholders are strongly recommended to consult their tax advisers.

Partnerships may elect to be treated as a corporation for purposes of German income taxation. If the shareholder is a partnership that has validly exercised such option right ("**Opting Partnership**"), the dividends are subject to corporate income tax and trade tax generally according to the same rules that apply to corporations (see "*18.1.2.2(i) Corporations*").

(iv) Financial and Insurance Sector

Special rules apply to companies operating in the financial and insurance sector, as well as pension funds (see below "*18.1.5 Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds*").

18.1.3 Taxation of Dividends of Shareholders without a Tax Residence in Germany

Dividends paid to shareholders of the Company (individuals and corporations) without a tax residence in Germany are taxed in Germany, provided that the shares are held as part of the business assets of a permanent establishment or a fixed base in Germany or as part of the business assets for which a permanent representative in Germany has been appointed. Subject to the Minimum Risk Test, the withholding tax (including solidarity surcharge) withheld and remitted to the German tax authorities is credited against the respective shareholder's personal income tax or corporate income tax liability, and any overpayment will be refunded. The same applies to the solidarity surcharge. These shareholders are essentially subject to the same rules applicable to tax resident shareholders, as discussed above.

In all other cases, the withholding of the dividend withholding tax discharges any tax liability of the shareholder in Germany. A refund or exemption is granted only as discussed with respect to dividend withholding tax (see "*18.1.1.2 Withholding Tax*").

Dividend payments that are funded from the Company's tax recognized contribution account (*steuerliches Einlagekonto*) are generally not taxable in Germany.

18.1.4 Taxation of Capital Gains

18.1.4.1 Taxation of Capital Gains of Shareholders with a Tax Residence in Germany

(i) Shares Held as Private Assets

Gains on the sale or disposal of shares of the Company that are held as private assets by shareholders with a tax residence in Germany and which were acquired after December 31, 2008, are generally taxable regardless of the length of time held. The tax rate is generally a uniform 25% plus the currently 5.5% solidarity surcharge thereon (resulting in an aggregate tax rate of 26.375%) as well as any church tax, if applicable.

The taxable capital gains are the difference between (i) the proceeds from the sale or disposal of the shares after deducting the direct sales or disposal costs and (ii) the acquisition costs of the shares. Under certain conditions, prior payments from the tax recognized contribution account (*steuerliches Einlagekonto*) reduce the acquisition costs of the shares and may lead to negative acquisition costs, which can increase the taxable gains if such shares are held as private assets and do not qualify as a Qualified Participation. Losses on the sale or disposal of shares can only be used to offset gains made on the sale or disposal of shares (in the Company or in other stock corporations) during the same assessment period or in subsequent assessment period.

If the shares are held in custody or administered by a domestic bank or financial services institution (including the domestic branches of foreign banks and financial services institutions), a domestic securities institution, or if such entity or branch sells or disposes the shares and pays out or credits the capital gains (each a "**Domestic Paying Agent**"), such Domestic Paying Agent withholds a withholding tax of 25% plus currently 5.5% solidarity surcharge thereon and any church tax, if applicable, and remits such taxes to the tax authority. In such a case, the tax on the capital gain will generally be discharged. If the shares were only held in custody or administered by the respective Domestic Paying Agent continuously after acquisition, the amount of taxes withheld is generally based on the difference between the proceeds from the sale, after deducting expenses directly related to the sale, and the amount paid to acquire such shares. The withholding tax rate of 25% plus the currently 5.5% solidarity surcharge thereon and any church tax, if applicable, will, however, be applied to 30% of the gross sales proceeds, if the shares were not administered by the same custodian bank since acquisition and the original cost of the shares cannot be verified or such verification is not admissible. In this case, the shareholder is entitled to, and in case the actual gain is higher than 30% of the gross proceeds required to, verify the original costs of the shares in his or her annual tax return.

Entities required to collect withholding taxes on capital investment income are also required to withhold the church tax for shareholders who are subject to church tax, unless the shareholder objects in writing to the German Federal Central Office of Taxation (*Bundeszentralamt für Steuern*) against the sharing of his or her private information regarding his or her affiliation with a denomination (*Sperrvermerk*). If

church tax is withheld and remitted to the tax authority as part of the withholding tax deduction, then the church tax on the capital gain is also deemed to be discharged when it is deducted. The withheld church tax cannot be deducted in the tax assessment as a special expense (*Sonderausgabe*). Yet 26.375% of the church tax withheld on the capital gain is deducted from the withholding tax (including the solidarity surcharge) withheld.

Shareholders who are subject to German residents' taxation and hold their shares as private assets may realize capital gains without deduction of tax on capital investment income and solidarity surcharge (and church tax, if applicable) if certain prerequisites are met, particularly if the shareholder has provided a non-assessment certificate (*Nichtveranlagungs-Bescheinigung*) or an exemption instruction (*Freistellungsauftrag*) and the exempt amount indicated therein has not yet been exhausted.

If withholding tax or, if applicable, church tax on capital gains is not withheld by a Domestic Paying Agent, the respective shareholder is required to declare the capital gains in his or her income tax return. The income tax, the solidarity surcharge and any applicable church tax on the capital gains will then be collected by way of assessment.

In general, it is not possible to deduct income-related expenses in connection with capital gains, except for expenses directly related in substance to the disposal, which can be deducted when calculating the capital gains. Only the savers' allowance (*Sparerpauschbetrag*) of €1,000.00 (€2,000.00 for jointly filing individuals) may be deducted from the entire capital investment income.

A shareholder may request that all of his or her items of capital investment income, along with his or her other taxable income, are subject to the progressive income tax rate instead of the uniform tax rate for private capital investment income if this lowers his or her tax burden. In such case, the base for taxation would be the gross income less the savers' allowance of €1,000.00 (€2,000.00 for jointly filing individuals). The prohibition on deducting income related costs and the restrictions on offsetting losses also apply to tax assessments based on the progressive income tax rate. Any tax already withheld would be credited against the income tax so determined, and any overpayment refunded.

One exception to this rule is that a shareholder's capital gains are subject to the partial income method (*Teileinkünfteverfahren*) and not the Flat Tax. Consequently, 60% of the proceeds from the sale or disposal of shares are subject to the individual income tax rate, if the shareholder, or his or her legal predecessor in case of acquisition without consideration, has directly or indirectly held shares equal to at least 1% of the Company's share capital at any time during the previous five years. 60% of the expenses economically related to the proceeds from the sale or disposal of shares are tax deductible. The partial income method does, however, not apply with respect to church tax (if applicable).

In the case of a Qualified Participation, withholding tax (including the solidarity surcharge and church tax, if applicable) is also withheld by the Domestic Paying Agent. The tax withheld, however, is not treated as a final tax. Hence, the shareholder is required to declare the gains from the sale or disposal in his or her income tax return. The withholding tax (including solidarity surcharge and church

tax, if applicable) withheld and remitted to the German tax authorities is credited against the respective shareholder's personal income tax liability, and any overpayment will be refunded.

(ii) Shares and Subscription Rights Held as Business Assets

The Flat Tax does not apply to proceeds from the sale or disposal of shares held as business assets by shareholders tax resident in Germany. If the shares form part of a shareholder's business assets, taxation of the capital gains realized will then depend upon whether the shareholder is a corporation, sole proprietor or partnership. Dividend payments that are funded from the Company's tax recognized contribution account (*steuerliches Einlagekonto*) reduce the original acquisition costs/book value. This may give rise to a higher taxable capital gain in case of a sale or disposal of shares. If the dividend payments funded from the Company's tax recognized contribution account (*steuerliches Einlagekonto*) exceed the shares' book value for tax purposes, a taxable capital gain may arise.

If a Domestic Paying Agent is involved, the proceeds from the sale or disposal of shares of the Company held as business assets are generally subject to the same withholding tax rate as those of shareholders whose shares are held as private assets (see "*18.1.4.1(i) Shares Held as Private Assets*"). The Domestic Paying Agent may, however, refrain from withholding the withholding tax if (i) the shareholder is a corporation, association or estate with its tax residence in Germany, or (ii) the shares form part of the shareholder's domestic business assets, and the shareholder informs the Domestic Paying Agent of this on the officially prescribed form and meets certain additional prerequisites. If the Domestic Paying Agent nevertheless withholds taxes, the withholding tax withheld and remitted (including the solidarity surcharge and church tax, if applicable) will be credited against the relevant shareholder's income tax or corporate income tax liability (including the solidarity surcharge and church tax, if applicable) and any excess amount will be refunded.

(1) Corporations

In general, capital gains earned from the sale or disposal of shares by corporations resident in Germany are exempt from corporate income tax (including the solidarity surcharge) and trade tax, irrespective of the stake represented by the shares and the length of time the shares are held. 5% of the capital gains are, however, treated as a non-deductible business expenses and, as such, are subject to corporate income tax (plus the solidarity surcharge thereon) and to trade tax. As a rule, losses on disposals and other profit reductions in connection with shares (*e.g.*, from a write-down) cannot be deducted as business expenses. Losses from the sale or disposal of shares and any reductions in profits connected therewith generally do not qualify as tax-deductible business expenses.

(2) Sole proprietors (Individuals)

If the shares of the Company were acquired after December 31, 2008, and form part of the business assets of a sole proprietor (individual) who is tax resident in Germany, 60% of the capital gains on their sale or disposal are subject to the individual's personal tax rate plus the solidarity surcharge thereon (partial income method). Correspondingly, only 60% of losses

from such sales or disposals and 60% of expenses economically related to such sales or disposals are deductible. For church tax, if applicable, the partial income method does not apply. If the shares are held as business assets of a commercial permanent establishment located in Germany, 60% of the capital gains are also subject to trade tax. The trade tax is fully or partially credited as a lump sum against the shareholder's personal income tax liability, depending on the tax rate imposed by the local municipality and certain individual tax-relevant circumstances of such shareholder.

(3) Commercial Partnerships

If the shareholder is a partnership, personal income tax or corporate income tax, as the case may be, is assessed at the level of each partner rather than at the level of the partnership. The taxation of each partner depends upon whether the respective partner is a corporation or an individual. If the partner is a corporation, the tax principles applying to capital gains which are outlined in subsection "*18.1.4.1(ii)(1) Shares and Subscription Rights Held as Business Assets - Corporations*" apply. If the partner is an individual, the tax principles applying to capital gains that are outlined in subsection "*18.1.4.1(ii)(2) Shares and Subscription Rights Held as Business Assets - Sole proprietors (Individuals)*" apply. Upon application and provided that additional prerequisites are met, an individual who is a partner may obtain a reduction of his or her personal income tax rate for profits not withdrawn from the partnership. In addition, capital gains from the sale or disposal of shares attributable to a permanent establishment maintained in Germany by an actual or presumed commercial partnership are subject to trade tax at the level of the partnership. In such case, generally only 60% of the gains are subject to trade tax to the extent the partners in the partnership are individuals, while 5% are subject to trade tax to the extent the partners are corporations and shares are sold. Under the principles discussed above, losses on sales, disposals and other reductions in profit related to the shares sold are generally not deductible, if the partner is a corporation and are taken into account at 60% in the context of general limitations if they are attributable to the profit share of an individual. If the partner is an individual, the trade tax the partnership pays on his or her share of the partnership's income is generally credited as a lump sum, in full or in part, against his or her personal income tax liability, depending on the tax rate imposed by the local municipality and certain individual tax-relevant circumstances of the respective shareholder.

If the shareholder is an Opting Partnership, any gain from the sale or disposal of the shares is subject to corporate tax and trade tax generally according to the same rules that apply to corporations (see "*18.1.4.1(ii)(1) Shares and Subscription Rights Held as Business Assets - Corporations*" above). If the Opting Partnership has, upon the election for the treatment as a corporation for German income tax purposes, applied for a tax-neutral roll-over of the book value of the shares, the sale or disposal of the shares within a period of seven years after the election took

effect will generally result in a retroactive taxation of the built-in gains in the shares at that time.

(4) Financial and Insurance Sector

Special rules apply to capital gains realized by companies operating in the financial and insurance sectors, as well as pension funds (see "*18.1.5 Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds*").

18.1.4.2 Taxation of Capital Gains of Shareholders without a Tax Residence in Germany

Capital gains realized by a shareholder without a tax residence in Germany are only subject to German income tax if the selling shareholder holds a Qualified Participation or if the shares form part of the business assets of a permanent establishment in Germany or of business assets for which a permanent representative is appointed.

If the shareholder is an individual and holds a Qualified Participation as a private asset, only 60% of the gains on the sale or disposal of the shares are subject to progressive income tax, plus solidarity surcharge thereon. Where a Domestic Paying Agent is involved, withholding tax on capital gains is generally levied at a rate of 25%, plus 5.5% solidarity surcharge thereon. If, however, (i) the shares are not held through a permanent establishment or fixed place of business or as business assets for which a permanent representative is appointed in Germany and (ii) a Domestic Paying Agent is involved, then the German tax authorities have taken the view that the Domestic Paying Agent is, in general, not required to withhold tax on capital investment income, plus solidarity surcharge thereon. In case of a Qualified Participation, the capital gains must be declared in a tax return and are taxed by way of a tax assessment, subject to an exemption under a double taxation treaty or under domestic law.

For gains or losses on the sale or disposal of shares that can be allocated to a domestic permanent establishment or fixed place of business, or which are part of business assets for which a permanent representative in Germany has been appointed, the aforementioned principles for shareholders with a tax residence in Germany whose shares are business assets apply accordingly (see "*18.1.4.1(ii) Shares and Subscription Rights Held as Business Assets*"). The Domestic Paying Agent may refrain from deducting withholding tax, if the shareholder declares to the Domestic Paying Agent on the official form that the shares form part of domestic business assets and certain other requirements are met.

Most double taxation treaties provide for an exemption from German taxes, assigning the right of taxation to the shareholder's country of tax residence in the former case, provided that not more than 50% of the Company's value comprise of German real estate.

18.1.5 Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds

As an exception to the aforementioned rules, Dividends paid to, and capital gains realized by, certain companies in the financial and insurance sector are fully taxable. This applies to Dividends received on, as well as gains from the sale or disposal of, shares that are allocated to the trading portfolio (*Handelsbestand*) within the meaning of Section 340e para. 3 HGB of credit institutions, securities institutions and financial services institutions, and shares that are, upon acquisition of the shares, allocated to the current assets (*Umlaufvermögen*) of a financial enterprise (*Finanzunternehmen*) within the meaning of the German Banking Act (*Kreditwesengesetz* – KWG) that is directly or indirectly held by a credit institution or

financial services institution, securities institution to more than 50%. The same applies to shares of the Company held as investments by life insurance providers, health insurance providers and pension funds. If the shareholding at the beginning of the relevant assessment period is 15% or higher, the Dividends may, subject to certain conditions, be fully exempted from trade tax, but not for life insurance providers, health insurance providers and pension funds. Yet an exemption to the foregoing (*i.e.*, and thus a 95% effective tax exemption) applies to Dividends obtained by the aforementioned companies to which the Parent-Subsidiary Directive applies. Further relief from German taxation might be obtained pursuant to an applicable double taxation treaty, subject to further prerequisites.

18.1.6 Abolishment of Solidarity Surcharge

The solidarity surcharge has been partially abolished as of the assessment period 2021 for certain individuals. The solidarity surcharge shall, however, continue to apply for capital investment income and, thus, on withholding taxes levied. In case the individual income tax burden for a non-business shareholder tax resident in Germany is lower than 25% such shareholder can apply for his or her capital investment income being assessed at his or her individual tariff-based income tax rate in which case solidarity surcharge would be refunded.

18.1.7 Inheritance and Gift Tax

The transfer of shares to another person by inheritance or gift is generally only subject to German inheritance or gift tax if:

(i) the decedent, donor, heir, beneficiary or other transferee maintained his or her residence or habitual abode in Germany, or had its place of management or registered offices in Germany at the time of the transfer, or is a German citizen who has spent no more than five consecutive years (this term is extended to ten years for German expatriates with residence in the United States) prior to the transfer outside Germany without maintaining a residence in Germany (special rules apply to certain former German citizens who neither maintain their residence nor have their habitual abode in Germany); or

(ii) the shares were held by the decedent or donor as part of business assets for which a permanent establishment was maintained in Germany or for which a permanent representative in Germany had been appointed; or

(iii) the decedent or donor, either individually or collectively with related parties, held, directly or indirectly, at least 10% of the Company's registered share capital at the time of the inheritance or gift.

The few German double taxation treaties relating to inheritance tax and gift tax currently in force usually provide that the German inheritance tax or gift tax can only be levied in the cases of section (i) above, and also with certain restrictions in case of section (ii) above. Special provisions apply to certain German nationals living outside Germany and former German nationals.

The fair value of the shares represents the tax assessment base, which generally corresponds to the stock exchange price of the Company's shares. Depending on the degree of relationship between decedent or donor and recipient, different tax-free allowances and tax rates apply.

18.2 Proposed Abolishment of German Flat Tax

There is an ongoing discussion in Germany whether the Flat Tax (see above) should be increased or abolished altogether so that investment income would be taxed at regular rates. It is still unclear whether, how and when the current discussion may result in any legislative change.

18.3 The Proposed Financial Transactions Tax

On February 14, 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a directive for a common financial transaction tax in certain participating member states of the EU, including Germany. Such directive could, depending on the actual circumstances, apply to certain transactions in the Company's shares, including with respect to secondary market transactions. The issuance and subscription of shares should, however, be exempt. The Commission's Proposal remains subject to negotiations between the participating member states of the EU, and it is currently unclear in what form and when the Commission's Proposal will be implemented, if at all. Besides the proposed financial transaction tax, some jurisdictions (*e.g.*, Italy and France) have already introduced a domestic financial transaction tax that may apply to certain dealings in the Securities in certain circumstances. In Germany, the introduction of a domestic financial transaction tax has also been discussed in the past, though not yet implemented. Prospective shareholders are advised to monitor future developments closely and should consult their own tax advisors in relation to the consequences of a financial transaction tax. Other jurisdictions may also introduce a domestic financial transaction tax.

Prospective shareholders of the shares of the Company are advised to seek their own professional advice in relation to the financial transaction tax and domestic financial transaction taxes.

18.4 Other Taxes

No German transfer tax, value-added tax, stamp duty or similar taxes are assessed on the issuance, subscription, purchase, sale or other transfer of shares of the Company. Provided that certain requirements are met, an entrepreneur may, however, opt for the payment of value-added tax on transactions that are otherwise tax exempt. Net wealth tax (*Vermögensteuer*) is currently not imposed in Germany.

19. FINANCIAL INFORMATION

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19.1 Audited Consolidated Financial Statements 2024 (IFRS)

19.1.1 Consolidated statement of profit or loss

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

19.1.2 Consolidated statement of other comprehensive income

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

Total comprehensive income for the period attributable to:			
Owners of PFISTERER Holding SE		32,925	19,966
Non-controlling interests	5.5	2,418	1,341
Total comprehensive income for the period		35,343	21,307

19.1.3 Consolidated statement of financial position

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

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

19.1.4 Consolidated statement of cash flows

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

19.1.5 Consolidated statement of changes in equity

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

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

19.1.6 Notes to the consolidated financial statements

1. Basis of preparation

1.1 Reporting entity

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

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

1.2 Basis of accounting

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

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

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

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

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

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

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

1.3 First-time apoption of IFRS

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

IFRS 1 allows the application of certain exceptions to the retrospective application of other IFRSs for each first-time adopter of IFRS. The Group applies the following practical expedients in its consolidated financial statements as of December 31, 2024:

- From the date of initial application, PFISTERER recognizes a lease liability in accordance with IFRS 16 for all its leases as of January 1, 2023. The lease liability is measured at the present value of the outstanding lease payments, discounted with the Group's incremental borrowing rate. A corresponding right-of-use asset is recognized at cost, which is the sum of the present value of the outstanding lease payments and any lease payments made at or before the commencement date, less any lease incentives received. The Group applies a uniform discount rate for a portfolio of lease agreements with similar characteristics. PFISTERER does not apply the requirements of IFRS 16 to leases with a remaining term of less than twelve months at the date of transition to IFRS or to leases for assets of low value (up to EUR 5,000). The Group excludes initial direct costs when measuring the right to use the asset at the time of transition to IFRS. PFISTERER considers subsequent modifications e.g. when determining the term of the lease if the contract contains options to extend or terminate the lease.
- The Group applies the transitional provisions for revenue from contracts with customers in accordance with IFRS 1.D35, whereby contracts with customers that were fulfilled before the transition date for IFRS are not to be remeasured. A fulfilled contract is a contract for which the Group has transferred all goods and services that have been identified in accordance with the previously applicable accounting principles under HGB.

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

Consolidated statement of cash flows

For the period from January 1 to December 31, 2023

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

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

A. Goodwill

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

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

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

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

B. Internally generated intangible assets

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

C. Leases

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

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

In the consolidated statement of profit or loss, amortization on the one hand and finance costs on the other increased due to the application of the effective interest method to the lease liabilities. Lease payments recognized under other operating expenses in accordance with previously applied accounting principles, were eliminated accordingly. For further information on the amounts recognized in the consolidated income statement, please refer to note 2.8 and note 4.3.

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

D. Inventories

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

E. Financial assets

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

F. Employee benefits

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

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

G. Provisions

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

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

H. Further adjustments

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

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

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

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

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

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

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

€ thousand	Note	HGB 31.12.2022	Reclassifications and remeasurements	IFRS 01.01.2023
Assets				
Intangible assets	4.1	2,111	670	2,781
Property, plant and equipment	4.2	33,198	-470	32,728
Right-of-use assets	4.3	0	23,765	23,765
Financial assets	6.2	3,092	0	3,092
Other non-financial assets	4.5	1,528	-810	718
Deferred tax assets	13	5,873	-871	5,002
Non-current assets		45,801	22,284	68,085
Inventories	4.4	51,279	3,715	54,994
Trade receivables	6.1	43,556	789	44,344
Financial assets	6.2	4,401	4,200	8,602
Other non-financial assets	4.5	2,962	0	2,962
Income tax receivables	13	816	0	816
Cash and cash equivalents	6.3	24,097	-4,200	19,897
Current assets		127,112	4,504	131,615
Total assets		172,913	26,787	199,700

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

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

€ thousand	Note	HGB 31.12.2023	Reclassifications and remeasurements	IFRS 31.12.2023
Assets				
Intangible assets	4.1	3,616	1,983	5,598
Property, plant and equipment	4.2	31,087	-360	30,728
Right-of-use assets	4.3	0	26,856	26,856
Financial assets	6.2	128	0	128
Other non-financial assets	4.5	1,513	-608	905
Deferred tax assets	13	6,730	-856	5,874
Non-current assets		43,074	27,015	70,090
Inventories	4.4	61,674	6,176	67,850
Trade receivables	6.1	50,398	1,235	51,633
Financial assets	6.2	4,629	3,830	8,459
Other non-financial assets	4.5	2,914	0	2,914
Income tax receivables	13	81	-23	58
Cash and cash equivalents	6.3	13,963	-3,830	10,134
Current assets		133,660	7,388	141,048
Total assets		176,734	34,404	211,138

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

Reconciliation of equity

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

Reconciliation of comprehensive income

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

Reconciliation of consolidated cash flows

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

1.4 Significant estimates and judgements

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

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

1.4.1 Judgements

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

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

1.4.2 Assumptions and uncertainties in estimation

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

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

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

2 Summary of significant accounting policies

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

2.1 Principles of consolidated and at-equity accounting

2.1.1 Subsidiaries

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

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

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

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

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

2.1.2 Associates

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

2.1.3 Equity method

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

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

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

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

2.2 Foreign currency translation

2.2.1 Functional currency and reporting currency

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

2.2.2 Transactions and balances

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

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

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

2.2.3 Subsidiaries

Subsidiaries whose functional currency is the respective local currency

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

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

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

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

Subsidiaries whose functional currency is not the respective local currency

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

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

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

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

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

2.2.4 Hyperinflation

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

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

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

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

2.2.5 Exchange rates

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

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

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

2.3 Revenue from contracts with customers

Performance obligations and methods of revenue recognition

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

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

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

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

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

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

Cable Accessories HVAC (HVA)

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

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

Cable Accessories MVAC (MVA)

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

Cable Accessories HVDC (HVD)

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

Overhead Lines Insulators and Fittings (OHL)

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

Connectors, Safety and Cabinets (COM)

In the COM product segment, PFISTERER Group offers bolted connection solutions for conductors up to 4,000 mm² depending on the voltage level (from low to extra-high voltage), as well as branch and connection systems for low-voltage cables using insulation piercing contact systems. The portfolio is complemented by products that are needed for the safety of people and equipment, as well as low-voltage distribution cabinets.

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

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

Product manufacturing

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

Services

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

2.4 Intangible assets and goodwill

2.4.1 Goodwill

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

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

2.4.2 Internally generated intangible assets

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

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

2.4.3 Separately acquired intangible assets

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

2.4.4 Amortization

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

The estimated useful lives are:

- Patents and licenses: 3 -10 years,
- Internally generated intangible assets: 5 years,
- Separately acquired intangible assets: 3 - 5 years.

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

2.5 Property, plant and equipment

2.5.1 Measurement

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

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

2.5.2 Depreciation

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

- Buildings: 10-60 years,
- Technical equipment and machinery: 6-15 years,

- Improvements to property: 10-15 years,
- Operating and office equipment: 3-10 years.

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. They are recognized in profit or loss.

2.6 Government grants

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

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

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

2.7 Impairment of assets

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

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

2.8 Leases

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

- The contract involves the use of an identified asset. This can be established explicitly or implicitly and should be physically separable or represent substantially all of the capacity of a physically separable asset. If the supplier has a material substitution right, the asset is not identified as a lease,
- The Group has the right to obtain substantially all of the economic benefits from using the asset throughout the period of use, and

- The Group has the right to direct the use of the asset. The Group has this right if it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset when:
    - the Group has the right to operate the asset; or
    - the Group has designed the asset in such a way that it determines the manner and purpose of its use in advance.

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

2.8.1 The Pfisterer Group as lessee

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

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

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

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

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

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option if there is a revised in-substance fixed lease payment.

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

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

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

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

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

2.9 Inventories

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

2.10 Financial assets

2.10.1 Classification

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

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

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

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

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

2.10.2 Recognition and derecognition

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

2.10.3 Measurement

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

Debt instruments

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

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

Equity instruments

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

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

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

2.10.4 Loss allowances

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

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

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

2.10.5 Trade receivables

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

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

2.10.6 Cash and cash equivalents

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

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

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

2.11 Trade payables and other financial liabilities

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

2.12 Derivatives and hedging transactions

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

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

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

The fair values of derivative financial instruments designated in hedge relationships are disclosed in note 6.6. Movements in the hedging reserve in shareholders' equity is shown in note 5.5.

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

Cash flow hedges that qualify for hedge accounting

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

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

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

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

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

- Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the option contracts or the deferred forward points, if any, are included in the initial cost of the asset. The deferred amounts are ultimately recognized in the consolidated statement of profit or loss if the hedged item affects profit or loss (for example through cost of sales).
- The gain or loss relating to the effective portion of interest rate swaps, hedging variable interest rate borrowings, is recognized in the consolidated statement of profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

2.13 Financial liabilities

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

or all of the facility will be drawn down, the fee is capitalized as prepayment for liquidity services and amortized over the period of the facility to which it relates.

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

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

2.14 Provisions

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

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

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

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

2.15 Equity

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

2.16 Current and deferred taxes

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

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

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

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

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

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

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

2.17 Employee benefits

2.17.1 Short-term employee benefits

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

2.17.2 Post-employee benefits

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

Pension obligations

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

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

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

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

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

Defined contribution obligations

For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are

due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.17.3 Termination benefits

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

2.18 Shared-based payments

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

2.19 New standards and amendments

2.19.1 Application of new standards and interpretations

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

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

2.19.2 New standards and interpretations not yet adopted

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

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

3 Notes to the consolidated statement of profit or loss

3.1 Revenue from contracts with customers

3.1.1 Classification of revenue from contracts with customers

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

Primary geographical markets

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

Primary product and service groups

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

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

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

3.1.2 Contract liabilities

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

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

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

The contract liabilities have developed as follows:

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

3.2 Income and expenses

3.2.1 Cost of sales

Cost of sales comprise the following items:

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

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

3.2.2 Selling expenses

Selling expenses comprise the following items:

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

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

3.2.3 Research and development costs

Research and development costs include the following items:

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

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

3.2.4 Administrative costs

Administrative costs include the following items:

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

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

3.2.5 Other income

Other income includes the following items:

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

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

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

3.2.6 Other expenses

Other expenses include the following items:

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

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

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

3.2.7 Financial result

Financial result includes the following items:

€ thousand	2024	2023
Financial income		
Other interest and similar income	361	276
Financial income	361	276

Financial expenses		
Interest expense due to banks	-2,329	-4,370
Interest expense on provisions	-190	-377
Interest expense on factoring	-652	-1,750
Interest expense on leases	-1,161	-1,073
Others	347	-1,019
Financial expenses	-3,984	-8,589

Financial result	-3,624	-8,313

4 Non-financial assets and liabilities

4.1 Intangible assets

4.1.1 Acquisition and production costs

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

4.1.2 Amortization and impairment losses

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

4.1.3 Carrying amounts

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

4.1.4 Capitalization of borrowing costs

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

4.1.5 Assessing intangible assets not yet in use for impairment

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

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

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

4.1.6 Impairment test of goodwill

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

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

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

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

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

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

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

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

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

4.2 Property, plant and equipment

4.2.1 Acquisition and manufacturing costs

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

4.2.2 Depreciation and impairment losses

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

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

In the financial year 2024, the Group received a compensation of € 2,450 thousand (2023: € 0 thousand) from insurance companies for the fire damage suffered by several items of property, plant and equipment.

4.2.3 Carrying amounts

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

4.3 Leases

4.3.1 Right-of-use assets

Acquisition and production costs – right-of-use assets

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

Amortization – right-of-use assets

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

Carrying amounts – right-of-use assets

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

Lease liabilities

Lease liabilities include the following positions:

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

4.3.2 Amounts recognized in the consolidated statement of profit or loss

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

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

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

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

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

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

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

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

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

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

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

Payments for short-term leases of all asset classes and leases based on low-value assets are recognized as expenses in the consolidated statement of profit or loss on a straight-line basis. Short-term leases are leases with a term of up to 12 months without a purchase option. Low-value assets include IT equipment and smaller office furniture.

4.3.4 Extension and termination options

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

Critical estimates in determining the lease term:

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

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

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

4.4 Inventories

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

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

Amounts recognized in the consolidated statement of profit or loss

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

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

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

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

4.5 Other non-financial assets

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

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

4.6 Other non-financial liabilities

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

Current	5,746	4,776	4,123
Non-current	804	846	19

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

4.7 Provisions

€ thousand	Provisions for onerous contracts	Provisions for guarantee and warranty	Provisions for restructuring	Other provisions	Total
January 1, 2023	226	3,931	0	953	5,110
Additions	593	4,080	0	436	5,110
Reversal	0	-223	0	-24	-247
Utilization	-388	-826	0	-135	-1,349
Exchange differences	0	-71	0	-95	-166
December 31, 2023	431	6,892	0	1,136	8,458
Non-current	0	0	0	59	59
Current	431	6,892	0	1,077	8,399

€ thousand	Provisions for onerous contracts	Provisions for guarantee and warranty	Provisions for restructuring	Other provisions	Total
January 1, 2024	431	6,892	0	1,136	8,458
Additions	9	4,330	3,668	1,899	9,905
Reversal	0	-1,100	0	-211	-1,311
Utilization	-243	-201	0	-1,163	-1,607
Exchange differences	0	88	0	-2	86
December 31, 2024	196	10,009	3,668	1,659	15,532
Non-current	0	0	0	59	59
Current	196	10,009	3,668	1,600	15,473

Provisions for onerous contracts

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

Provisions for guarantee and warranty

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

Provisions for restructuring

In the financial year 2024, the Group recognized a provision for restructuring of a part of a subsidiary as a result of the fire in Wunsiedel, Germany. This provision includes consulting costs, costs for contract terminations, and

employee termination benefits. The estimated costs are based on the terms of the corresponding contracts. PFISTERER expects the completion of restructuring procedures in the financial year 2025.

Other provisions

Other provisions consist primarily of provisions for litigation and archiving.

5 Equity

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

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

5.1 Subscribed capital

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

5.2 Capital reserves

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

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

5.3 Retained earnings

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

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

5.4 Other reserves

Foreign currency conversion

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

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

Actuarial gains and losses

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

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

Hedging transactions

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

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

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

5.5 Non-controlling interests

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

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

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

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

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

6 Financial assets and financial liabilities

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

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

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

The Group holds the following financial instruments:

Financial assets at amortized cost

€ thousand	31.12.2024	31.12.2023	01.01.2023
Trade receivables	53,356	51,633	44,344
Factoring receivables	1,600	1,726	2,125
Other financial assets	4,774	3,032	5,368
Cash and cash equivalents	12,494	10,134	19,897
Total	72,223	66,524	71,735

Non-current	154	128	3,092
Current	72,070	66,396	68,643

Financial liabilities at amortized cost

€ thousand	31.12.2024	31.12.2023	01.01.2023
Trade payables	28,145	18,061	29,354
Financial liabilities	33,483	50,534	69,221
Lease liabilities	26,525	27,344	23,138
Contract liabilities	9,232	10,805	5,964
Other financial liabilities	4,942	3,672	5,498
Total	102,328	110,416	133,174

Non-current	19,704	68,534	49,915
Current	82,624	41,883	83,258

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

6.1 Trade receivables

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

6.1.1 Classification as trade receivables

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

6.1.2 Fair values of trade receivables

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

6.1.3 Impairments and risk exposure

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

6.2 Other financial assets at amortized cost

6.2.1 Classification of financial assets measured at amortized cost

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

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

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

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

6.2.2 Fair values of other financial assets at amortized cost

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

6.2.3 Impairment and risk exposure

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

6.3 Cash and cash equivalents

€ thousand	31.12.2024	31.12.2023	01.01.2023
Bank deposits	12,494	10,134	19,897
Cash at hand	0	0	0
Total	12,494	10,134	19,897

Current	12,494	10,134	19,897
Non-current	0	0	0

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

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

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

6.4 Trade payables and other financial liabilities

€ thousand	31.12.2024	31.12.2023	01.01.2023
Trade payables	28,145	18,061	29,354

Current	28,145	18,061	29,354
Non-current	0	0	0

€ thousand	31.12.2024	31.12.2023	01.01.2023
Outstanding invoices	1,594	1,600	2,907
Liabilities for audit fees	908	513	427
Liabilities for legal and consulting fees	932	730	1,024
Customers with a credit balance	1,098	393	198
Further other financial liabilities	411	435	942
Total	4,942	3,672	5,498

Current	4,942	3,672	5,472
Non-current	0	0	25

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

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

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

6.5 Financial liabilities

Financial liabilities comprise the following items:

€ thousand	31.12.2024	31.12.2023	01.01.2023
Loans from banks	30,908	46,472	32,023
Money market loans	0	103	33,786
Financial instruments (hedging transactions)	267	242	0
Overdraft facility	2,308	3,716	3,411
Total	33,483	50,534	69,221

Current	33,059	4,678	38,573
Non-current	424	45,856	30,647

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

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

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

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

6.6 Financial instruments measured at fair value

6.6.1 Fair value hierarchy

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

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

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

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

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

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

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

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

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

6.6.2 Net gains and losses

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

€ thousand	Measurement category in accordance with IFRS 9	2024	2023
Financial assets at amortized costs	FAAC	-649	-1,357
Financial liabilities at amortized costs	FLAC	-3,247	-6,551
Recognized in the consolidated statement of profit or loss		-3,896	-7,908

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

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

6.6.3 Valuation techniques used to determine fair value

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

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

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

7 Financial risk management

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

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

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

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

7.1 Market risk

7.1.1 Foreign currency risk

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

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

01.01.2023

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

31.12.2023

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

31.12.2024

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

The following significant exchange rates were applied:

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

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

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

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

7.1.2 Interest rate risk

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

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

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

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

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

Sensitivity

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

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

Derivative financial instruments

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

Classification of derivatives

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

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

Measurement at fair value

For information on the methods and assumptions used to determine the fair value of derivatives, please refer to note 6.6.3.

Hedging transactions

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

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

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

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

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

7.2 Credit risk

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

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

7.2.1 Risk management

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

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

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

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

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

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

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

7.2.2 Impairment of financial assets

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

- Trade receivables.

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

Trade receivables

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

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

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

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

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

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

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

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

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

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

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

Significant estimates and judgments

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

7.3 Liquidity risk

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

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

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

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

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

Maturities of financial liabilities

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

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

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

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

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

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

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

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

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

8 Capital management

8.1 Risk management

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

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

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

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

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

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

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

8.2 Covenants

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

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

Net financial liabilities are the sum of all financial liabilities of the Group with the exception of liabilities for derivative transactions entered to hedge against or take advantage of interest rate or price fluctuations, less cash and cash equivalents. The Group complied with these requirements during the reporting period. There are no

indications that the company may have difficulty complying with the covenants at its next review on March 31, 2025, and June 30, 2025.

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

8.3 Dividends

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

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

8.4 Earnings per share

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

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

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

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

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

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

9 Contingent liabilities

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

10 Interests in other entities

10.1 Subsidiaries

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

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

[1]The list includes all subsidiaries that make use of the exemption from disclosure obligations in accordance with § 264b HGB.

[2]On December 10, 2024, the shares in the entity were sold and the entity was deconsolidated.

[3]The shares are held by Ceramic International B.V., Amsterdam, Netherlands.
On December 24, 2024, the entity was dissolved and deconsolidated.

[4]The shares are held by PFISTERER S.r.l., Novate Milanese, Italy.

[5]The entity was founded on July 29, 2024.

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

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

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

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

Summarized financial information on subsidiaries

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

Summarized statement of financial position

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

Summarized statement of comprehensive income

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

Summarized statement of cash flows

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

10.2 Investments in associates

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

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

*The shares are held by PFISTERER SAS, Rixheim, France.

Summarized financial information on associated companies

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

11 Employee benefits

11.1 Defined benefit obligations

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

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

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

Changes in net defined benefit obligations

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

€ thousand Change in net defined benefit obligation	Defined benefit obligation	Fair value of plan assets	Net debt (net assets)	Defined benefit obligation	Fair value of plan assets	Net debt (net assets)
	2024			2023		
As of January 1	48,649	-24,332	24,316	45,275	-22,596	22,679
Recognized in (profit) or loss	0	0	0	0	0	0
Current service cost	844	0	844	806	0	806
Past service cost	31	0	31	0	0	0
Interest expense/Interest income	830	-384	446	1,372	-499	874
Administrative costs	605	0	605	542	0	542
	0	0	0	0	0	0
Recognized in other comprehensive income	0	0	0	0	0	0
Actuarial loss/gain from:	0	0	0	0	0	0
Demographic assumptions	0	0	0	0	0	0
Financial assumptions	2,487	0	2,487	3,493	0	3,493
Experience adjustment	659	0	659	644	0	644
Return on plan assets excluding interest income	0	-1,190	-1,190	0	-2,036	-2,036
Net exchange differences	-26	0	-26	118	0	118
	0	0	0	0	0	0
Others	0	0	0	0	0	0
Payments made under the plan	0	1,005	1,005	0	2,017	2,017
Contributions paid by the employer	-2,346	-769	-3,115	-3,603	-676	-4,279
Contributions paid by the employee	-59	-605	-664	0	-542	-542
Transfer from a subsidiary to a third party	-6,850	0	-6,850	0	0	
Deconsolidation	-875	0	-875	0	0	0
As of December 31	43,948	-26,274	17,675	48,649	-24,332	24,316

Expected contributions

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

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

Actuarial assumptions

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

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

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

Sensitivity analysis

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

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

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

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

11.2 Share-based payment agreements

11.2.1 Description of the share-based payment agreements

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

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

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

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

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

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

No options expired in the financial year 2023. In the fiscal year 2024, 81,070 options expired due to the termination of the employment contracts of beneficiary employees.

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

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

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

11.2.2 Determination of fair values

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

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

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

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

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

11.3 Expenses for employee benefits

Expenses for employee benefits include the following items:

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

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

12 Notes to the consolidated statement of cash flows

12.1 Non-cash effective investing and financing activities

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

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

12.2 Liabilities from financing activities

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

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

13 Income taxes

13.1 Taxes recognized in the consolidated statement of profit or loss

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

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

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

13.2 Taxes recognized in other comprehensive income

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

13.3 Reconciliation of the effective tax rate

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

13.4 Tax loss carryforwards

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

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

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

						As of December 31, 2023		
€ thousand	As of January 1	Recognized in the statement of profit or loss	Recognized in other comprehensive income	Recognized directly in equity	Acquired through business combination	Deferred tax receivables	Deferred tax liabilities	Net
Intangible assets	-173	-1,052	-0	0	0	35	-1,260	-1,225
Property, plant and equipment	665	170	-4	0	0	2,004	-1,173	830
Right-of-use assets	-5,012	-795	358	0	0	0	-5,449	-5,449
Inventories	858	812	-132	0	0	3,420	-1,882	1,538
Financial assets	36	-0	0	0	0	36	0	36
Trade receivables	-70	-27	-28	0	0	130	-255	-124
Other non-financial assets	54	16	2	0	0	90	-18	73
Financial liabilities	-57	61	70	0	0	73	0	73
Employee benefits	435	-62	549	0	0	2,857	-1,934	923
Lease liabilities	4,573	382	-0	0	0	4,954	0	4,954
Trade payables	-1	1	-35	0	0	0	-35	-35
Other non-financial liabilities	141	-229	66	0	0	78	-100	-22
Provisions	258	343	-144	0	0	1,187	-731	456
Reserve for exchange differences	0	-77	0	0	0	64	-140	-77
Tax losses carried forward	843	-138	0	0	0	705	0	705
Tax receivables (liabilities) before offsetting	2,549	-596	703	0	0	15,634	-12,978	2,656
Tax offsetting	0	0	0	0	0	-9,760	9,760	0
Tax receivables (liabilities) after offsetting	2,549	-596	703	0	0	5,874	-3,218	2,656

						As of December 31, 2024		
€ thousand	As of January 1	Recognized in the profit and loss statement	Recognized in other comprehensive income	Recognized directly in equity	Acquired through business combination	Deferred tax receivables	Deferred tax liabilities	Net
Intangible assets	-1,225	298	0	0	0	37	-964	-927
Property, plant and equipment	830	-125	18	0	0	1,824	-1,102	723
Right-of-use assets	-5,449	329	-10	0	0	0	-5,130	-5,130
Inventories	1,538	448	-58	0	0	3,951	-2,022	1,929
Financial assets	36	-95	0	0	0	42	-101	-59
Trade receivables	-124	33	-1	0	0	214	-306	-92
Other non-financial assets	73	-75	-1	0	0	110	-113	-3
Financial liabilities	73	-2	-9	0	0	80	0	80
Employee benefits	923	515	216	0	0	2,857	-1,156	1,701
Lease liabilities	4,954	-177	-1	0	0	4,777	0	4,777
Trade payables	-35	6	4	0	0	6	-31	-24
Other non-financial liabilities	-22	-97	100	0	0	174	-193	-19
Provisions	456	1,453	3	0	0	2,163	-250	1,913
Reserve for exchange differences	-77	80	0	0	0	103	-100	3
Special reserves	0	-127	0	0	0	0	-127	-127
Tax losses carried forward	705	667	-0	0	0	1,372	0	1,372
Tax receivables (liabilities) before offsetting	2,656	3,133	261	0	0	17,710	-11,595	6,115
Tax offsetting	0	0	0	0	0	-10,875	10,875	0
Tax receivables (liabilities) after offsetting	2,656	3,133	261	0	0	6,835	-719	6,115

14 Related party transactions

14.1 Ultimate controlling party

Based on a share of voting rights of 69,45% as of December 31, 2024 (December 31, 2023: 72,14%, January 1, 2023: 72,14%) Karl-Heinz Pfisterer directly controls Pfisterer Holding SE as the parent company of the Group.

With a share of voting rights of 25,82% as of December 31, 2024 (December 31, 2023: 25,82%, January 1, 2023: 25.82%) Anna Dorothee Stängel directly exercises significant influence over Pfisterer Holding SE.

14.2 Key management personnel compensation

Key management personnel include the Executive Board and Supervisory Board of Pfisterer Holding SE (for details on board composition, please refer to note 16.4 and note 16.5). The compensation of key management personnel includes the following items:

	Johannes Linden		Dr. Konstantin Kurfiss		Supervisory Board	
€ thousand	2024	2023	2024	2023	2024	2023
Current remuneration	418	415	438	438	334	320
Short-term variable remuneration	450	220	383	383	0	0
Long-term variable remuneration	0	0	45	45	0	0
Granted and owned	868	635	866	866	334	320
Share-based payment	495	42	495	42	0	0
Granted	495	42	495	42	0	0

The supplementary services include non-monetary benefits such as leasing fees for company vehicles, including a fuel card.

The short-term variable remuneration of the two members of the Executive Board for the 2024 financial year is based on a target achievement level of 150% (2023: 150%) due to the positive developments.

Share-based payment includes the share of the share-based payment program described in note 11.2 attributable to the two members of the Executive Board.

14.3 Related party transactions

The following related party transactions occurred during the reporting periods presented:

€ thousand	2024	2023
Leases to owners of the parent company	22	18
Benefits from defined benefit plans to owners of the parent company	71	71
Total	93	89

14.4 Outstanding balances from transactions with related parties

The following transactions with related parties were outstanding on the relevant reporting dates:

€ thousand	31.12.2024	31.12.2023	01.01.2023
Long-term employee benefits	712	745	652
Total	712	745	652

Long-term employee benefits include obligations from defined benefit plans to shareholders of the parent company resulting from a previous employment relationship within the PFISTERER Group.

15 Segment reporting

15.1 Identification of the CODM

Operating segments are reported consistently with the internal reporting provided to the Group´s Chief Operation Decision Maker (CODM).

The management board and supervisory board have been identified as the CODM of PFISTERER Group, assessing the Group´s net assets, financial position, results of operations, and making strategic decisions.

15.2 Basis for segmentation

The CODM evaluates performances from both product and geographic segment perspectives.

From a product perspective, the following five reportable operating segments were identified: HVA, MVA, HVD, COM and OHL. Please refer to note 2.3 for a description of the individual segments.

From a geographical point of view, the following regions can be derived from the recipient clients´ countries and are divided into the following four segments: America, Europe and Africa, Middle East and India, and Asia-Pacific.

15.3 Segment reporting by product groups

Information regarding the results of each reportable segment at the product group level is presented below. Segment profit (loss) before tax is used to assess profitability as the CODM believes this is the most relevant information in assessing the results of certain segments related to other entities that operate within these industries. Transfer prices between segments are set at arm's-length.

Fiscal year 2024

€ thousand	HVA	MVA	HVD	COM	OHL	Total
Revenue from contracts with customers	144,809	48,711	0	102,700	86,897	383,116
Cost of goods sold	-78,878	-31,968	0	-59,067	-61,317	-231,231
Marketing and distribution costs	-22,637	-5,725	0	-10,126	-15,688	-54,177
Research and development costs	-9,449	-2,931	-1,089	-3,347	-4,479	-21,295
Administrative costs	-12,492	-3,436	0	-9,435	-8,015	-33,378
Other income	6,062	722	144	2,499	15,690	25,115
Other expenses	-5,982	-242	0	-3,446	-10,173	-19,843
Impairment gains (losses) on financial assets	41	37	0	11	-442	-354
Operating result	21,472	5,167	-945	19,788	2,471	47,954
Depreciation and amortization	-5,590	-1,661	-20	-1,846	-3,074	-12,192
EBITDA	27,062	6,828	-925	21,634	5,545	60,145

Fiscal year 2023

€ thousand	HVA	MVA	HVD	COM	OHL	Total
Revenue from contracts with customers	112,692	34,168	0	92,597	94,684	334,140
Cost of goods sold	-65,993	-20,845	0	-53,534	-65,010	-205,382
Marketing and distribution costs	-20,229	-4,568	0	-9,101	-16,108	-50,006
Research and development costs	-8,168	-2,321	-594	-2,889	-4,037	-18,010
Administrative costs	-8,656	-2,532	0	-7,166	-6,659	-25,013
Other income	5,548	763	0	2,730	5,698	14,739
Other expenses	-4,016	256	-7	-914	-4,325	-9,006
Impairment gains (losses) on financial assets	169	-46	0	-157	165	132
Operating result	11,347	4,874	-601	21,567	4,407	41,594
Depreciation and amortization	-4,308	-1,527	-13	-2,031	-2,414	-10,292
EBITDA	15,654	6,401	-587	23,597	6,821	51,886

15.4 Segment reporting by geographic regions

Information regarding the results of each reportable segment based on geographical regions is presented below. Transfer prices between segments are set at arm's length.

Fiscal year 2024

€ thousand	North and South Amer-ica	Europe and Africa	Middle East and India	Asia-Pacific	Total
Revenue from contracts with customers	66,898	221,557	56,091	38,570	383,116
Cost of goods sold	-38,424	-132,322	-37,218	-23,266	-231,231
Marketing and distribution costs	-7,361	-32,143	-9,451	-5,222	-54,177
Research and development costs	-1,280	-13,212	-4,200	-2,603	-21,295
Administrative costs	-6,788	-18,432	-4,892	-3,266	-33,378
Other income	1,508	16,703	4,615	2,289	25,115
Other expenses	-5,570	-7,323	-3,670	-3,280	-19,843
Impairment gains (losses) on financial assets	-56	-411	67	45	-354
Operating result	8,927	34,416	1,343	3,268	47,954
Depreciation and amortization	-1,550	-7,713	-1,557	-1,372	-12,192
EBITDA	10,476	42,130	2,899	4,640	60,145

Fiscal year 2023

€ thousand	North and South America	Europe and Africa	Middle East and India	Asia-Pacific	Total
Revenue from contracts with customers	43,149	199,411	57,182	34,399	334,140
Cost of goods sold	-25,097	-116,053	-42,418	-21,815	-205,382
Marketing and distribution costs	-6,461	-29,990	-8,933	-4,622	-50,006
Research and development costs	-1,146	-11,390	-3,560	-1,914	-18,010
Administrative costs	-4,019	-15,062	-3,736	-2,196	-25,013
Other income	3,793	5,693	3,760	1,493	14,739
Other expenses	-3,045	-1,125	-2,938	-1,898	-9,006
Impairment gains (losses) on financial assets	-70	64	29	109	132
Operating result	7,104	31,547	-614	3,557	41,594
Depreciation and amortization	-982	-7,259	-994	-1,057	-10,292
EBITDA	8,087	38,806	379	4,614	51,886

16 Mandatory and additional disclosures in accordance with the German Commercial Code (HGB)

16.1 Number of employees

During the fiscal year from January 1 to December 31, 2024, the Group employed an average of 1,200 employees (2023: 1,118). The following table presents the breakdown between salaried and wage employees:

Average	2024	2023
Salaried employees	581	543
Wage employees	619	575
Total	1,200	1,118

As at December 31, 2024, the Group had 1,239 employees (December 31, 2023: 1,130; January 1, 2023: 1,050). The following table presents the breakdown between salaried and wage employees:

Absolute	31.12.2024	31.12.2023	01.01.2023
Salaried employees	604	546	529
Wage employees	635	584	521
Total	1,239	1,130	1,050

16.2 Auditor fees

The following fees for the services provided by auditors have been recognized as expenses:

€ thousand	2024	2023
Audit services	1,195	851
Tax advisory services	522	212
Other attestation services	0	0
Other services	0	71
Total	1,716	1,134

16.3 Preparation and disclosure exemptions

As fully consolidated subsidiaries of Pfisterer Holding SE, the following affiliated German companies have utilized the exemption under Section 264 (3) HGB, thereby waiving their obligations to prepare separate notes and management reports:

- Pfisterer Kontaktsysteme GmbH, Winterbach.

16.4 Members of the management board

The management board consists of the following members:

Name	Profession
Johannes Linden	Board member for finance, production and administration / Spokesman
Dr. Konstantin Kurfiss	Board member for technology and sales

The profession of the members of the management board is identical to their positions on the Board.

16.5 Members of the supervisory board

The supervisory board consists of the following members:

Name	Profession
Prof. Dr. Wolfgang Blättchen	Chairman of the supervisory board / Managing director of Blättchen Financial Advisory GmbH
Erich Schefold	Deputy chairman of the supervisory board / Economist
Prof. Dr. Petra Denk	Member of the supervisory board / Managing director of the institut for Systemische Energieberatung GmbH
Matthias Benz	Member of the supervisory board / Chairman of the management board of Zeppelin GmbH
Dr. Stefan Seipl	Member of the supervisory board / Managing director of seipl consult GmbH

16.6 Others

These consolidated financial statements represent both the maximum and minimum consolidation scope of the Group and will be duly published in the companies register.

17 Events after the reporting date

At the general meeting on January 31, 2025, the articles of association were amended. During the meeting, authorized capital of € 7,298 thousand and conditional capital of € 6,379 thousand were created.

Advanced discussions are ongoing with key lenders to expand necessary guarantee facilities, reflecting positive business growth. Additionally, negotiations to secure a development bank loan are nearing finalization. This extension option is already contemplated under the existing syndicated loan agreement.

18 Approval of the consolidated financial statements

These IFRS consolidated financial statements were approved and released for publication by management on March 28, 2025.

Winterbach, March 28, 2025

_____	_____
Johannes Linden	Dr. Konstantin Kurfiss

INDEPENDENT AUDITOR'S REPORT

To Pfisterer Holding SE, Winterbach

AUDIT OPINIONS

We have audited the consolidated financial statements of Pfisterer Holding SE, Winterbach, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January 2024 to 31 December 2024, and notes to the consolidated financial statements, including material accounting policy information.

In addition, we have audited the group management report of Pfisterer Holding SE for the financial year from 1 January 2024 to 31 December 2024.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereafter "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2024 and of its financial performance for the financial year from 1 January 2024 to 31 December 2024, and
- the accompanying group management report as a whole provides an appropriate view of the group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to § 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW).

Our responsibilities under those requirements and principles are further described in the "AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT" section of our auditor's report. We are independent of the Group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e (1) HGB and that the consolidated financial statements in compliance with these requirements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free

from material misstatement, whether due to fraud (i. e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The Supervisory board is responsible for overseeing the group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls or these arrangements and measures.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report, or if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e (1) HGB.
- plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming the audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinions.
- evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

Frankfurt am Main, March 28, 2025

BDO AG

Wirtschaftsprüfungsgesellschaft

Dr. Faßhauer Sigmann

19.2 Audited consolidated financial statements 2023 (German GAAP)

19.2.1 Consolidated statement of financial position

ASSETS

	December 31, 2023 €		Previous year € thousand
A. NON-CURRENT ASSETS			
I. Intangible assets			
1. Internally generated intellectual property rights and similar rights and assets	2,825,351		1,323
2. Externally acquired intellectual property rights and similar rights and assets	441,264		351
3. Goodwill	293,178		437
4. Advance payments on intangible assets	55,759		0
		3,615,552	2,111
II. Property, plant and equipment			
1. Land, land rights and buildings, including buildings on third-party land	13,249,554		13,839
2. Technical equipment and machinery	10,253,497		11,957
3. Other equipment and machinery	5,065,526		5,412
4. Advance payments and assets under construction	2,518,613		1,990
		31,087,190	33,198
III. Financial assets			
1. Other loans	3,410		3
		34,706,152	**35,312**
B. CURRENT ASSETS			
I. Inventories			
1. Raw materials, auxiliary supplies and consumables	18,493,579		14,536
2. Work in progress, unfinished goods	14,599,413		12,295
3. Finished goods and merchandise	27,611,424		23,585
4. Advance payments on inventories	969,479		863
5. Advance payments received on orders	-8,704,546		-4,266
		52,969,349	47,013
II. Receivables and other assets			
1. Trade receivables	50,398,234		43,563
2. Other assets	8,082,382		11,687
		58,480,616	55,250
III. Securities		218	10
IV. Cash and cash equivalents		13,963,429	24,097
		125,413,612	**126,370**
C. PREPAID EXPENSES		**1,179,407**	**1,092**
D. DEFERRED TAX ASSETS		**6,730,415**	**5,873**
		168,029,586	**168,647**

LIABILITIES

	December 31, 2023 €		Previous year € thousand
A. EQUITY			
I. Share capital		14,595,238	14,595
II. Capital reserve		10,598,924	10,599
III. Retained earnings			
1. Legal reserve	455,838		456
2. Other retained earnings	48,385,492		58,785
		48,841,330	59,241
IV. Differences of currency translation		6,057,001	8,643
V. Consolidated net loss		-48,615,564	-81,727
VI. Non-controlling interests		2,572,535	1,229
		34,049,464	**12,580**
B. PROVISIONS			
1. Provisions for pensions and similar obligations	26,477,058		27,333
2. Tax provisions	4,479,535		525
3. Other provisions	24,645,954		21,015
		55,602,547	**48,873**
C. LIABILITIES			
1. Liabilities to credit institutions	50,781,935		69,977
2. Advances received on account orders	2,373,795		1,701
3. Trade payables	17,304,993		27,971
4. Other payables	7,899,764		7,515
thereof taxes:			
thereof any payables related to social security contributions:			
		78,360,487	**107,164**
D. PREPAID INCOME		**17,088**	**29**
		168,029,586	**168,647**

19.2.2 Consolidated statement of profit or loss

	2023		Previous year
	€	€	€ thousand
1. Revenues		334,159,614	288,760
2. Increase or reduction of stocks of finished goods and work in progress		6,169,184	-5,520
3. Work performed by the undertaking for ist own purposes and carried as an asset		931,459	851
4. Other operating income		15,272,083	12,830
- thereof from currency translation: € 8,466,963 (Previous year: € 7,299 thousand)			
		356,532,340	**296,922**
5. Cost of materials			
a) Costs for raw materials, auxiliary supplies and consumables and for purchased goo	152,067,820		137,158
b) Costs for purchased services	16,724,966	168,792,786	13,292
6. Personnel expenses			
a) Wages and salaries	71,158,864		64,946
b) Social security contributions and expenditure for old-age pension schmemes and for support	13,382,179	84,541,043	14,225
- thereof for retirement benefits € 7,123 (Previous year: € 1,358 thousand)			
7. Amortization / depreciation of intangible assets and items of property, plant and equipment		6,320,342	6,394
- thereof scheduled amortization on goodwill from first time consolidation: € 140,161 (Previous year: € 140 thousand)			
- thereof write-downs on tangible fixed assets: € 336,000 (Previous year: € 180 thousand)			
8. Other operating expenses		59,505,838	54,219
- thereof from currency translation: € 8,505,717 (Previous year: € 9,444 thousand)			
		37,372,331	**6,688**
9. Other interest and similar income	276,145		1,120
10. Other interest and similar expenses	7,604,967	7,328,822	7,333
- thereof from accumulated interest: € 377,054 (Previous year: € 1,222 thousand)			
11. Income Taxes		5,668,850	-785
- thereof from deferred taxes (income): € 1,108,532 (Previous year: € 647 thousand)			
12. Profit (+)/ loss (-) after taxes		**24,374,659**	**1,260**
13. Other taxes		976,665	1,361
14. Consolidated net profit / loss for the year before non-controlling interests		**23,397,995**	**-101**
15. Profit / loss attributable to non-controlling interests		-686,387	95
16. Consolidated net profit/loss for the year		**22,711,608**	**-5**
17. Loss carried forward from the previous year		-81,727,172	-93,222
18. Withdrawal from retained earnings		10,400,000	11,500
19. Consolidated net loss		**-48,615,564**	**-81,727**

19.2.3 Notes to the consolidated financial statements

A. Preliminary remarks

The registered office of Pfisterer Holding SE (hereinafter referred to as Pfisterer) is Winterbach, Germany. The company is a European stock corporation (Societas Europaea) and is listed in the commercial register at the Stuttgart District Court under number HRB 790497 since July 27, 2023. It was formed by a change in the legal form of the stock corporation "Pfisterer Holding Aktiengesellschaft", Winterbach (Stuttgart District Court HRB 281937) and is the parent company of the Pfisterer Group.

The consolidated financial statements and the Group management report of Pfisterer Holding SE, Winterbach as of December 31, 2023, have been prepared in accordance with the provisions of Sections 290 et seq. of the German Commercial Code (HGB).

The consolidated statements of profit or loss follows the nature of expense method (Gesamtkostenverfahren).

B. General information, explanations, and reasoning for consolidation

- Scope of consolidation

In addition to the parent company, the consolidated financial statements include 3 domestic (previous year: 3) and 14 foreign companies (previous year: 14) in which the reporting company directly or indirectly holds more than 50% of the voting rights (see Appendix I, page 16 "Scope of consolidation and Group shareholdings").

The company Pfisterer Algérie Spa is accounted for by the equity method.

The companies OOO Pfisterer Vostok and OOO Pfisterer Rus are not included in the consolidated financial statements due to their minor significance. The liquidation of OOO Pfisterer Vostok was brought about by resolution dated March 31, 2019. The deconsolidation took place on June 30, 2019. Due to its minor significance, the company is reported as an investment until the liquidation is completed. Due to the discontinuation of the business activities of OOO Pfisterer Rus, the company itself was deconsolidated as of June 30, 2019. Due to its minor significance, the company is also reported as an equity investment until the proceedings are concluded.

- **Consolidation of subsidiaries**

Capital consolidation in accordance with Section 301 (1) no. 1 HGB (old version) (book value method) was carried out up to and including 2009 for all subsidiaries in accordance with the accounting policy choice in Section 301 (2) sentence 2 HGB (old version) at the time of initial inclusion in the consolidated financial statements. For companies consolidated for the first time from 2010, capital consolidation is carried out using the revaluation method at the time at which the company became a subsidiary or at the time of initial consolidation.

- **Principles of consolidation**

The consolidated financial statements are based on the annual financial statements of the company and the consolidated subsidiaries.

The annual financial statements of Lapp Insulators Redwitz B.V., Amsterdam, Netherlands, were prepared on a going concern basis, as the company ceased operations in 2018.

Capital consolidation for acquisitions up to December 31, 2009, was carried out using the book value method by offsetting the acquisition costs against the proportionate equity of the subsidiary either at the time of acquisition or at the time of initial consolidation. Any resulting positive difference was treated as goodwill and amortized over 15 years or offset against retained earnings.

A negative difference is reported as an equity item under retained earnings.

Capital consolidation for acquisitions from January 1, 2010, was carried out using the revaluation method and by offsetting the investment values against the proportionate revalued equity attributable to the parent company.

Any share of equity attributable to non-controlling interests is reported in the adjustment item for non-controlling interests.

In accordance with Section 303 (1) HGB, loans and other receivables and liabilities between the companies included in the consolidated financial statements were offset when consolidating liabilities. Since the 2022 financial year, exchange rate-related differences have been offset against equity.

The consolidated financial statements include assets that are wholly or partly based on deliveries or services between the companies included in the consolidated financial statements. The elimination of intercompany profits in accordance with Section 304 HGB led to a reduction in earnings of € 824 thousand in the reporting year (previous year: improvement in earnings of € 81 thousand). This is made up of an increase in non-current assets of € 139 thousand (previous year: decrease of € 114 thousand) and a decrease in inventories of € 963 thousand (previous year: increase of € 33 thousand).

When consolidating income and expenses in accordance with Section 305 (1) HGB, intra-group revenue from services, such as cost reimbursements, interest and service fees, was consolidated with the related expenses of the recipients and revenue from investments was eliminated.

- **Group reporting date**

The consolidated financial statements are prepared as of December 31, 2023, as the reporting date for the parent company's annual financial statements. The consolidated subsidiaries have the same reporting date.

- **Currency translation method**

The annual financial statements of the consolidated subsidiaries prepared in foreign currencies are translated into euros on the basis of the functional currency concept.

The foreign investments in the scope of consolidation are financially, economically and organizationally independent. They are therefore regarded as economically independent foreign sub-units. Their reporting currency corresponds to the respective local currency. All resulting translation differences are reported separately under the item “Equity difference from currency translation” within equity.

The currency translation of the financial statements of the foreign Group companies was translated for all balance sheet items using the respective closing rates (average spot exchange rate) on the Group reporting date.

Currency translation in the statement of financial position

			December 31, 2023	December 31, 2022
1	AED	=EUR	0.24676	0.25400
1	ARS	=EUR	0.00112	0.00529
1	BRL	=EUR	0.18651	0.17735
1	CHF	=EUR	1.07991	1.01554
1	CNY	=EUR	0.12737	0.13590
1	CZK	=EUR	0.04045	0.04147
1	DZD	=EUR	0.00671	0.00677
1	GBP	=EUR	1.15068	1.12749
1	PLN	=EUR	0.23044	0.21364
1	USD	=EUR	0.90498	0.93756

The item “Equity difference from currency translation” of € 6,057 thousand (previous year: € 8,643 thousand) reported as a separate item within equity takes into account all currency differences through other comprehensive income recognized directly in equity from capital consolidation since first-time consolidation, from the translation difference of the income statement items at average exchange rates (compared to closing rates in the balance sheet) for the majority interests and from the offsetting of the difference from debt consolidation recognized directly in equity. The equity difference for minority interests amounted to € -4,582 thousand (previous year: € -5,224 thousand).

Unrealized exchange rate gains and losses from the valuation of intercompany receivables and liabilities as at the reporting date are reported in the financial statements of the Group companies under “Equity difference from currency translation” through other comprehensive income.

As in the previous year, hyperinflation in Argentina was taken into account using the indexation method in accordance with GAS 25. The IPE index was 3,533.1922 as of December 31, 2023, resulting in a negative effect on earnings of € 681 thousand (previous year: € 1,860 thousand), which is reported in the financial result.

The currency translation of the financial statements of the other foreign Group companies was translated at the respective average exchange rate for the financial year for all items in the income statement.

Currency translation in the statement of profit or loss

			2023	2022
1	AED	=EUR	0.25184	0.25911
1	ARS*	=EUR	0.00112	0.00529
1	BRL	=EUR	0.18516	0.18372
1	CHF	=EUR	1.02904	0.99522
1	CNY	=EUR	0.13053	0.14126
1	CZK	=EUR	0.04166	0.04071
1	DZD	=EUR	0.00677	0.00666
1	GBP	=EUR	1.14974	1.17279
1	PLN	=EUR	0.22022	0.21341
1	USD	=EUR	0.92471	0.94936

* Closing rate

C. General information on accounting policies, standards of valuation and currency translation methods

Valuation in the Group was carried out in accordance with the same principles; in particular, valuation options were exercised in the same way as in the parent company's separate financial statements. The exception to this is Lapp Insulators Redwitz B.V., whose annual financial statements and thus the valuation of assets and liabilities were prepared and carried out on a going concern basis.

The accounting and valuation methods applied are the same as those used in the previous year.

- **Non-current assets**

Internally generated intangible non-current assets were capitalized in accordance with the recognition option under Section 248 (2) HGB. The nature of the asset is determined for development projects based on the achievement of individually defined milestones in accordance with detailed milestone planning; compliance with milestone planning is continuously monitored by project controlling. The additions to assets increase consolidated net income after deduction of the deferred tax liabilities. This is subject to the restriction on distribution in accordance with Section 268 (8) HGB. Internally generated intangible assets are capitalized at manufacturing costs in accordance with Section 255 (2a) sentence 1 HGB in conjunction with Section 255 (2a) sentences 1 and 2 HGB and amortized on a straight-line basis over their expected useful life of 5 years or written down if their value is expected to be permanently impaired. In addition to the direct costs, the production costs include appropriate portions of the necessary material and production overheads, including depreciation, insofar as they are caused by production.

Acquired intangible assets were valued at acquisition cost and amortized on a straight-line basis and, in the case of an expected permanent impairment, also written down. A useful life of 3 to 5 years is assumed for purchased software, 10 years for patents and 3 to 8 years for licenses. It is intended to use the acquired production technology over this period.

The useful life of goodwill is 10 years, in the USA over 15 years due to the expected long-term amortization.

Property, plant and equipment was recognized at acquisition or manufacturing cost less depreciation, and impairment losses were also recognized if the impairment was expected to be permanent.

Since the 2018 financial year, low-value assets with an acquisition or production cost of up to € 800 have been fully depreciated in the year of acquisition and their disposal has been assumed.

The useful life of buildings was set at 10 to 60 years, and 10 to 15 years for fixtures and fittings on land. Technical equipment and machinery are depreciated over a useful life of 6 to 15 years. The useful life of other equipment and operating and office equipment is 3 to 10 years. The straight-line depreciation method was chosen for the majority of movable non-current assets.

Financial assets are measured at the lower of cost or fair value.

- **Current assets**

Raw materials, auxiliary supplies and consumables and goods for resale are valued at acquisition cost or moving or weighted average prices, taking into account the strict lower of cost or market principle. Where necessary, value adjustments were made due to technical ageing and low turnover or lower current prices as at the balance sheet date (€ 12,828 thousand, previous year: € 8,271 thousand). Work in progress and finished goods are valued using the inventory material prices and imputed planned production costs, adjusted for non-capitalizable cost components. Work in progress and finished goods are valued at production cost on the basis of individual calculations, whereby in addition to the directly attributable direct material costs, direct production costs and special direct costs, appropriate material and production overheads and depreciation of non-current assets are also included. Where this is caused by production, the depreciation of non-current assets is recognized. No use was made of the option to include general administrative costs. Borrowing costs, insofar as they are attributable to the period of production, were not included.

The company makes use of the option to deduct advance payments received on orders from the inventories in the amount of € 8,705 thousand (previous year: € 4,266 thousand).

Receivables and other assets are recognized at nominal value. Recognizable individual risks were taken into account. The general credit risk was taken into account by means of a general valuation allowance.

Reinsurance policies are carried at their asset value (cover capital) and, if the requirements were met, were netted against the pension obligations carried as liabilities in accordance with Section 246 (2) HGB.

Investment securities are recognized at the lower of cost or fair value in accordance with Section 253 HGB.

Cash on hand and bank balances were recognized at their nominal amounts.

- **Prepaid expenses and deferred income**

Prepaid expenses and income comprise incoming/outgoing payments before the balance sheet date that represent income/expenses for a certain period after this date.

- **Provisions / liabilities**

The provisions for pensions were calculated in accordance with actuarial principles using the projected unit credit method (PUC method) based on the 2018 G mortality tables by Klaus Heubeck and an interest rate of 1.39%-1.92% (previous year: 1.17%-1.92%) (10-year average). Changes in the discount rate recognized in profit or loss are reported in the financial result. Where required by the pension commitment, a pension increase factor of 2.0% (previous year: 2.0%), a salary trend of 0.0%-2.5% (previous year: 0%-2.5%) and age-dependent fluctuation probabilities of between 0.0% and 5.6% are taken into account. The amount barred from distribution in accordance with Section 253 (6) HGB is € 171 thousand (previous year: € 1,137 thousand), which was calculated using an interest rate of 1.39%-1.81% (previous year: 0.93%-1.52%) (7-year average). A total of € 230 thousand was paid into the existing reinsurance policy for individual commitments, of which € 0 thousand was added in the financial year. As a result of risk discounts and capital costs, the fair value of the pledged plan assets amounts to € 230 thousand, which corresponds to the acquisition costs. The offset pension commitments are of the same amount. In this context, expenses of € 3 thousand were offset against income of € 74 thousand in the income statement.

Other provisions are recognized for all uncertain obligations and impending losses from pending transactions. They are valued carefully, and all recognizable risks are taken into account. Provisions are recognized at the settlement amount required according to prudent business judgment. Future price and cost increases are taken into account where necessary when determining the settlement amount. Provisions with a remaining term of more than one year are discounted to the balance sheet date in accordance with Section 253 (2) HGB using the average market interest rate of the past seven financial years, which is calculated and published monthly by the Deutsche Bundesbank in accordance with the German Regulation on the Discounting of Provisions (Rückstellungsabzinsungsverordnung).

The provisions for partial retirement were calculated in accordance with the provisions of IDW statement IDW RS HFA 3 and, in the case of anniversary bonuses, in accordance with recognized actuarial principles using the projected unit credit method (PUC method). The “2018 G mortality tables” by Klaus Heubeck were used as the biometric calculation basis. A salary trend of 2.5% p.a. (previous year: 2.5%) is assumed when measuring the partial retirement provision. Partial retirement provisions are discounted at an interest rate of 1% p.a. (previous year: 0.41%) appropriate to the term. Anniversary provisions were discounted at a flat interest rate of 1.39%-1.46% p.a. (previous year: 1.45%). As in the previous year, the salary trend is 0.00%. Age-dependent fluctuation probabilities of between 0.00% and 12.0% were applied.

Liabilities and debt items were recognized at the settlement amounts.

- **Currency translation**

Cash and cash equivalents, receivables and liabilities are translated at the lower (receivables) or higher (liabilities) exchange rate on the reporting date. In deviation from this, receivables and liabilities in foreign currencies with a remaining term of up to 12 months were always valued at the exchange rate on the reporting date.

- **Deferred tax**

With regard to deferred taxes, Section 274 HGB was applied separately to the financial statements of the individual companies included in the consolidated financial statements. Deferred tax assets and liabilities were recognized for temporary differences between the carrying amounts in the financial statements and the tax base. Deferred tax assets of € 4,755 thousand (previous year: € 3,962 thousand) and deferred tax liabilities of € 581 thousand (previous year: € 631 thousand) resulted from the individual financial statements, including the adjustments for the commercial balance sheet II and taking loss carryforwards into account. The temporary differences on the assets side result primarily from pension provisions and other provisions, while the temporary differences on the liabilities side result from non-current assets and stocks. In the 2023 financial year, the asset surplus was recognized in accordance with Section 274 HGB. This includes deferred tax assets on loss carryforwards in the amount of € 705 thousand (previous year: € 843 thousand) relating to Pfisterer Switzerland AG and Pfisterer North America Inc. The local tax rates of between 0% and 34.71% (previous year: 0% - 28.08%) were applied.

In accordance with Section 306 HGB, consolidation processes resulted in deferred tax assets of € 2,611 thousand (previous year: € 2,573 thousand), which mainly resulted from the elimination of intercompany profits. Debt consolidation resulted in a deferred tax liability of € 16 thousand (previous year: € 12 thousand). Temporary differences from consolidation processes were recognized at a tax rate of 28.08% (previous year: 28.08%). Deferred tax assets of € 19 thousand (previous year: € 38 thousand) and deferred tax liabilities of € 58 thousand (previous year: € 58 thousand) were recognized on the changes in carrying amounts due to the purchase price allocation.

After offsetting in accordance with Section 274 HGB and Section 306 HGB, the consolidation processes and the PPA resulted in an overall surplus of deferred tax assets over deferred tax liabilities amounting to € 6,730 thousand (previous year: € 5,873 thousand).

D. Notes to the consolidated statement of financial position

- **Non-current assets**

The changes of the Group's non-current assets in accordance with Section 313 (4) in conjunction with Section 284 (3) HGB in the 2023 financial year is shown in Appendix II, page 16.

Intangible assets include goodwill of € 293 thousand (previous year: € 437 thousand). Of this amount, € 95 thousand (previous year: € 115 thousand) results from the separate financial statements for the USA and € 198 thousand (previous year: € 322 thousand) from the consolidation of Pfisterer Milano. This item also includes licenses and software amounting to € 441 thousand (previous year: € 351 thousand).

Development costs for internally generated intangible assets under development were capitalized in the amount of € 1,502 thousand in the 2023 financial year (previous year: € 1,323 thousand). Research and development costs totaling € 5.6 million (previous year: € 6.0 million) were incurred.

- **Current assets**

Maturities of current assets

	Due within 1 year € thousand	Due after more than 1 year € thousand	Total € thousand
- Trade receivables	50,398	0	50,398
	43,556	7	43,563
- Other assets	7,624	458	8,082
	8,169	3,518	11,687
	58,022	**458**	**58,480**
	51,725	**3,525**	**55,250**
	Previous year's figures		

Trade receivables include specific valuation allowances of € 918 thousand (previous year: € 1,089 thousand) and general valuation allowances of € 1,377 thousand (previous year: € 1,187 thousand).

- **Prepaid expenses**

Under prepaid expenses, processing fees and closing fees for the syndicated loan agreement are amortized on a straight-line basis over the term of the agreement of 3 years. Processing fees and closing fees amount to € 540 thousand (previous year: € 810 thousand).

- **Equity**

- **Share capital**

The share capital of the parent company amounts to € 14,595,238.00 (previous year: € 14,595,238.00) and is divided into 14,595,238 no-par value bearer shares with a nominal value of € 1.00 each.

- **Capital reserve**

The capital reserve amounts to € 10,598,923.80.

- **Retained earnings**

In addition to the Group's retained earnings, retained earnings include the accumulated result from capital consolidation (difference from capital consolidation) and debt consolidation, from the elimination of interim results and the hidden reserves disclosed in the commercial balance sheet II as well as valuation measures carried out. Retained earnings were reduced by offsetting the capitalized differences from the capital consolidation of companies acquired before December 31, 2009.

In a resolution dated March 14, 2024, the Supervisory Board approved the release of retained earnings in the amount of € 10.4 million in favor of retained earnings. In the previous year, it was € 11.5 million.

- **Equity difference from currency translation**

The change in the equity difference from currency translation is mainly due to the effects of the inflation adjustment in Argentina.

- **Consolidated net loss**

Reconciliation of consolidated net loss

	€
As of January 1, 2023	-81.727.172
Withdrawals from other retained earnings and allocation to net profit	10.400.000
Consolidated net profit	22.711.609
As of December 31, 2023	-48.615.564

The consolidated net loss includes a loss carried forward of € -48,616 thousand (previous year: € -81.727 thousand).

- **Non-controlling interests**

The item for non-controlling interests decreased in the financial year due to the pro rata net loss for the year attributable to non-controlling interests as well as the accounting effects of currency translation and inflation adjustments. The equity difference from currency translation amounted to € -4,582 thousand (previous year: € -5,224 thousand).

- **Provisions**

Other provisions mainly consist of warranty provisions amounting to € 8,196 thousand (previous year: € 5,572 thousand), personnel provisions amounting to € 10,957 thousand (previous year: € 9,703 thousand), provisions for outstanding invoices amounting to € 692 thousand (previous year: € 1,408 thousand) and other provisions for legal claims, impending losses from pending transactions and costs for the preparation and audit of the annual financial statements.

- **Liabilities**
- Maturities

Maturities of liabilities

	Up to 1 year € thousand	More than 1 year € thousand	Thereof more than 5 years € thousand	Total € thousand
- Financial liabilitites	4,639	46,143	0	50,782
	38,540	31,437	0	69,977
- Advance payments received	2,374	0	0	2,374
	1,701	0	0	1,701
- Trade payables	17,305	0	0	17,305
	27,946	25	0	27,971
- Other liabilities	7,881	18	18	7,900
	7,496	19	19	7,515
	32,199	46,161	18	78,361
	75,682	31,481	19	107,164
	Previous year's figures			

- Securities

The secured liabilities in the Group amount to:

Secured liabilities to credit institutions

	December 31, 2023 € thousand	Previous year € thousand
by mortgages		
Pfisterer Kontaktsysteme GmbH, Winterbach	1,437	2,156
Pfisterer s.r.l., Milano, Italy	525	624
	1,962	2,780

Pfisterer Holding SE has concluded a syndicated loan agreement with a nominal volume of € 90 million and a term of three years until December 2025. It is divided into two tranches, a term loan of € 30 million (variable interest rate 3m-EURIBOR or 6m-EURIBOR) and a revolving credit facility of € 60 million (of which € 15 million is reserved for guarantees).

The currently utilized amount of € 48.7 million (previous year: € 66.9 million) is included in liabilities to banks and is secured by joint and several liability of the guarantors (Pfisterer Holding SE, Pfisterer Kontaktsysteme GmbH, Pfisterer Insulators Wunsiedel GmbH, Pfisterer Switzerland AG, Pfisterer s.r.o., Pfisterer North America Inc.) with their total assets. Further collateral is provided by the assignment of the repayment claims of land charges of Pfisterer Kontaktsysteme GmbH and the pledging of domestic accounts of the borrower and the guarantors at the participating banks; this collateral was provided in February 2023. In addition, there is an ancillary line of € 8.8 million (previous year: € 2.7 million) used for guarantees as at the reporting date.

Trade payables are secured by the suppliers' retention of title, which is customary in the industry.

E. Notes to the consolidated statement of profit or loss

- Revenue

Disaggregation by geographical regions

	2023 € thousand	Previous year € thousand
America	43,537	41,512
Europe	199,129	174,482
Africa	3,038	1,532
Asia-Pacific	88,456	71,234
Total revenues	**334,160**	**288,760**

Disaggregation by products

	2023 € thousand	Previous year € thousand
Cable Accs HV	112,084	98,080
Cable Accs MV	50,562	50,877
Composite	95,070	73,408
Components	76,444	66,395
	334,160	**288,760**

- **Other operating income**

Other operating income includes exchange rate gains of € 8,467 thousand (previous year: € 7,299 thousand).

- **Prior period income**

Significant prior-period income arose from the reversal of sales, personnel and other provisions as well as value adjustments in the amount of € 3,122 thousand (previous year: € 5,467 thousand). In the previous year, prior-period income taxes from the reversal of tax provisions of Pfisterer Holding SE for the years 2018 to 2020 totaling € 1,532 thousand were included.

- **Depreciation and amortization**

Depreciation and amortization of intangible assets and tangible non-current assets during the financial year can be found in the statement of changes of non-current assets. Write-downs on tangible non-current assets include € 336 thousand (previous year: € 180 thousand) on the fixed value of tools due to scrapping at Pfisterer Kontaktsysteme GmbH, Winterbach.

- **Other operating expenses**

Other operating expenses include exchange rate losses amounting to € 8,506 thousand (previous year: € 9,444 thousand).

- **Prior period expenses**

Other operating expenses include prior period expenses of € 381 thousand (previous year: € 817 thousand). This mainly relates to the derecognition of receivables due to uncollectibility and the disposal of assets.

- Net finance costs

The net finance cost includes € 681 thousand (previous year: € 1,860 thousand) in expenses from indexation.

F. Other disclosures

- **Employees**

The average number of employees during the year was:

	2023	Previous year
Employees	543	518
Commercial workers	575	529
Total average number of employees	1,118	1,047

- **Contingent liabilities**

As part of a binding offer from a former affiliated company, PFISTERER has issued a guarantee to its customers for the fulfillment of contractual obligations in the amount of € 200 thousand.

Based on the beneficiary's current creditworthiness and payment history, we consider the probability of the aforementioned contingent liability being utilized low.

- **Derivative financial instruments**

No derivative financial instruments were used as at the reporting date.

- **Other financial commitments**

Other financial obligations consist of rental and leasing obligations as well as purchase commitments for investments and inventories.

Other financial and contractual obligations

	December 31, 2023 € thousand	Previous year € thousand
Due within 1 year	33.793	36.653
Due after more than 1 year and less than 5 years	16.849	15.714
Due after more than 5 years	4.088	3.947
	54.730	**56.314**

- **Off-balance sheet transactions**

The Pfisterer Group has concluded contracts with various financiers for the purchase of trade receivables as a further financing option. Based on these agreements, original trade receivables are continuously sold to the factoring companies up to a maximum nominal amount of EUR 21,900 thousand, taking into account a purchase price discount. The benefits are mainly based on an improved capital structure. Due to the insurance of the receivable and the transfer of the default risk, the risks are in the amount of the deductible. As at the balance sheet date, trade receivables were reduced by the sale of receivables recognized in the balance sheet in the amount of € 14,322 thousand.

- **Notes to the statement of cash flows**

The statement of cash flows was prepared in accordance with the provisions of GAS 21.

- **Audit fees**

In 2023, € 322 thousand (of which € 70 thousand from other periods) was recorded as an expense for audit services in accordance with Section 314 (1) no. 9a HGB and € 54 thousand for other assurance services in accordance with Section 314 (1) no. 9b HGB.

- Board of directors and supervisory board
- Board of directors

- Dr. Konstantin Kurfiss, Director of technology and sales, Gerlingen,
- Johannes Linden, Director of finance production, and administration, Esslingen (from January 1, 2023).

The profession of the members of the board of directors is identical to their position on the board.

- Members of the supervisory board and their mandates

- Prof. Dr. Wolfgang Blättchen, Managing Partner of Blättchen Financial Advisory GmbH, resident in Leonberg (Chairman)

  Mandates:

  - PAS AG, Stuttgart – deputy chairman of the supervisory board
  - Südvers Holding GmbH & Co. KG, Freiburg – Advisory Board

- Karl-Heinz Pfisterer, Dipl. rer. pol. techn., resident of Gerstetten-Gussenstadt (deputy chairman until July 28, 2023, then Honorary Chairman)

- Erich Schefold, Dipl. Betriebswirt, resident of Ulm (deputy chairman since July 28, 2023)

  Mandates:

  - IWL AG, Ulm – member of the supervisory board

- Matthias Benz, Managing Director of Raufoss Holding GmbH, Marktl, Austria, residing in Friedrichshafen

  Mandates:

  - Bertrand AG, Ehningen – member of the supervisory board

- Prof. Dr. Petra Denk, Managing Partner of the Institute for Systematic Energy Consulting at Landshut University of Applied Sciences, resident in Oberschleißheim

  Mandates:

  - Aixtron SE, Herzogenrath – member of the supervisory board
  - BKW AG, Bern, Switzerland – member of the supervisory board
  - VAT Vakuumventile AG, Haag, Switzerland - member of the supervisory board

- Dr. Stefan Seipl, Managing Partner, seipl consult GmbH, Gräfelfing, resident in Garmisch-Partenkirchen

  Mandates:

  - MVV Energie AG, Mannheim – member of the supervisory board
  - Ferngas Netzgesellschaft mbH, Schwaig – chairman of the supervisory board
  - Nordion Energi AB, Malmö, Sweden – member of control committee

The total remuneration of the Supervisory Board of Pfisterer Holding SE amounted to € 334 thousand in the financial year (previous year: € 382 thousand).

- **Disclosure exemptions**

Pfisterer Kontaktsysteme GmbH applies the exemption from the disclosure requirement and the preparation of notes and a management report in accordance with Section 264 (3) of the German Commercial Code.

- **Events after the reporting period**

There were no significant events after the reporting date that were not reflected in the consolidated statement of profit or loss or the consolidated statement of financial position.

- **Profit distribution**

It is proposed to carry forward the net profit of Pfisterer Holding SE to new account.

Winterbach, April 19, 2024

Johannes Linden Dr. Konstantin Kurfiss

Pfisterer Holding SE (formerly: Pfisterer Holding Aktiengesellschaft), Winterbach

Consolidated Financial Statement for the fiscal year from January 1, 2023 to December 31, 2023

Ownership Interest

1. Fully consolidated companies included in the consolidated financial statements

Company	Headquarter	Shares held by the Group December 31, 2023 %
Parent company		
Pfisterer Holding SE	Winterbach, Germany	100.00
Subsidiaries		
Pfisterer Kontaktsysteme GmbH [1)]	Winterbach, Germany	100.00
Pfisterer Insulators Wunsiedel GmbH	Wunsiedel, Germany	100.00
Pfisterer Switzerland AG	Küssnacht am Rigi, Switzerland	100.00
Pfisterer Sp. z o.o.	Plochocin, Poland	100.00
Pfisterer S.r.l.	Novate Milanese, Italy	100.00
Pfisterer S.A.	Buenos Aires, Argentina	55.00
Pfisterer Ltda.	Sao Paulo, Brazil	100.00
Pfisterer SAS	Illzach, France	100.00
Pfisterer Power Connection Systems (Beijing) Co., Ltd.	Peking, China	100.00
Pfisterer North America Inc.	LeRoy (NY), USA	100.00
Pfisterer Czech s.r.o.	Kadaň, Czech Republic	100.00
LIW Composite GmbH	Wunsiedel, Germany	100.00
Lapp Insulators Redwitz B.V.	Amsterdam, Netherlands	100.00 [2)]
Quattro Gi S.r.l.	Novate Milanese, Italy	100.00 [3)]
Ceramic International B.V.	Amsterdam, Netherlands	100.00
Pfisterer Middle East FZCO	Dubai, United Arab Emirates	100.00
Pfisterer España S.L.U.	Barcelona, Spain	100.00
Pfisterer CSU UK Ltd.	Sheffield, Great Britain	100.00

1) The company applies exemptions under Section 264 (3) HGB.
2) The shares are held by Ceramic International B.V., Amsterdam, Netherlands.
3) The shares are held by Pfisterer S.r.l., Novate Milanese, Italy.

2. Companies not included in the consolidated financial statements

Company	Headquarter	Shares held by the Group December 31, 2023 %
OOO Pfisterer Rus. [1)]	Moscow, Russia	100.00
OOO Pfisterer Vostok [2)]	Moscow, Russia	100.00

1) in dissolution
2) in liquidation

3. Companies accounted at-equity method

Company	Headquarter	Shares held by the Group December 31, 2023 %		Subscribed capital	Equity	Annual net profit/ annual net loss
Pfisterer Algérie Spa	Birtouta, Algeria	45.00 [1)]	DZD	1,000,000	-43,548,280	0 [2)]
			EUR	6,706	-292,017	0

1) The shares are held by Pfisterer SAS, Illzach, France.
2) Exchange rates as of December 31, 2023, values as of December 31, 2021.

Pfisterer Holding SE (formerly: Pfisterer Holding Aktiengesellschaft), Winterbach

Consolidated Financial Statement for the fiscal year from January 1, 2023 to December 31, 2023

Changes in Consolidated Non-current Assets

	Acquisition and manufacturing costs						Accumulated depreciation						Carrying amount	
€	As of December 31, 2022	Currency differences	Adds	Disposals	Reclassifi-cations	As of December 31, 2023	As of December 31, 2022	Currency differences	Adds	Disposals	Reclassifi-cations	As of December 31, 2023	As of December 31, 2022	As of December 31, 2023
I. Intangible assets														
1. Internally generated intellectual property rights and similar rights and assets	**1,323,026**	0	1,502,325	0	0	**2,825,351**	**0**	0	0	0	0	**0**	**1,323,026**	**2,825,351**
2. Externally acquired intellectual property rights and similar rights and assets	**8,064,804**	39,345	68,201	-4,142,791	288,175	**4,317,734**	**7,713,454**	21,662	282,852	-4,141,498	0	**3,876,470**	**351,350**	**441,264**
3. Goodwill	**1,595,377**	-8,535	0	0	0	**1,586,842**	**1,158,400**	-4,897	140,161	0	0	**1,293,664**	**436,977**	**293,178**
4. Advance payments on intangible assets	**0**	0	343,934	0	-288,175	**55,759**	**0**	0	0	0	0	**0**	**0**	**55,759**
	10,983,207	30,810	1,914,460	-4,142,791	0	**8,785,686**	**8,871,854**	16,765	423,013	-4,141,498	0	**5,170,134**	**2,111,353**	**3,615,552**
II. Property, plant and equipment														
1. Land, land rights and buildings, including buildings on third-party land	**30,579,989**	-34,791	297,505	-678,112	103,897	**30,268,485**	**16,741,194**	-37,900	987,214	-666,067	-5,510	**17,018,931**	**13,838,795**	**13,249,554**
2. Technical equipment and machinery	**53,589,739**	-579,661	1,002,968	-10,173,031	205,023	**44,045,038**	**41,632,782**	-384,502	2,699,029	-10,161,278	5,510	**33,791,541**	**11,956,957**	**10,253,497**
3. Other equipment and machinery	**38,117,114**	222,124	1,610,335	-5,648,302	299,927	**34,601,198**	**32,705,278**	212,284	2,211,087	-5,592,977	0	**29,535,672**	**5,411,836**	**5,065,526**
4. Advance payments and assets under construction	**1,990,395**	-15,450	2,351,373	-1,198,858	-608,847	**2,518,613**	**0**	0	0	0	0	**0**	**1,990,395**	**2,518,613**
	124,277,237	-407,778	5,262,181	-17,698,303	0	**111,433,334**	**91,079,254**	-210,118	5,897,330	-16,420,322	0	**80,346,144**	**33,197,983**	**31,087,190**
III. Financial assets														
1. Other loans	**3,410**	0	0	0	0	**3,410**	**0**	0	0	0	0	**0**	**3,410**	**3,410**
	3,410	0	0	0	0	**3,410**	**0**	0	0	0	0	**0**	**3,410**	**3,410**
Total	**135,263,854**	**-376,968**	**7,176,641**	**-21,841,094**	**0**	**120,222,430**	**99,951,108**	**-193,353**	**6,320,343**	**-20,561,820**	**0**	**85,516,278**	**35,312,746**	**34,706,152**

Pfisterer Holding SE (formerly: Pfisterer Holding Aktiengesellschaft), Winterbach

Consolidated Financial Statement for the fiscal year from January 1, 2023 to December 31, 2023

Consolidated Statement of Changes in Equity

	Equity of the parent company										Non-controlling interests				
		Reserves													
			Retained earnings												
€ thousand	Share capital / ordinary shares	Capital reserve in accordance with section 272, paragraph 2, no.4 HGB.	Legal reserves	Other retained earnings	**Total retained earnings**	**Total reserves**	Difference of currency translation	Loss carried forward	Con-solidated net profit / loss for the year attributable to the parent company	**Total**	Before differences of currency translation and net profit / loss of the year	Difference of currency translation	Profit / loss attributable to non-controlling interests	**Total**	**Consolidated total equity**
As of December 31, 2021	**14.595**	**10.599**	**456**	**70.285**	**70.741**	**81.340**	**11.285**	**-65.791**	**-27.431**	**13.998**	**4.822**	**-2.060**	**1.634**	**4.395**	**18.394**
Reclassification of prior-year result in profit / loss carried forward	0	0	0	0	0	0	0	-27.431	27.431	0	1.634	0	-1.634	0	**0**
Withdrawal from reserves	0	0	0	-11.500	-11.500	-11.500	0	11.500	0	0	0	0	0	0	**0**
Currency translation	0	0	0	0	0	0	-2.642	0	0	-2.642	94	-3.164	0	-3.070	**-5.712**
Consolidated net loss	0	0	0	0	0	0	0	0	-5	-5	0	0	-95	-95	**-100**
As of December 31, 2022	**14.595**	**10.599**	**456**	**58.785**	**59.241**	**69.840**	**8.643**	**-81.722**	**-5**	**11.351**	**6.549**	**-5.224**	**-95**	**1.229**	**12.580**
Reclassification of prior-year result in profit / loss carried forward	0	0	0	0	0	0	0	-5	5	0	-95	0	95	0	**0**
Withdrawal from reserves	0	0	0	-10.400	-10.400	-10.400	0	10.400	0	0	0	0	0	0	**0**
Currency translation	0	0	0	0	0	0	-2.586	0	0	-2.586	15	642	0	657	**-1.929**
Consolidated net profit	0	0	0	0	0	0	0	0	22.712	22.712	0	0	686	686	**23.398**
As of December 31, 2023	**14.595**	**10.599**	**456**	**48.385**	**48.841**	**59.440**	**6.057**	**-71.327**	**22.712**	**31.477**	**6.469**	**-4.582**	**686**	**2.572**	**34.049**

Pfisterer Holding SE (formerly: Pfisterer Holding Aktiengesellschaft), Winterbach

Consolidated Financial Statement for the fiscal year from January 1, 2023 to December 31, 2023

Consolidated Statement of Cash Flows

€ thousand	2023
Consolidated net profit / loss for the year excluding minority interests	+22.712
Depreciation and amortization / write-ups of non-current assets	+6.320
Increase / decrease in provisions	+1.566
Other non-cash expenses/ income	-2.887
Increase / decrease in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	-19.616
Increase / decrease in trade payables and other liabilities that cannot be allocated to investing or financing activities	-8.044
Gains / losses from the disposal of assets	+147
Interest expense / interest income	+5.703
Income tax expense	+5.669
Income tax payments	-1.286
Interest paid	-2.236
Cash flow from operating activities	**+8.048**
Proceeds from disposals of intangible assets	+1
Payments for investments in intangible assets	-1.914
Proceeds from disposals of property, plant and equipment	+1.131
Payments for investments in property, plant and equipment	-5.262
Proceeds / payments from changes in the consolidated group*	+3.000
Interest received	+150
Cash flow from investing activities	**-2.895**
Proceeds from the issuance of bonds and borrowings	+15.073
Repayments of bonds and borrowings	-891
Interest paid	-2.367
Cash flow from financing activities	**+11.815**
Net increase / decrease in cash and cash equivalents	+16.968
Effect of foreign exchange-rate changes on cash and cash equivalents	+2.769
Financial resources at beginning of period	-13.100
Financial resousources at end of period	**+6.637**

*The proceeds / payments from the changes in the consolidation group relate to disposals in 2021.

Other Disclosures

The financial resources fund is composed of:

	December 31, 2023 € thousand
Cash and cash equivalents	13.963
Operating credit line	-3.820
Restricted cash	-3.507
	6.636

INDEPENDET AUDITOR'S REPORT

To Pfisterer Holding SE (formerly Pfisterer Holding Aktiengesellschaft), Winterbach

AUDIT OPINIONS

We have audited the consolidated financial statements of Pfisterer Holding SE, Winterbach, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2023, the consolidated statement of profit or loss, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from January 1, 2023 to December 31, 2023 and notes to the consolidated financial statements, including a presentation of the recognition and measurement policies.

In addition, we have audited the group management report of Pfisterer Holding SE for the financial year from January 1, 2023 to December 31, 2023.

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 requirements of German commercial law and, in compliance with German Legally Required Accounting Principles, give a true and fair view of the assets, liabilities and financial position of the Group as at December 31, 2023 and of its financial performance for the financial year from January 1, 2023 to December 31, 2023, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to § 322 (3) sentence 1 HGB (German Commercial Code), we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW).

Our responsibilities under those requirements and principles are further described in the "AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT" section of our auditor's report. We are independent of the Group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BAORD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the requirements of German commercial law and that the consolidated financial statements in compliance with German Legally Required Accounting Principles give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal controls as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i. e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls or these arrangements and measures.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or,

if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with German Legally Required Accounting Principles.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming the audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinions.
- evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

Stuttgart, April 22, 2024

BDO AG

Wirtschaftsprüfungsgesellschaft

Müller Vögele

19.3 Audited consolidated financial statements 2022 (German GAAP)

19.3.1 Consolidated statement of financial position

ASSETS	December 31, 2022		Previous year	LIABILITIES	December 31, 2022		Previous year
	€	€	€ thousand		€	€	€ thousand
A. NON-CURRENT ASSETS				**A. EQUITY**			
I. Intangible assets				**I. Share capital**		14,595,238	14,595
1. Internally generated intellectual property rights and similar rights and assets	1,323,026						
2. Externally acquired intellectual property rights and similar rights and assets	351,350		316	**II. Capital reserve**		10,598,924	10,599
3. Goodwill	436,977		570				
4. Advance payments on intangible assets	0	2,111,353	243	**III. Retained earnings**			
				1. Legal reserve	455,838		456
II. Property, plant and equipment				2. Other retained earnings	58,785,492	59,241,330	70,285
1. Land, land rights and buildings, including buildings on third-party land	13,838,795		13,120	**IV. Differences of currency translation**		8,642,991	11,285
2. Technical equipment and machinery	11,956,957		13,297				
3. Other equipment and machinery	5,411,836		5,103	**V. Consolidated net loss**		-81,727,172	-93,222
4. Advance payments and assets under construction	1,990,395	33,197,983	2,197	**VI. Non-controlling interests**		1,228,856	4,395
III. Financial assets						12,580,167	18,393
1. Investments securities	0		0				
2. Other loans	3,410	3,410	3				
		35,312,746	34,849				
				B. PROVISIONS			
B. CURRENT ASSETS							
				1. Provisions for pensions and similar obligations	27,332,550		26,007
I. Inventories				2. Tax provisions	524,935		3,284
1. Raw materials, auxiliary supplies and consumables	14,536,217		16,590	3. Other provisions	21,015,056		23,176
2. Work in progress, unfinished goods	12,294,561		20,604			48,872,541	52,467
3. Finished goods and merchandise	23,585,208		17,030				
4. Advance payments on inventories	862,984		580	**C. LIABILITIES**			
5. Advance payments received on orders	-4,265,599	47,013,371	-11,602				
				1. Liabilities to credit institutions	69,977,197		46,835
II. Receivables and other assets				2. Advances received on account orders	1,700,519		1,895
1. Trade receivables	43,562,812		39,433	3. Trade payables	27,970,854		22,053
2. Other assets	11,686,952	55,249,764	12,500	4. Other payables thereof taxes: € 2,595,038 (previous year: € 1,963 thousand) thereof any payables related to social security contributions: € 438,016 (Vorjahr: € 660 thousand)	7,515,145		9,012
III. Securities		10,363	331				
IV. Cash and cash equivalents		24,097,388	13,593			107,163,715	79,795
		126,370,886	109,059				
				D. PREPAID INCOME		31,113	25
C. PREPAID EXPENSES		1,091,199	339				
D. DEFERRED TAX ASSETS		5,872,705	6,433				
		168,647,535	150,680			168,647,535	150,680

19.3.2 Consolidated statement of profit or loss

	2022		Previous year
	€	€	€ thousand
1. Revenues		288,760,409	308,473
2. Increase or reduction of stocks of finished goods and work in progress and unfinished goods		-5,519,890	10,067
3. Work performed by the undertaking for its own purposes and carried as an asset		851,290	17
4. Other operating income		12,830,004	24,730
- thereof from currency translation:			
€ 7,299,222 (previous year: € 3,862 thousand)			
		296,921,812	343,287
5. Cost of materials			
a) Costs for raw materials, auxiliary supplies			
and consumables and for purchased goods	137,157,756		141,762
b) Costs for purchased services	13,291,623	150,449,379	14,857
6. Personnel expenses			
a) Wages and salaries	64,945,525		77,882
b) Social security contributions and expenditure for old-age pension			
schmemes and for support	14,225,294		16,585
- thereof for retirement benefits			
€ 1,357,630 (previous year: € 420 thousand)		79,170,819	
7. Amortization / depreciation of intangible assets and			
items of property, plant and equipment		6,394,070	13,635
- thereof scheduled amortization on goodwill from first time consolidation:			
€ 140,591 (previous year: € 465 thousand)			
- thereof write-downs on goodwill from first time consolidation:			
€ 0 (previous year: € 6,041 thousand)			
- thereof write-downs on tangible fixed assets:			
€ 180,140 (previous year: € 257 thousand)			
8. Other operating expenses		54,218,766	94,688
- thereof from currency translation:			
€ 9,443,990 (previous year: € 5,369 thousand)			
		6,688,778	-16,120
9. Other interest and similar income	1,119,598		278
10. Other interest and similar expenses	7,333,011	6,213,412	5,236
- thereof from accumulated interest:			
€ 1,222,054 (previous year: € 2,141 thousand)			
11. Income Taxes		-784,507	3,010
- thereof from deferred taxes (income):			
€ 646,803 (previous year: € 2,238 thousand)			
12. Profit (+)/ loss (-) after taxes		1,259,873	-24,088
13. Other taxes		1,360,552	1,709
14. Consolidated net profit / loss for the year before			
non-controlling interests		-100,679	-25,797
15. Profit / loss attributable to non-controlling interests		95,379	-1,634
16. Consolidated net profit/loss for the year		-5,300	-27,431
17. Loss carried forward from the previous year		-93,221,872	-76,791
18. Withdrawal from retained earnings		11,500,000	11,000
19. Consolidated net loss		-81,727,172	-93,222

19.3.3 Notes to the consolidated financial statements

A. Preliminary remarks

The registered office of Pfisterer Holding AG is Winterbach. The company is listed in the commercial register at the Stuttgart District Court under number HRB 281937.

The consolidated financial statements and the Group management report of Pfisterer Holding SE, Winterbach as of December 31, 2022, have been prepared in accordance with the provisions of Sections 290 et seq. of the German Commercial Code (HGB).

The consolidated statement of profit or loss follows the nature of expense method (Gesamtkostenverfahren).

B. General information, explanations and reasoning for consolidation

Scope of consolidation

In addition to the parent company, the consolidated financial statements include 3 domestic (previous year: 3) and 14 foreign companies (previous year: 14) in which the reporting company directly or indirectly holds more than 50% of the voting rights (see Appendix I, page 19 “Ownership interest”).

The company Pfisterer Algérie Spa is accounted for by the equity method (see Appendix I, page 19 “Ownership interest”).

The companies OOO Pfisterer Vostok and OOO Pfisterer Rus are not included in the consolidated financial statements due to their minor significance. The liquidation of OOO Pfisterer Vostok was brought about by resolution dated March 31, 2019. The deconsolidation took place on June 30, 2019. Due to its minor significance, the company is reported as an investment until the liquidation is completed. Due to the discontinuation of the business activities of OOO Pfisterer Rus, the company itself was deconsolidated as at June 30, 2019. Due to its minor significance, the company is also reported as an equity investment until the proceedings are concluded.

At the end of June 2021, the PFISTERER Group sold its ceramic insulators business, and on December 28, 2021, it sold its railway business. To ensure comparability with the previous year, a reconciliation of the previous year's consolidated financial statements to the consolidated financial statements excluding the sold business units is presented below.

2021 € thousand	Group	Including railway and ceramic insulators	Adjusted group
Revenues	308.473	47.136	261.337
Increase or reduction of stocks of finished goods and work in progress and unfinished goods	10.067	1.782	8.284
Work performed by the undertaking for ist own purposes and carried as an asset	16	2	14
Other operating income	24.730	1.905	22.825
Cost of materials	-156.618	-22.523	-134.095
Personnel expenses	-94.467	-15.755	-78.712
Amoritzation / depreciation	-13.635	-1.298	-12.337
Other operating expenses	-94.687	-8.109	-86.578
Financial result	-4.958	-375	-4.582
Profit or loss before taxes	-21.078	2.766	-23.843
Taxes	-4.719	-924	-3.795
Consolidated net profit	-25.797	1.841	-27.638

Consolidation of subsidiaries

Capital consolidation in accordance with Section 301 (1) no. 1 HGB (old version) (book value method) was carried out up to and including 2009 for all subsidiaries in accordance with the accounting policy choice in Section 301 (2) sentence 2 HGB (old version) at the time of initial inclusion in the consolidated financial statements. For companies consolidated for the first time from 2010, capital consolidation is carried out using the revaluation method at the time at which the company became a subsidiary or at the time of first-time consolidation.

Principles of consolidation

The consolidated financial statements are based on the annual financial statements of the company and the consolidated subsidiaries.

The annual financial statements of Lapp Insulators Redwitz B.V., Amsterdam, Netherlands, were prepared on a going concern basis, as the company ceased operations in 2018.

Capital consolidation for acquisitions up to December 31, 2009, was carried out using the book value method by offsetting the acquisition costs against the proportionate equity of the subsidiary either at the time of acquisition or at the time of first-time consolidation. Any resulting positive difference was treated as goodwill (first-time consolidation on January 1, 1993, for Pfisterer Kontaktsysteme GmbH & Co. KG, Winterbach, now Pfisterer Kontaktsysteme GmbH, Winterbach) and amortized over 15 years or offset against retained earnings (Acquisition of Pfisterer S.r.l., Novate Milanese, Italy, in 1997 and first-time consolidation of Pfisterer Sp. z o.o., Ozarow, Poland, in 2005).

A negative difference (Pfisterer Ltda., Sao Paulo, Brazil) is reported as an equity item under retained earnings.

Capital consolidation for acquisitions from January 1, 2010 was carried out using the revaluation method and by offsetting the investment values against the proportionate revalued equity attributable to the parent company (Pfisterer Power Connection Systems (Beijing) Co., Ltd., Beijing, China in 2010, Pfisterer North America Inc., LeRoy (NY), USA in 2014, Pfisterer Czech s.r.o., Kadan, Czech Republic in 2015, Quattro Gi S.r.l., Novate Milanese,

Italy in 2015, Ceramic International B.V., Amsterdam, Netherlands in 2018, Pfisterer Middle East FCZO, Dubai, United Arab Emirates in 2020, Pfisterer España S.L.U., Barcelona, Spain, and Pfisterer CSU UK, Sheffield, United Kingdom in 2021).

Any share of equity attributable to non-controlling interests is reported in the adjustment item for non-controlling interests.

In accordance with Section 303 (1) HGB, loans and other receivables and liabilities between the companies included in the consolidated financial statements were offset when consolidating liabilities. Since the 2022 financial year, exchange rate-related differences have been offset against equity through other comprehensive income.

The consolidated financial statements include assets that are wholly or partly based on deliveries or services between the companies included in the consolidated financial statements. The elimination of intercompany profits in accordance with Section 304 HGB led to an improvement in earnings of €81 thousand in the reporting year. This is made up of a decrease in non-current assets of €114 thousand and an increase in inventories of €33 thousand.

When consolidating income and expenses in accordance with Section 305 (1) HGB, intragroup revenue from services, such as cost reimbursements, interest and service fees, was consolidated with the related expenses of the recipients and revenue from investments was eliminated.

Group reporting date

The consolidated financial statements are prepared as of December 31, 2022, as the reporting date for the parent company's annual financial statements. The consolidated subsidiaries have the same reporting date.

Currency translation method

The annual financial statements of the consolidated subsidiaries prepared in foreign currencies are translated into euros on the basis of the functional currency concept.

The foreign investments in the scope of consolidation are financially, economically and organizationally independent. They are therefore regarded as economically independent foreign sub-units. Their reporting currency corresponds to the respective local currency. All resulting translation differences are reported separately under the item “Equity difference from currency translation” within equity.

The currency translation of the financial statements of the foreign Group companies was translated for all balance sheet items using the respective closing rates (average spot exchange rate) on the Group reporting date.

			December 31, 2022	December 31, 2021
1	CHF	= EUR	1.01554	0.96497
1	CZK	= EUR	0.04147	0.04013
1	PLN	= EUR	0.21364	0.21758
1	AED	= EUR	0.25400	0.23950
1	ARS	= EUR	0.00529	0.03126
1	BRL	= EUR	0.17735	0.15690
1	GBP	= EUR	1.12749	1.19147
1	CNY	= EUR	0.13590	0.13845
1	USD	= EUR	0.93756	0.88230
1	DZD	= EUR	0.00677	0.00630

The item “Equity difference from currency translation” of €8,643 thousand (previous year: € 11,285 thousand) reported as a separate item within equity takes into account all currency differences through other comprehensive income recognized directly in equity from capital consolidation since first-time consolidation, from the translation difference of the income statement items at average exchange rates (compared to closing rates in the balance sheet) for the majority interests and from the offsetting of the difference from debt consolidation recognized directly in equity. The equity difference for minority interests amounted to € -5,224 (previous year: € -2,060 thousand).

Unrealized exchange rate gains and losses from the valuation of intercompany receivables and liabilities as at the reporting date are reported in the financial statements of the Group companies under “Equity difference from currency translation” through other comprehensive income.

Due to hyperinflation in Argentina, the financial statements of the Argentinean Group company were adjusted for the first time as of December 31, 2018, to reflect significant inflation-related effects. For this purpose, a simplified indexation method with a fixed exchange rate was chosen, whereby the entire unindexed HB II financial statements, with the exception of cash and cash equivalents, were translated at the fixed exchange rate of 0.03126 ARS/EUR as of July 31, 2018. Cash and cash equivalents and the corresponding income and expenses that are subject to contractual price indexation were adjusted in accordance with the contract and translated at the respective closing rate.

The renewed sharp rise in inflation in Argentina in 2022 has made it necessary to change the previous methodology to the indexation procedure in accordance with GAS 25. The local values of non-monetary items (non-current assets, inventories, equity and profit and loss) are indexed using the local consumer price index. The conversion in the HB II is now carried out at the closing rate of the present financial statements of 0.00529 ARS/EUR. The indexation carried out in this way results in a negative earnings effect of € 1,860 thousand, which is shown in the financial result.

The currency translation of the financial statements of the other foreign Group companies was translated at the respective average exchange rate for the financial year for all items in the income statement.

			2022	2021
1	CHF	= EUR	0.99522	0.92479
1	CZK	= EUR	0.04071	0.03900
1	PLN	= EUR	0.21341	0.21905
1	AED	= EUR	0.25911	0.23020
1	ARS*	= EUR	0.00529	0.03126
1	BRL	= EUR	0.18372	0.15680
1	GBP	= EUR	1.17279	1.16326
1	CNY	= EUR	0.14126	0.13106
1	USD	= EUR	0.94936	0.84537
1	DZD	= EUR	0.00666	0.00624

* Closing rate

C. General information on accounting policies, standards of valuation, and currency translation methods

Valuation in the Group was carried out in accordance with the same principles; in particular, valuation options were exercised in the same way as in the parent company's separate financial statements. The exception to this is Lapp Insulators Redwitz B.V., whose annual financial statements and thus the valuation of assets and liabilities were prepared and carried out on a going concern basis.

The accounting and valuation methods applied are the same as those used in the previous year except for:

In order to take account of the increased significance of development activities in the balance sheet and thus to improve the insight into the financial position, internally generated intangible assets were capitalized for the first time in the financial year, in accordance with the option provided under Section 248 (2) HGB. The nature of the asset for development projects is substantiated on the basis of the achievement of individually defined milestones in accordance with detailed milestone planning; adherence to the milestone planning is continuously monitored by project controlling. The initial capitalization of internally generated intangible assets resulted in additions to assets of € 1,323 thousand, which, after deducting the corresponding deferred tax liabilities, increased the consolidated result. This increase is subject to the distribution restriction under Section 268 (8) HGB.

Non-current assets

Acquired intangible assets were valued at acquisition cost and amortized on a straight-line basis and, in the case of an expected permanent impairment, also written down. A useful life of 3 to 5 years is assumed for purchased software, 10 years for patents and 3 to 8 years for licenses. It is intended to use the acquired production technology over this period. Internally generated intangible assets are capitalized at manufacturing costs in accordance with Section 255 (2a) sentence 1 HGB in conjunction with Section 255 (2a) sentences 1 and 2 HGB and amortized on a straight-line basis over their expected useful life of 5 years or written down if their value is expected to be permanently impaired.

Property, plant and equipment was recognized at acquisition or manufacturing cost less depreciation. The production costs of internally generated property, plant and equipment include, in addition to direct costs, appropriate portions of the necessary material and

production overheads, including depreciation, to the extent that these are incurred as a result of production.

Low-value assets with acquisition costs between € 150 and € 1,000 were grouped into a compound item up to and including the 2017 financial year and depreciated over a useful life of five years. Since the 2018 financial year, low-value assets with an acquisition or production cost of up to € 800 have been fully depreciated in the year of acquisition and their disposal has been assumed.

The useful life of buildings was set at 10 to 60 years, and 10 to 15 years for fixtures and fittings on land. Technical equipment and machinery are depreciated over a useful life of 6 to 15 years. The useful life of other equipment and operating and office equipment is 3 to 10 years. The straight-line depreciation method was chosen for the majority of movable non-current assets.

Financial assets are measured at the lower of cost or fair value.

Current assets

Raw materials, auxiliary supplies and consumables and goods for resale are valued at acquisition cost or moving or weighted average prices, taking into account the strict lower of cost or market principle. Where necessary, value adjustments were made due to technical ageing and low turnover or lower current prices as of the reporting date (€ 8,271 thousand, previous year: € 6,710 thousand). Work in progress and finished goods are valued using the inventory material prices and imputed planned production costs, adjusted for non-capitalizable cost components. Work in progress and finished goods are valued at production cost on the basis of individual calculations, whereby in addition to the directly attributable direct material costs, direct production costs and special direct costs, appropriate material and production overheads and depreciation of non-current assets are also included. Where this is caused by production, the depreciation of non-current assets is recognized. No use was made of the option to include general administrative costs. Borrowing costs, insofar as they are attributable to the period of production, were not included.

The company makes use of the option to deduct advance payments received on orders from the inventories in the amount of € 4,266 thousand (previous year: € 11,602 thousand).

Receivables and other assets are recognized at nominal value. Recognizable individual risks were taken into account in the amount of € 1,089 thousand (previous year: € 1,992 thousand). The general credit risk was taken into account by means of a general valuation allowance in the amount of € 1,187 thousand (previous year: € 896 thousand).

Reinsurance policies are carried at their asset value (cover capital) and, if the requirements were met, were netted against the pension obligations carried as liabilities in accordance with Section 246 (2) HGB.

Investment securities are recognized at the lower of cost or fair value in accordance with Section 253 HGB.

Cash on hand and bank balances were recognized at their nominal amounts.

Prepaid expenses and income

Prepaid expenses and income comprise incoming/outgoing payments before the balance sheet date that represent income/expenses for a certain period after this date.

Provisions / liabilities

The provisions for pensions were calculated in accordance with actuarial principles using the projected unit credit method (PUC method) based on the 2018 G mortality tables by Klaus Heubeck and an interest rate of 1.17%-1.92% (previous year: 1.87%) (10-year average). Where required by the pension commitment, a pension increase factor of 2.0% (previous year: 1.8%), a salary trend of 0.0%-2.5% (previous year: 0%) and age-dependent fluctuation probabilities of between 0.0% and 5.6% are taken into account. The amount barred from distribution in accordance with Section 253 (6) HGB is € 1,137 thousand (previous year: € 1,748 thousand), which was calculated using an interest rate of 0.93%-1,52% (previous year: 1.35%) (7-year average). A total of € 499 thousand was paid into the existing reinsurance policy for individual commitments, of which € 0 thousand was added in the financial year. As a result of risk discounts and capital costs, the fair value of the pledged plan assets amounts to € 304 thousand, which corresponds to the acquisition costs. The offset pension commitments are of the same amount. In this context, expenses of € 7 thousand were offset against income of € 6 thousand in the income statement. Pursuant to Article 67, para. 1 of the Introductory Act to the German Commercial Code (Einführungsgesetz zum Handelsgesetzbuch, EGHGB), one fifteenth of the conversion difference resulting from the first-time application of the BilMoG was recorded in other operating expenses of the former Lapp companies. As of December 31, 2022, the amount of the underfunding not yet recognized in the consolidated balance sheet is € 109 thousand. In the financial year, an amount of € 55 thousand (previous year: € 24 thousand) was added, which is reported under other operating expenses.

Other provisions are recognized for all uncertain obligations and impending losses from pending transactions. They are valued carefully and all recognizable risks are taken into account. Provisions are recognized at the settlement amount required according to prudent business judgment. Future price and cost increases are taken into account where necessary when determining the settlement amount. Provisions with a remaining term of more than one year are discounted to the balance sheet date in accordance with Section 253 (2) HGB using the average market interest rate of the past seven financial years, which is calculated and published monthly by the Deutsche Bundesbank in accordance with the German Regulation on the Discounting of Provisions (Rückstellungsabzinsungsverordnung).

The provisions for partial retirement were calculated in accordance with the provisions of IDW statement IDW RS HFA 3 and, in the case of anniversary bonuses, in accordance with recognized actuarial principles using the projected unit credit method (PUC method). The “2018 G mortality tables” by Klaus Heubeck were used as the biometric calculation basis. A salary trend of 2.5% p.a. (previous year: 2.0%) is assumed when measuring the partial retirement provision. Partial retirement provisions are discounted at an interest rate of 0.41% p.a. (previous year: 0.30%) appropriate to the term. Anniversary provisions were discounted at a flat interest rate of 1.45% p.a. (previous year: 1.35%). As in the previous year, the salary trend is 0.00%. Age-dependent fluctuation probabilities of between 0.00% and 12.0% were applied.

Liabilities and debt items were recognized at the settlement amounts.

Currency translation

Cash and cash equivalents, receivables and liabilities are translated at the lower (receivables) or higher (liabilities) exchange rate on the reporting date. In deviation from this, receivables and liabilities in foreign currencies with a remaining term of up to 12 months were always valued at the exchange rate on the reporting date.

Deferred tax

With regard to deferred taxes, Section 274 HGB was applied separately to the financial statements of the individual companies included in the consolidated financial statements. Deferred tax assets and liabilities were recognized for temporary differences between the carrying amounts in the financial statements and the tax base. Deferred tax assets of € 3,962 thousand (previous year: € 5,721 thousand) and deferred tax liabilities of € 631 thousand (previous year: € 979 thousand) resulted from the individual financial statements, including the adjustments for the commercial balance sheet II and taking loss carryforwards into account. The temporary differences on the assets side result primarily from pension provisions and other provisions, while the temporary differences on the liabilities side result from non-current assets and stocks. In the 2022 financial year, the asset surplus was recognized in accordance with Section 274 HGB. This includes deferred tax assets on loss carryforwards in the amount of € 843 thousand (previous year: € 1,281 thousand) relating to Pfisterer Switzerland AG and Pfisterer Czech s.r.o (previous year: also Pfisterer Holding AG, Winterbach). The local tax rates of between 0% and 28.08% (previous year: 12.99% - 35%) were applied.

In accordance with Section 306 HGB, consolidation processes resulted in deferred tax assets of € 2,573 thousand (previous year: € 2,596 thousand), which mainly resulted from the elimination of intercompany profits. Debt consolidation resulted in a deferred tax liability of € 12 thousand (previous year: € 904 thousand). Temporary differences from consolidation processes were recognized at a tax rate of 28.08% (previous year: 28.08%). Deferred tax assets of € 38 thousand (previous year: € 56 thousand) and deferred tax liabilities of € 58 thousand (previous year: € 58 thousand) were recognized on the changes in carrying amounts due to the purchase price allocation.

After offsetting in accordance with Section 274 HGB and Section 306 HGB, the consolidation processes and the PPA resulted in an overall surplus of deferred tax assets over deferred tax liabilities amounting to € 5,873 thousand (previous year: € 6,433 thousand).

D. Notes to the consolidated financial statement of financial position

Non-current assets

The changes of the Group's non-current assets in accordance with Section 313 (4) in conjunction with Section 284 (3) HGB in the 2023 financial year is shown in Appendix I, page 19.

Intangible assets include goodwill of € 437 thousand (previous year: € 570 thousand). Of this amount € 322 thousand (previous year: € 1,323 thousand) results from the separate financial statements from the consolidation of Pfisterer Milano. This item also includes licenses and software amounting to € 351 thousand.

In 2022, the capitalization option under Section 248 (2) HGB was exercised for the first time, with development costs of € 1,323 thousand being recognized for internally generated intangible assets under development. Research and development costs totaling € 6.0 million were incurred.

Current assets

Previous year's figures

	Due within 1 year € thousand	Due after more than 1 year € thousand	Total € thousand
- Trade receivables	43,556	7	43,563
	39,433	0	39,433
- Other assets	8,169	3,518	11,687
	8,687	3,814	12,500
	51,725	3,525	55,250
	48,120	3,814	51,933

Trade receivables include specific valuation allowances of € 1,089 thousand (previous year: € 1,992 thousand) and general valuation allowances of € 1,187 thousand (previous year: € 896 thousand).

Prepaid expenses

Under prepaid expenses, processing fees and closing fees for the syndicated loan agreement are amortized on a straight-line basis over the term of the agreement of 3 years. Processing fees and closing fees amount to € 810 thousand.

Equity

a) Share capital

The subscribed capital of the parent company amounts to € 14,595,238.00 (previous year: € 14,595,238.00) and is divided into 14,595,238 no-par value bearer shares with a nominal value of € 1.00 each.

b) Capital reserve

The capital reserve amounts to € 10,598,923.80.

c) Retained earnings

In addition to the Group's retained earnings, retained earnings include the accumulated result from capital consolidation (difference from capital consolidation) and debt

consolidation, from the elimination of interim results and the hidden reserves disclosed in the commercial balance sheet II as well as valuation measures carried out. Retained earnings were reduced by offsetting the capitalized differences from the capital consolidation of companies acquired before December 31, 2009.

In a resolution dated March 2, 2023, the Supervisory Board approved the release of retained earnings in the amount of € 11,5 million in favor of retained earnings.

d) Equity difference from currency translation

The change in the equity difference from currency translation is mainly due to the effects of the inflation adjustment in Argentina.

e) Consolidated net profit

	€
As of January 1, 2022	-93,221,872
Withdrawals from other retained earnings and allocation to net result	11,500,000
Consolidated net loss	-5,301
As of December 31, 2022	-81,727,172

f) Non-controlling Interests

The adjustment item for non-controlling interests decreased in the financial year due to the pro rata net loss for the year attributable to non-controlling minority interests as well as the accounting effects of currency translation and inflation adjustments.

The effects of the inflation adjustment in Argentina and current effects from Argentina, some of which relate to other periods, as described above, amount to around € 7.7 million.

Provisions

Other provisions mainly consist of warranty provisions amounting to € 5,572 thousand (previous year: € 7,378 thousand), personnel provisions amounting to € 9,703 thousand (previous year: € 10,567 thousand), provisions for outstanding invoices amounting to € 1,408 thousand (previous year: € 888 thousand) and other provisions for legal disputes, impending losses from pending transactions and costs for the preparation and audit of the annual financial statements.

Liabilities

a) Maturities

Previous year's figures

	Due within 1 year € thousand	Due after more than 1 year € thousand	thereof more than 5 years € thousand	Total € thousand
- Liabilities to credit institutions	38,540	31,437	0	69,977
	29,678	17,156	0	46,835
- Advances received on account of orders	1,701	0	0	1,701
	1,895	0	0	1,895
- Trade payables	27,946	25	0	27,971
	22,053	0	0	22,053
- Other payables	7,496	19	19	7,515
	8,993	18	18	9,011
	75,682	31,481	19	107,164
	62,619	17,174	18	79,794

b) Securities

The secured liabilities in the Group amount to:

	December 31, 2022 € thousand	Previous year € thousand
- Liabilities to credit institutions secured by mortgages		
Pfisterer Kontaktsysteme GmbH, Winterbach	2,156	3,031
Pfisterer s.r.l., Milano, Italy	624	721
	2,780	3,752

With effect from December 22, 2022, the existing syndicated loan agreement for € 110 million was prematurely dissolved. The new syndicated loan agreement is divided into two tranches of € 90 million each with a term of three years. The tranches are divided into a term loan of € 30 million (variable interest rate 3m-EURIBOR or 6m EURIBOR) and a revolving credit facility of € 60 million (of which € 25 million is reserved for guarantees).

The currently utilized amount of € 66.9 million is included in liabilities to banks and is secured by joint and several liability of the guarantors (Pfisterer Holding AG, Pfisterer Kontaktsysteme GmbH, Pfisterer Insulators GmbH, Pfisterer Switzerland AG, Pfisterer s.r.o., Pfisterer North America Inc.) with their total assets. Further collateral is provided by the assignment of the repayment claims of land charges of Pfisterer Kontaktsysteme GmbH and the pleading of domestic accounts of the borrower and the guarantors at the participating banks; this collateral was ordered in February 2023. In addition, there is an ancillary line of € 2.67 million used for guarantees as at the reporting date.

Trade payables are secured by the suppliers' retention of title, which is customary in the industry.

(E) Notes to the consolidated statement of profit or loss

(1) Revenue

	2022	Previous year
	€ thousand	€ thousand
Disaggregation by geographical regions		
Western Europe	137,204	152,821
Eastern Europe	19,579	19,828
Northern Europe	17,699	11,939
Middle East	44,534	35,943
Far East	26,700	26,019
North America	22,106	27,353
Central and Latin America	19,406	31,259
Africa	1,532	3,311
	288,760	308,473

	2022	Previous year
	€ thousand	€ thousand
Disaggregation by business sector		
Cable HV	98,080	87,750
Cable MV	50,877	33,209
Composite	73,408	60,694
Ceramic	0	25,255
Components	66,396	81,960
Railway	0	19,605
	288,760	308,473

(2) Other operating income

Other operating income includes exchange rate gains of € 7,299 thousand (previous year: € 3,862 thousand).

In the previous year, extraordinary income from the deconsolidation of business units amounted to € 12,579 thousand.

(3) Prior-period income

Significant prior-period income arose from the reversal of sales, personnel and other provisions as well as value adjustments in the amount of € 5,467 thousand (previous year: € 3,514 thousand). This item includes income taxes unrelated to the accounting period totaling € 1,532 thousand from the reversal of tax provisions of Pfisterer Holding AG for the years 2018 to 2020.

(4) Depreciation and amortization

Depreciation and amortization of intangible assets and tangible non-current assets during the financial year can be found in the statement of changes of non-current assets.

(5) Other operating expenses

Other operating expenses include exchange rate losses amounting to € 9,444 thousand (previous year: € 5,369 thousand).

In the previous year, extraordinary expenses included expenses for the deconsolidation of business units in the amount of € 33,321 thousand, consulting fees in the amount of € 5,333 thousand and the formation of provisions for warranties in the amount of € 3,128 thousand.

(6) Prior-period expenses

Other operating expenses include prior period expenses of € 817 thousand (previous year: € 1,379 thousand). This mainly relates to the derecognition of receivables due to uncollectibility and the disposal of assets.

(7) Net finance costs

The net finance cost includes € 1,860 thousand (previous year: € 0 thousand) in expenses from indexation.

(F) Other disclosures

(1) Employees

The average number of employees during the year was:

	2022	Previous year
Employees	518	612
Commercial workers	529	845
Total average number of employees	1,047	1,457

(2) Contingent liabilities

As of the reporting date, there were no contingent liabilities to third parties.

(3) Derivative financial instruments

No derivative financial instruments were used as at the reporting date.

(4) Other financial commitments

Other financial obligations consist of rental and leasing obligations as well as purchase commitments for investments and inventories.

	December 31, 2022	Previous year
	€ thousand	€ thousand
Other financial and contractual obligations		
Due within 1 year	36,653	18,538
Due after more than 2 years and less than 5 years	15,714	19,910
Due after more than 5 years	3,947	3,861
	56,314	42,309

(5) Off-balance sheet transactions

The Pfisterer Group has concluded contracts with various financiers for the purchase of trade receivables as a further financing option. Based on these agreements, original trade receivables are continuously sold to the factoring companies up to a maximum nominal amount of € 20,700 thousand, taking into account a purchase price discount. The benefits are mainly based on an improved capital structure. Due to the insurance of the receivable and the transfer of the default risk, the risks are in the amount of the deductible. As at the balance sheet date, trade receivables were reduced by the sale of receivables recognized in the balance sheet in the amount of € 15,338 thousand.

(6) Notes to the statement of cash flows

The statement of cash flows was prepared in accordance with the provisions of GAS 21.

(7) Audit fees

In 2022, € 268 thousand (of which € 34 thousand was aperiodic) was recorded as an expense for audit services in accordance with Section 314 (1) no. 9 HGB and € 8 thousand for other assurance services.

(8) Board of directors and supervisory board

Board of Directors:

- Stephan Götschel, Director of Finance, Production and Administration, Munich (until December 30, 2022)
- Dr. Konstantin Kurfiss, Director of Technology and Sales, Gerlingen
- Johannes Linden, Director of Finance, Production and Administration, Esslingen (from January 01, 2023)

The profession of the members of the board of directors is identical to their position on the board.

Members of the Supervisory Board and their Mandates:

- Prof. Dr. Wolfgang Blättchen, Managing Partner of Blättchen Financial Advisory GmbH, resident in Leonberg (Chairman)

  Mandates:

  - PAS AG, Stuttgart – deputy chairman of the supervisory board
  - Südvers Holding GmbH & Co. KG, Freiburg – advisory board

- Karl-Heinz Pfisterer, Dipl. rer. pol. techn. resident in Gerstetten-Gussenstadt (deputy chairman)

- Matthias Benz, Managing Director of Fried. v. Neuman Gesellschaft m.b.H., Marktl, Austria, resident in Friedrichshafen

  Mandates:

  - Bertrand AG, Ehningen – member of the supervisory board

- Prof. Dr. Petra Denk, Head of the Institute for Systematic Energy Consulting at Landshut University of Applied Sciences, resident in Oberschleißheim

  Mandates:

  - Aixtron SE, Herzogenrath – member of the supervisory board
  - BKW AG, Bern, Switzerland – member of the supervisory board

- Erich Schefold, Merchant, resident in Ulm

  Mandates:

  - IWL AG, Ulm – member of the supervisory board

- Dr. Stefan Seipl, Managing Partner, seipl consult GmbH, Gräfelfing, resident in Garmisch-Partenkirchen

  Mandates:

- MVV Energie AG, Mannheim – member of the supervisory board
- Ferngas Netzgesellschaft mbH, Schwaig – chairman of the supervisory board
- Nordion Energi AB, Malmö Schweden – member of control committee

The total remuneration of the Supervisory Board of Pfisterer Holding AG amounted to € 382 thousand in the fiscal year (previous year: € 301 thousand).

(9) Disclosure

Pfisterer Kontaktsysteme GmbH applies the exemption from the disclosure requirement and the preparation of notes and a management report in accordance with Section 264 (3) of the German Commercial Code.

(10) Events after the reporting period

There were no significant events after the reporting date that were not reflected in the consolidated statement of profit or loss or the consolidated statement of financial position.

(11) Profit distribution

It is proposed that the net profit of Pfisterer Holding SE be carried forward to the new account.

Winterbach, April 17, 2023

Johannes Linden Dr. Konstantin Kurfiss

Changes in consolidated non-current assets

	Acquisition and manufactoring costs							Accumulated depreciation							Carrying amount	
	As of January 1, 2022	Change in consolidation group	Currency differences	Adds	Disposals	Reclassifi-cations	As of December 31, 2022	As of January 1, 2022	Change in consolidation group	Currency differences	Adds	Disposals	Reclassifi-cations	As of December 31, 2022	As of December 31, 2021	As of December 31, 2022
	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€	€
I. Intangible assets																
1. Internally generated intellectual property rights and similar rights and	0	0	0	1,323,026	0	0	1,323,026	0	0	0	0	0	0	0	0	1,323,026
2. Externally acquired intellectual property rights and similar rights and	7,685,568	0	16,768	124,491	0	237,977	8,064,804	7,369,822	0	46,844	296,788	0	0	7,713,454	315,746	351,350
3. Goodwill	1,580,902	0	14,475	0	0	0	1,595,377	1,011,260	0	6,549	140,591	0	0	1,158,400	569,642	436,977
4. Advance payments on intangible assets	243,288	0	-52	25,384	-32,708	-235,912	0	0	0	0	0	0	0	0	243,288	0
	9,509,758	0	31,191	1,472,901	-32,708	2,065	10,983,207	8,381,082	0	53,393	437,379	0	0	8,871,854	1,128,676	2,111,353
II. Property, plant and equipment																
1. Land, land rights and buildings, including buildings on third-party land	28,972,436	0	332,370	479,860	-274,023	1,069,345	30,579,989	15,852,789	0	222,125	940,302	-274,023	0	16,741,194	13,119,647	13,838,795
2. Technical equipment and machinery	52,123,796	0	1,476,431	1,231,411	-1,627,891	385,991	53,589,739	38,826,915	0	1,415,014	3,042,303	-1,651,450	0	41,632,782	13,296,881	11,956,957
3. Other equipment and machinery	36,148,771	0	779,976	1,592,126	-1,067,082	663,324	38,117,114	31,045,690	0	745,176	1,974,086	-1,059,674	0	32,705,278	5,103,081	5,411,836
4. Advance payments and assets under construction	2,197,187	0	55,672	1,905,283	-47,022	-2,120,725	1,990,395	0	0	0	0	0	0	0	2,197,187	1,990,395
	119,442,190	0	2,644,449	5,208,680	-3,016,018	-2,065	124,277,237	85,725,394	0	2,382,315	5,956,691	-2,985,147	0	91,079,254	33,716,796	33,197,983
III. Financial assets																
1. Beteiligungen	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1. Investments securities	-1	0	0	0	0	0	-1	-1	0	0	0	0	0	-1	0	0
2. Other loans	3,410	0	0	0	0	0	3,410	0	0	0	0	0	0	0	3,410	3,410
	3,409	0	0	0	0	0	3,409	-1	0	0	0	0	0	-1	3,410	3,410
Total	128,955,357	0	2,675,640	6,681,581	-3,048,726	0	135,263,853	94,106,475	0	2,435,708	6,394,070	-2,985,147	0	99,951,107	34,848,882	35,312,746

Pfisterer Holding Aktiengesellschaft, Winterbach

Consolidated Financial Statements for the fiscal year from January 1, 2022 to December 31, 2022

Ownership Interest

1. Fully consolidated companies included in the consolidated financial statements

Company	Headquarter	Shares held by the Group December 31, 2022 %
Parent company		
Pfisterer Holding AG	Winterbach, Germany	100,00
Subsidiaries		
Pfisterer Kontaktsysteme GmbH [1]	Winterbach, Germany	100,00
Pfisterer Insulators Wunsiedel GmbH	Wunsiedel, Germany	100,00
Pfisterer Switzerland AG	Küssnacht am Rigi, Switzerland	100,00
Pfisterer Sp. z o.o.	Ozarow, Poland	100,00
Pfisterer S.r.l.	Novate Milanese, Italy	100,00
Pfisterer S.A.	Buenos Aires, Argentina	55,00
Pfisterer Ltda.	Sao Paulo, Brazil	100,00
Pfisterer SAS	Illzach, France	100,00
Pfisterer Power Connection Systems (Beijing) Co., Ltd.	Peking, China	100,00
Pfisterer North America Inc.	LeRoy (NY), USA	100,00
Pfisterer Czech s.r.o.	Kadaň, Czech Republic	100,00
LIW Composite GmbH (vormals: Pfisterer Wunsiedel GmbH)	Wunsiedel, Germany	100,00
Lapp Insulators Redwitz B.V.	Amsterdam, Netherlands	100,00 [2]
Quattro Gi S.r.l.	Novate Milanese, Italy	100,00 [3]
Ceramic International B.V.	Amsterdam, Netherlands	100,00
Pfisterer Middle East FZCO	Dubai, United Arab Emirates	100,00
Pfisterer España S.L.U.	Barcelona, Spain	100,00
Pfisterer CSU UK Ltd.	Sheffield, Great Britain	100,00

1) The company applies exemptions under Section 264 (3) HGB.
2) The shares are held by Ceramic International B.V., Amsterdam, Netherlands.
3) The shares are held by Pfisterer S.r.l., Novate Milanese, Italy.

2. Companies not included in the consolidated financial statements

Company	Headquarter	Shares held by the Group December 31, 2022 %
OOO Pfisterer Rus.	Moscow, Russia	100,00
OOO Pfisterer Vostok	Moscow, Russia	100,00

3. Companies accounted at-equity method

Company	Headquarter	Shares held by the Group December 31, 2022 %		Subscribed capital	Equity	Annual net profit/ annual net loss
Pfisterer Algérie Spa	Birtouta, Algeria	45,00 [1]	DZD	1.000.000	-43.548.280	0 [2]
			EUR	6.767	-294.700	0

1) The shares are held by Pfisterer SAS, Illzach, France.
2) Exchange rates as of December 31, 2022, values as of December 31, 2021.

Pfisterer Holding Aktiengesellschaft, Winterbach

Consolidated Financial Statements for the fiscal year from January 1, 2022 to December 31, 2022

Consolidated Statement Changes in Equity

	Equity of the parent company										Non-controlling interests				Consolidated total equity
		Reserves													
	Share capital / ordinary shares	Capital reserve in accordance with section 272, paragraph 2, no.4 HGB.	Retained earnings			Total reserves	Difference of currency translation	Loss carried forward	Consolidated net profit / loss for the year attributable to the parent company	Total	Before differencesof currency translation and net profit / loss of the year	Difference of currency translation	Profit / loss attributable to non-controlling interests	Total	
			Legal reserves	Other retained earnings	Total retained earnings										
	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand
As of 31.12.2020	**12.000**	**7.744**	**456**	**81.285**	**81.741**	**89.485**	**4.775**	**-77.266**	**475**	**29.469**	**4.088**	**-1.847**	**736**	**2.977**	**32.446**
Capital increase	2.595	2.855	0	0	0	2.855	0	0	0	5.450	0	0	0	0	5.450
Withdrawal from reserves		0	0	-11.000	-11.000	-11.000		11.000		0				0	0
Distribution		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Allocation from the Group's net profit fof the previous year								475	-475		736		-736		
Other changes		0	0	0	0	0				0	-2			-2	-2
Currency translation		0	0	0	0	0	6.510	0	0	6.510	0	-213	0	-213	6.297
Consolidated net loss		0	0	0	0	0	0	0	-27.431	-27.431	0	0	1.634	1.634	-25.797
As of 31.12.2021	**14.595**	**10.599**	**456**	**70.285**	**70.741**	**81.340**	**11.285**	**-65.791**	**-27.431**	**13.998**	**4.822**	**-2.060**	**1.634**	**4.395**	**18.394**
Allocation from the Group's net loss of the previous year		0	0	0	0	0	0	-27.431	27.431	0	1.634	0	-1.634	0	0
Transfer to / withdrawal from reserves		0	0	-11.500	-11.500	-11.500	0	11.500	0	0	0	0	0	0	0
Currency translation		0	0	0	0	0	-2.642	0	0	-2.642	94	-3.164	0	-3.070	-5.712
Consolidated net loss		0	0	0	0	0	0	0	-5	-5	0	0	-95	-95	-100
As of 31.12.2022	**14.595**	**10.599**	**456**	**58.785**	**59.241**	**69.840**	**8.643**	**-81.722**	**-5**	**11.351**	**6.549**	**-5.224**	**-95**	**1.229**	**12.580**

Pfisterer Holding Aktiengesellschaft, Winterbach

Consolidated Financial Statements for the fiscal year from January 1, 2022 to December 31, 2022

Consolidated Statement of Cash Flows

	2022
	€ thousand
Consolidated net profit / loss for the year excluding minority interests	-5
Depreciation and amortization / write-ups of non-current assets	+6.394
Increase / decrease in provisions	+631
Other non-cash expenses/ income	-9.903
Increase / decrease in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	-21.999
Increase / decrease in trade payables and other liabilities that cannot be allocated to investing or financing activities	+12.424
Gains / losses from the disposal of assets	-116
Interest expense / interest income	+6.213
Income tax expense/income	-785
Income tax payments	-2.426
Cash flow from operating activities	-9.570
Proceeds from disposals of intangible assets	+33
Payments for investments in intangible assets	-1.473
Proceeds from disposals of property, plant and equipment	+147
Payments for investments in property, plant and equipment	-5.209
Proceeds / payments from changes in the consolidated group*	-2.606
Interest received	+80
Cash flow from investing activities	-9.027
Proceeds from equity contributions from shareholders of the parent company	0
Proceeds from the issuance of bonds and borrowings	+30.000
Payments for the repayment of bonds and borrowings	-25.972
Interest paid	-392
Cash flow from financing activities	+3.636
Net increase / decrease in cash and cash equivalents	-14.961
Effect of foreign exchange-rate changes on cash and cash equivalents	+6.352
Financial resources at beginning of period	-4.490
Financial resources at end of period	-13.100

*The proceeds / payments from the changes in the consolidation group relate to disposals from the previous year.

The financial resources fund is composed of:

	December 31, 2022
	€ thousand
Cash and cash equivalents	24.097
Operating credit line	-37.197
	-13.100

INDEPENDENT AUDITOR´S REPORT

To Pfisterer Holding Aktiengesellschaft, Winterbach

AUDIT OPINION

We have audited the consolidated financial statements of Pfisterer Holding Aktiengesellschaft, Winterbach, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2022, the consolidated statement of profit or loss, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from January 1, 2022 to December 31, 2022 and notes to the consolidated financial statements, including a presentation of the recognition and measurement policies.

In addition, we have audited the group management report Pfisterer Holding Aktiengesellschaft, Winterbach, for the financial year from January 1, 2022 to December 31, 2022.

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 requirements of German commercial law and, in compliance with German Legally Required Accounting Principles, give a true and fair view of the assets, liabilities and financial position of the Group as of December 31, 2022 and of its financial performance for the financial year from January 1, 2022 to December 31, 2022, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to § 322 (3) sentence 1 HGB (German Commercial Code), we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW).

Our responsibilities under those requirements and principles are further described in the "AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT" section of our auditor's report. We are independent of the Group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the requirements of German commercial law and that the consolidated financial statements in compliance with German Legally Required Accounting Principles give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal controls as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i. e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls or these arrangements and measures.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with German Legally Required Accounting Principles.
- plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming the audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinions.
- evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the

assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

Stuttgart, April 18, 2023

BDO AG

Wirtschaftsprüfungsgesellschaft

Andreas Müller Maren Vögele

19.4 Audited Unconsolidated Financial Statements 2024 (German GAAP)

19.4.1 Unconsolidated statement of financial position

ASSETS	31.12.2024		Previous year	LIABILITIES	31.12.2024		Previous year
	€	€	€ thousand		€	€	€ thousand
A. NON-CURRENT ASSETS				A. EQUITY			
I. Intangible assets				I. Share capital		14,595,238.00	14,595
1. Externally acquired intellectual property rights and similar rights and assets	173,131.78		372				
2. Advance payments on intangible assets	41,036.00	214,167.78	6	II. Capital reserve		10,598,923.80	10,599
II Property, plant and equipment				III Retained earnings			
Other equipment and machinery		733,872.21	155	1. Legal reserve	455,838.00		456
				2. Other retained earnings	571,059.63	1,026,897.63	571
III. financial assets							
Shares in affiliated companies		104,965,017.34	100,377	IV. Net profit		58,346,542.76	38,188
						84,567,602.19	64,410
B. CURRENT ASSETS				B. PROVISIONS			
				1. Provisions for pensions and similar obligations	817,377.59		908
I. Receivables and other assets				2. Tax provisions	3,719,608.16		3,276
1. Receivables from affiliated companies	60,545,692.34		46,657	3. Other provisions	4,414,070.43	8,951,056.18	3,261
2. Other assets	2,560,532.43	63,106,224.77	1,051				
II. Cash and cash equivalents		355,629.46	1,485	C. LIABILITIES			
				1. Liabilities to credit institutions	32,294,969.51		48,782
C. PREPAID EXPENSES		405,646.57	699	2. Trade payables	1,295,011.33		533
				3. Liabilities to affiliated companies	40,415,836.02		29,353
				4. Other payables	2,256,082.90	76,261,899.76	280
		169,780,558.13	150,802			169,780,558.13	150,802

19.4.2 Unconsolidated statement of profit or loss

	2024		Previous year
	€	€	€ thousand
1. Revenues		23,329,849.34	14,413
2. Other operating income		1,079,004.54	2,242
thereof from currency translation:			
€ 615,609.29 (previous year: € 428,164.70)			
3. Cost of materials and purchased services		-9,634,469.99	-5,312
4. Personnel expenses			
a) Wages and salaries	-6,599,295.18		-7,134
b) Social security contributions and expenditure for old-age pension schemes and for support	-607,808.01		-894
thereof for retirement benefits:		-7,207,103.19	
€ -10,120.00 (previous year: € 150,384.00)			
5. Amortization / depreciation of intangible assets and items of property, plant and equipment		-359,830.90	-262
6. Other operating expenses		-8,795,722.44	-4,499
thereof from currency translation:			
€ -466,319.28 (previous year: € -326,906.14)			
7. Income from investments		36,523,709.22	20,794
thereof from profit transfer agreements:			
€ 28,293,748.97 (previous year: € 19,094,241.38)			
8. Other interest and similar income		1,325,653.23	1,492
thereof from affiliated companies:			
€ 1,288,772.69 (previous year: € 1,469,222.74)			
9. Write-ups on financial assets		0.00	16,771
10. Impairment on financial assets		-2,452,224.54	0
11. Interest and similar expenses		-4,448,353.04	-6,286
thereof from accumulated interest:			
€ -7,693.00 (previous year: € -9,462.00)			
thereof to affiliated companies:			
€ -1,845,202.36 (previous year: € -1,609,934.80)			
12. Income taxes		-8,987,806.91	-3,815
13. Profit (+)/ loss (-) after taxes		20,372,705.32	27,510
14. Other taxes		-214,612.84	-7
15. Net income for the year		20,158,092.48	27,502
16. Profit carried forward from the previous year		38,188,450.28	286
17. Withdrawals from retained earnings		0.00	10,400
18. Net profit		58,346,542.76	38,188

19.4.3 Notes to the unconsolidated financial statements

1 General information on the annual financial statements, accounting policies and currency translation

The registered office of Pfisterer Holding SE is Winterbach. The company is a European stock corporation (Societas Europaea) and has been entered in the commercial register of Stuttgart Local Court under the number HRB 790497 since July 27, 2023. It was formed by changing the legal form of the stock corporation " Pfisterer Holding Aktiengesellschaft", Winterbach (Stuttgart Local Court HRB 281937).

Pfisterer Holding SE prepared the annual financial statements for the financial year 2024 in accordance with the provision of Sections 238 et seq. HGB, in particular Sections 264 et seq. HGB (annual financial statements of a corporation) and in accordance with the supplementary provisions of the German Stock Corporation Act and the Articles of Association.

In accordance with Section 267 HGB, the provisions for medium-sized corporations apply. The company made use of the exempting provisions for medium-sized companies.

The annual financial statements as at December 31, 2024 were prepared on the basis of the accounts for the financial year 2024 . The opening balance sheet values were taken from the previous year's financial statements.

The nature of expense method was used for the income statement.

The annual financial statements are prepared on a going concern basis (Section 252 (1) no. 2 HGB).

2 Accounting and valuation methods, currency translation, including their deviations

2.1 Non-current assets

Externally acquired intangible assets and property, plant and equipment are recognized at cost less amortization and depreciation (if depreciable). The useful life of purchased software is three to five years, while operating and office equipment is three to fifteen years. Depreciation and amortization are calculated pro rata temporis from the date of acquisition. The straight-line method is used for additions from January 1, 2011. Since the 2018 financial year, low-value assets with acquisition or production costs of up to € 800 are fully depreciated in the year of acquisition and their disposal is assumed.

Financial assets were measured at the lower of cost or fair value where necessary. Where write-ups were required on write-downs recognized in previous years, these were carried out. The option under Section 253 (3) sentence 6 HGB to write down to the temporarily lower fair value was not exercised.

2.2 Current assets

Receivables and other assets as well as bank balances were recognized at their nominal amounts. Receivables and other current assets, if applicable, were recognized at the lower value to be applied on the balance sheet date.

2.3 Prepaid expenses

Prepaid expenses comprise expenses prior to the balance sheet date that represent expenses for a certain period after this date.

2.4 Provisions/liabilities

Provisions are recognized for all uncertain obligations and impending losses from pending transactions. They are valued carefully, and all recognizable risks are taken into account. Provisions are recognized at the settlement amount required according to prudent business judgment. Future price and cost increases are taken into account where necessary when determining the settlement amount. Other provisions with a remaining term of more than one year are discounted to the balance sheet date in accordance with Section 253 (2) HGB using the average market interest rate of the past seven financial years, which is calculated and published monthly by the Deutsche

Bundesbank in accordance with the German Regulation on the Discounting of Provisions (Rückstellungsabzinsungsverordnung). The provisions for pensions (€ 817.378) were calculated in accordance with actuarial principles based on the 2018 G mortality tables by Klaus Heubeck and an interest rate of 1.46 % (previous year: 1.39 %) (10-year average with an assumed remaining term of 7 years) using the projected unit credit method. An expected pension increase of 2.0 % for the next two years and a salary trend and fluctuation of 0.0 %, as in the previous year, were assumed. Using the 7-year average interest rate of 1.63 % (previous year: 1.39 %), the provisions for pensions would amount to € 807,331. The difference barred from distribution in accordance with Section 253 (6) HGB therefore amounts to € 10.048 (previous year: € 0)

The pension expenses consist of the interest component of € 7,690 (previous year: € 6,079) in the financial result under the item "Interest and similar expenses" and the service cost of € 10,120 (previous year: € 143,382), which is reported under personnel expenses.

The provisions for anniversary bonuses were calculated in accordance with recognized actuarial principles using the projected unit credit method (PUC method). The "2018 G mortality tables" by Klaus Heubeck were used as the biometric calculation basis. The anniversary provision was discounted using a flat interest rate of 1.68 % (previous year: 1.46 %) p.a. As in the previous year, the salary trend is 0 %. Age-dependent fluctuation probabilities between 0 % and 12 % were applied. As at the balance sheet date, the anniversary provision amounted to € 10,011 (previous year: € 10,506).

The reported liabilities are recognized at the settlement amount.

2.5 Currency conversion

Cash and cash equivalents, receivables and liabilities in foreign currencies are measured at the exchange rate on the date of the transaction or at the lower (receivables) or higher (liabilities) closing rate. Deviating from this, receivables and liabilities in foreign currencies with a remaining term of up to twelve months are valued at the exchange rate on the reporting date.

The currency translation of foreign currencies was carried out for all balance sheet items using the respective mean spot exchange rates on the balance sheet date.

	31.12.2024	31.12.2023
1 AED = EUR	0.26313	0.24676
1 ARS = EUR	0.00094	0.00112
1 BRL = EUR	0.15442	0.18651
1 CHF = EUR	1.05988	1.07991
1 CNY = EUR	0.13075	0.12737
1 CZK = EUR	0.03964	0.04045
1 GBP = EUR	1.20555	1.15068
1 PLN = EUR	0.23444	0.23044
1 SAR = EUR	0.25720	
1 USD = EUR	0.95749	0.90498

2.6 Derivative financial instruments

No derivative financial instruments were used as at the reporting date.

3 Notes to the balance sheet

3.1 Non-current assets

The development of non-current assets in the financial year 2024 is shown in the attached statement of changes in non-current assets.

Pfisterer Limited Company, Riyadh Olaya/Saudi Arabia was founded on August 8, 2024, with a share capital of € 127,399.87 (TSAR 501). Pfisterer Holding SE holds 100% of the shares.

The shares in LIW Composite GmbH, Wunsiedel, were sold on December 10, 2024.

3.2 Receivables and other assets

Receivables include specific valuation allowance amounting to € 729 thousand (previous year: € 9,310 thousand).

Receivables from affiliated companies include other receivables in the amount of € 0 thousand (previous year: € 6,535 thousand) and loan receivables in the amount of € 13,570 thousand (previous year: € 13.164 thousand), receivables from profit and loss transfers in the amount of € 30,124 thousand (previous year: € 19,094 thousand) and receivables from cash pooling in the amount of € 5,935 thousand (previous year: € 7,864 thousand) and otherwise relate to the company's trade transactions.

Receivables from affiliated companies with a remaining term of more than one year amount to € 0 (previous year: € 0).

	31.12.2024	Previous year
	€	€
Other assets	2,560,532	1,051,033

Other assets with a remaining term of more than one year amount to € 0 (previous year: € 0).

3.3 Equity

The share capital amounts to € 14,595,238.00 (previous year: € 14,595,238.00) and is divided into 14,595,238 no-par value ordinary bearer shares, each with a notional value of € 1.00.

The capital reserve amounts to € 10,598,923.80 (previous year: € 10,598,923.80).

Retained earnings developed as follows:

	Legal reserve	Other retained earnings	Total
	€	€	€
Balance as of January 1, 2024	455,838	571,060	1,026,898
Transfers to other retained earnings	0	0	0
Withdrawals from other retained earnings	0	0	0
Balance as of December 31, 2024	455,838	571,060	1,026,898

Distribution of profit

The net result developed as follows in the financial year 2024 :

	€	€
	2024	Previous year
Balance as of January 1 – net profit	38,188,450	286,003
Distributions to shareholders	0	0
Transfers to other retained earnings	0	0
Profit carried forward	38,188,450	286,003
Withdrawals from other retained earnings	0	10,400,000

Net profit of the financial year	20,158,092	27,502,447
Transfers to other retained earnings	0	0
Balance as of December 31 – net profit	58,346,543	38,188,450

3.4 Provisions

The tax provisions of € 3,720 thousand relate to tax payments still to be made for the year 2024.

Other provisions include personnel provisions for special payments, severance payments and vacation amounting to € 2,166 thousand (previous year: € 1,952 thousand).

3.5 Liabilities

Liabilities broken down by maturities (previous year):

	Up to 1 year	Over 1 year	Thereof over 5 years	Total
	€	€	€	€
Liabilities				
to credit institutions	32,294,970	0	0	32,294,970
	(3,782,006)	(45,000,000)	(0)	(48,782,006)
Trade payables	1,295,011	0	0	1,295,011
	(532,847)	(0)	(0)	(532,847)
Liabilities				
to affiliated companies	40,415,836	0	0	40,415,836
	(29,352,524)	(0)	(0)	(29,352,524)
Other payables	2,256,083	0	0	2,256,083
	(279,947)	(0)	(0)	(279,947)
(thereof from taxes)	1,452,536	0	0	1,452,536
	(136,506)	(0)	(0)	(136,506)
(thereof for social security)	0	0	0	0
	(0)	(0)	(0)	(0)
	76,261,900	0	0	76,261,900
	(33,947,323)	(45,000,000)	(0)	(78,947,323)

The company has concluded a syndicated loan agreement with a nominal volume of € 90 million and a term of three years until December 2025. It is divided into two tranches, a term loan of € 30 million (variable interest rate 3m EURIBOR or 6m EURIBOR) and a revolving credit facility of € 60 million (of which € 15 million are classified as a guarantee line).

The amount drawn of € 32.3 million is recognized under liabilities to credit institutions and secured by joint and several liability of the guarantors (Pfisterer Holding SE, Pfisterer Kontaktsysteme GmbH, Pfisterer Insulators Wunsiedel GmbH, Pfisterer Switzerland AG, Pfisterer s.r.o., Pfisterer North America Inc.) with their total assets. The assignment of claims for land charges of Pfisterer Kontaktsysteme GmbH and the pledging of domestic accounts of the borrowers as well as the guarantors at the participating banks serve as further collaterals, which were provided in February 2023. The financing structure after the expiration of this syndicated loan agreement will be redefined in the course of the 2025 financial year.

Liabilities to affiliated companies include trade payables in the amount of € 2,092 thousand (previous year: € 650 thousand) as well as liabilities from cash pooling in the amount of € 38,324 thousand (previous year: € 28,703 thousand) and loan liabilities in the amount of € 0 thousand (previous year: € 0).

4 Notes to the income statement

4.1 Revenue

Revenue relates to the provision of central services, mainly from management fees and charges for IT services, which were provided to Group companies under corresponding service agreements. In the financial year, these services, were fully recognized as revenue, including markup. In the previous year, € 11,076 thousand were included in other operating income, which was adjusted in the current account. To ensure comparability, this was amount was reclassified in the previous year's column accordingly. There was no impact on the result.

4.2 Other operating income

Other operating income amounts to € 1,079 thousand (previous year: € 2,242 thousand) and mainly includes exchange rate gains of € 616 thousand (previous year: € 428 thousand) and income from the reversal of provisions of € 308 thousand (previous year: € 144 thousand). As described under 4.3, the previous year's figures have been adjusted to ensure comparability.

4.3 Cost of materials and purchased services

The cost of materials in the amount of € 9,634 thousand relates solely to purchased services for the company's revenue generated under service agreements. In the previous year, € 5,312 thousand were included in other operating expenses, which were reclassified in the previous year's column to ensure comparability.

4.4 Other operating expenses

Other operating expenses amount to € 8.796 thousand (previous year: € 4.499 thousand) and mainly include cost transfers from Group entities amounting to € 2,447 thousand (previous year: € 1,328 thousand), consulting fees of € 3,058 thousand (previous year: € 293 thousand), auditing and tax consulting expenses of € 899 thousand (previous year: € 107 thousand), as well as exchange rate losses of € 466 thousand (previous year: € 327 thousand). As described under 4.3, the previous year's figures have been adjusted to ensure comparability.

4.5 Income from investments

Income from investments mainly relates to the profit transfer from Pfisterer Kontaktsysteme GmbH, Winterbach and income from dividends from Pfisterer Switzerland AG, Pfisterer sp.z o.o, Pfisterer srl., Pfisterer SAS, Pfisterer CSU UK Ltd.

4.6 Write-ups on financial assets

In the previous year, an extraordinary write-up of € 16,771 thousand was made on the shares in Pfisterer Switzerland AG due to a significant improvement in long-term earnings prospects.

4.7 Impairment on financial assets

Due to the sale of the shares in LIW Composite GmbH, an impairment of € 2,452 thousand was recognized and classified as an extraordinary expense.

4.8 Net interest income

	2024	Previous year
	€	€
Other interest and similar income	1,325,653	1,491,646
thereof from affiliated companies	1,288,773	1,469,223
Interest and similar expenses	-4,448,353	-6,285,914
thereof to affiliated companies	-1,845,202	-1,609,935

4.9 Income taxes

The tax expenses in the past financial year 2024 reflect the good business performance of Pfisterer Kontaktsysteme GmbH. In addition, there were additional tax payments of € 1,029 thousand for the years from 2018 to 2021 due to the tax audit carried out in 2024.

4.10 Profit distribution

The management board proposes to the supervisory board that a dividend of € 0.80 (2023: € 0) per dividend-bearing share be distributed for the past financial year 2024.

5 Other information

5.1 Management board and supervisory board

Management board

- Dr. Konstantin Kurfiss, board member for technology and sales, resident in Gerlingen
- Johannes Linden, board member for finance, production and administration (spokesman), resident in Esslingen

The profession of the members of the management board is identical to their position on the board.

The disclosures pursuant to Section 285 No. 9a HGB are waived with reference to Section 286 (4) HGB.

Members of the supervisory board and their mandates

Prof. Dr. Wolfgang Blättchen,

Managing partner of Blättchen Financial Advisory GmbH, resident in Leonberg (chairman)

Mandates:

- PAS AG, Stuttgart - Deputy chairman of the supervisory board (until 05/2024)
- Südvers Holding GmbH & Co. KG, Freiburg - Supervisory board

Erich Schefold,

Economist, resident in Ulm (deputy chairman)

Mandates:

- IWL AG, Ulm - Member of the supervisory board

Matthias Benz,

Chairman of the management board of Zeppelin GmbH, Garching, resident in Friedrichshafen

Mandates:

- Bertrand AG, Ehningen - Member of the supervisory board

Prof. Dr. Petra Denk,

Managing partner of the Institute for Systematic Energy Consulting GmbH at Landshut University of Applied Sciences, resident in Oberschleissheim

Mandates:

- Aixtron SE, Herzogenrath - Member of the supervisory board (until 05/2024)
- BKW AG, Berne, Switzerland - Member of the board of directors
- VAT Vakuumventile AG, Haag, Switzerland - Member of the board of directors

Dr. Stefan Seipl,

Managing partner, seipl consult GmbH, Gräfelfing, seipl consult Beteiligungs UG, Gräfelfing, Enerpeak GmbH, Gräfelfing, resident in Garmisch-Partenkirchen

Mandates:

- MVV Energie AG, Mannheim - Member of the supervisory board
- Ferngas Netzgesellschaft mbH, Schwaig - Chairman of the supervisory board
- Nordion Energi AB, Malmö, Sweden - Member of the supervisory board

The remuneration of the supervisory board amount to € 334 thousand (previous year: € 320 thousand).

Employees

The average number of employees in the financial year 2024 was 37 (previous year: 44).

Other financial obligations

Other financial obligations total up to € 558 thousand. These relate to leasing obligations from a service agreement with an IT service provider in the amount of € 288 thousand and for vehicles in the amount of € 270 thousand. Thereof € 238 thousand are due in 2025 and € 320 thousand in the period 2026 to 2027.

Contingent liabilities

The company has declared a guarantee for the fulfillment of the contractual obligation in the total amount of € 1,100 thousand within the scope of several supply contracts of two affiliated companies.

As part of the rental agreement with Pfisterer Czech s.r.o., the company has assured the contractual partner that it will assume undisputed financial obligations up to a maximum of € 1,162 thousand.

Furthermore, as part of a binding offer from a former affiliated company, the entity has issued a guarantee to its customers for the fulfillment of contractual obligations in the amount of € 200 thousand.

Based on the current creditworthiness and payment history of the beneficiaries, we consider the probability of the aforementioned contingent liabilities being claimed to be low.

Shares in affiliated companies

In accordance with Section 285 No. 11 HGB, the company's investments are presented below:

Name	Location	Equity share[1] 31.12.2024	Equity share[1] 31.12.2023	Equity in € thousand	Net profit/loss of the year in € thousand
Pfisterer Contact Systems GmbH [7]	Winterbach, Germany	100%	100%	20,629	28,294
Pfisterer Insulators Wunsiedel GmbH	Wunsiedel, Germany	100%	100%	16,446	-4,298
Pfisterer Switzerland AG	Küssnacht am Rigi, Switzerland	100%	100%	29,837	13,756
Pfisterer Sp. z.o.o.	Plochocin, Poland	100%	100%	2,339	180
Pfisterer S.r.l.	Novate Milanese, Italy	100%	100%	3,395	1,636
Pfisterer S.A.	Buenos Aires, Argentina	55%	55%	11,463	3,523
Pfisterer Ltda.	Sao Paulo, Brazil	100%	100%	46	-22
Pfisterer SAS	Rixheim, France	100%	100%	1,578	412
Pfisterer Power Connection Systems (Beijing) Co., Ltd.	Beijing, China	100%	100%	2,011	48
Pfisterer North America Inc.	Rochester (NY), USA	100%	100%	4,989	-1,515
Pfisterer Czech s.r.o.	Kadan, Czech Republic	100%	100%	20,459	3,187
LIW Composite GmbH[2]	Wunsiedel, Germany	0%	100%	0	-64
Lapp Insulators Redwitz B.V.[3]	Amsterdam, Netherlands	0%	100%	0	6,870
Quattro Gi S.r.l.[4]	Novate Milanese, Italy	100%	100%	225	11
Ceramic International B.V.	Amsterdam, Netherlands	100%	100%	-179	-2,386
Pfisterer Middle East FZCO	Dubai, UAE	100%	100%	-501	-346
Pfisterer Espana S.L.U.	Barcelona, Spain	100%	100%	2,334	374
Pfisterer CSU UK Ltd.	Sheffield, Great Britain	100%	100%	1,344	556
Pfisterer Saudi Arabia Ltd.[5]	Riyadh, Saudi Arabia	100%	0%	-8	-131
Pfisterer Algerie Spa[6]	Birtouata, Algeria	45%	45%	-248	-69

[1] The list includes all subsidiaries that make use of the exemption from disclosure obligations in accordance with § 264b HGB.

[2] On December 10, 2024, the shares in the entity were sold.

[3]The shares are held by Ceramic International B.V., Amsterdam, Netherlands.
On December 24, 2024, the entity was dissolved and deconsolidated.

[4] The shares are held by Pfisterer S.r.l., Novate Milanese, Italy.

[5] The company was founded on July 29, 2024.

[6] The shares are held by Pfisterer SAS, Illzach, France.

[7] The company's annual result is shown before profit and loss transfer agreement.

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

Other

The parent company, Pfisterer Holding SE , Winterbach, prepares consolidated financial statements as at December 31,2024 , which must be published in the company register.

Events after the reporting date

In the general meeting on January 31, 2025, the articles of association were amended. During the meeting, authorized capital of € 7,298 thousand and conditional capital of € 6,379 thousand were created.

Advanced discussions are underway with the key lenders to expand the guarantee lines required, due to positive business development. Furthermore, talks regarding the conclusion of a development bank loan are about to be finalized. This is already provided for in principal as an extension option in the syndicated loan agreement.

Winterbach, March 28, 2025

Johannes Linden Dr. Konstantin Kurfiss

Statement of changes in non-current assets for the fiscal year from January 1,2024 to December 31 2024

	Acquisition and manufacturing costs				Accumulated amortization / depreciation					Carrying amount	
	January 1, 2024	Additions	Disposals	December 31, 2024	January 1, 2024	Additions	Disposals	Write-ups	December 31, 2024	January 1, 2024	December 31, 2024
	€	€	€	€	€	€	€	€	€	€	€
I. Intangible assets											
1. Externally generated intellectual property rights and similar rights and assets	2,963,778.62	0.00	-89,996.83	2,873,781.19	2,591,763.62	198,883.22	-89,996.83	0.00	2,700,649.41	372,015.00	173,131.78
2. Advance payments on intangible assets	5,930.00	35,106.00	0.00	41,036.00	0.00	0.00	0.00	0.00	0.00	5,930.00	41,036.00
	2,969,708.62	35,106.00	-89,996.83	2,914,817.19	2,591,763.62	198,883.22	-89,996.83	0.00	2,700,649.41	377,945.00	214,167.78
II Property, plant and equipment											
Other equipment and machinery	206,426.96	739,599.08	-73,595.73	872,430.62	51,206.15	160,947.68	-73,595.73	0.00	138,558.41	155,220.81	733,872.21
Low-value assets (under € 800)											
	206,426.96	739,599.08	-73,595.73	872,430.62	51,206.15	160,947.68	-73,595.73	0.00	138,558.41	155,220.81	733,872.21
III. Financial assets											
Shares in affiliated companies	136,795,334.98	7,063,013.15	-20,527,844.13	123,330,504.00	36,418,329.79	2,452,224.54	-20,505,067.67	0.00	18,365,486.66	100,377,005.19	104,965,017.34
Total non-current assets	139,971,470.56	7,837,718.23	-20,691,436.69	127,117,751.81	39,061,299.56	2,812,055.44	-20,668,660.23	0.00	21,204,694.48	100,910,171.00	105,913,057.33

Independent auditor’s report

To Pfisterer Holding SE, Winterbach

REPORT ON THE AUDIT OF ANNUAL FINANCIAL STATEMENTS

AUDIT OPINION

We have audited the annual financial statements of the Pfisterer Holding SE, Winterbach, which comprise the balance sheet as of December 31, 2024 and the statement of profit or loss for the financial year from January 1, 2024 to December 31, 2024 and notes, including the presentation of the recognition and measurement policies.

In our opinion, on the basis of the knowledge obtained in the audit, the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the company as of December 31, 2024 and of its financial performance for the financial year from January 1, 2024 to December 31, 2024.

Pursuant to § 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements.

BASIS FOR THE AUDIT OPINION

We conducted our audit of the annual financial statements in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statements 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 annual financial statements” section of our auditor's report. We are independent of the company in accordance with the requirements of German commercial and professional law and we have fulfilled our other German professional responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS THE ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual 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 annual financial statements, the executive directors are responsible for assessing the company’s ability to continue as a going concern. They have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going basis of accounting, provided no actual or legal circumstances conflict therewith.

The supervisory board is responsible for overseeing the company’s financial reporting process for the preparation of the annual financial statements.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, as well as to issue an auditor’s report that includes our audit *opinion on* the annual financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) and supplementary compliance with the ISAs 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 annual financial statements.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal controls relevant to the audit of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls or these arrangements and measures of the company.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the company in compliance with German Legally Required Accounting Principles.

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

Frankfurt am Main, March 28, 2025

BDO AG

Wirtschaftsprüfungsgesellschaft

Dr. Faßhauer Sigmann

20. GLOSSARY

AktG	German Stock Corporation Act (*Aktiengesetz*).
APM	Alternative performance measures.
Articles of Association	Refers to the Company's articles of association.
Audited Consolidated Financial Statements	Refers to the audited consolidated financial statements of the Company as of and for the financial year ended December 31, 2024 prepared in accordance with International Financial Reporting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e para. 1 of the German Commercial Code (*Handelsgesetzbuch*), and to the audited consolidated financial statements of the Company as of and for the financial years ended December 31, 2023, and December 31, 2022, prepared in accordance with the requirements of the German Commercial Code (*Handelsgesetzbuch*).
BaFin	German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*).
Berenberg	Joh. Berenberg, Gossler & Co. KG, Neuer Jungfernstieg 20, 20354 Hamburg, Germany, LEI 529900UC2OD7II24Z667.
BDO	BDO AG Wirtschaftsprüfungsgesellschaft, Hanauer Landstraße 115, 60314 Frankfurt am Main, Germany.
BImSchG	German Federal Immission Control Act (*Bundes-Immissionsschutzgesetz*).
CAGR	Compound Annual Growth Rate.
Capex	Capital expenditures.
CBAM Regulation	Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023 establishing a carbon border adjustment mechanism.
Clearstream	Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn, Germany.
Co-Global Coordinator	LBBW.
Co-Manager	ICF BANK AG, Neue Mainzer Straße 32-36, 60311 Frankfurt am Main, Germany, LEI 529900E89HA1I45HB613.

COMMERZBANK	COMMERZBANK Aktiengesellschaft, Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Germany, LEI 851WYGNLUQLFZBSYGB56.
Company	PFISTERER Holding SE, a European company (*Societas Europaea - SE*) with its registered seat in Winterbach and business address at Rosenstraße 44, 73650 Winterbach, Germany, LEI 529900APPYG9TGZYS639.
COM Segment	Components Segment.
Cost Sharing and Indemnity Agreement	Cost sharing and indemnity agreement regarding the allocation of costs and liability in connection with the Offering.
COVID-19	Refers to the coronavirus disease 2019, which is caused by the coronavirus SARS-CoV-2.
CSDDD	Directive (EU) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence and amending Directive (EU) 2019/1937 and Regulation (EU) 2023/2859.
CSRD	Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting.
DBAG	Deutsche Börse Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn, Germany, LEI 529900G3SW56SHYNPR95.
DBAG General Terms and Conditions	Allgemeine Geschäftsbedingungen der Deutsche Börse AG für den Freiverkehr an der Frankfurter Wertpapierbörse.
DCGK	The German Corporate Governance Code (*Deutscher Corporate Governance Kodex*).
Designated Sponsors	Berenberg and ICF BANK AG.
Dividend Paying Agent	A domestic bank or financial services institution (*inländisches Kredit- oder Finanzdienstleistungsinstitut*) (including the domestic branches of foreign banks or financial service institutions) or a domestic securities institution (*inländisches Wertpapierinstitut*) that holds the shares in custody or that administers such shares and that pays out or credits the shareholder's investment income or that pays the investment income to a foreign entity, or (ii) the central securities

	depository (*Wertpapiersammelbank*) holding the collective deposit shares in custody if it pays the investment income to a foreign entity, or (iii) the Company itself if and to the extent shares held in collective safe custody (*girosammelverwahrt*) by the central securities depository (*Wertpapiersammelbank*) are treated as shares being held separately (*abgesetzte Bestände*).
DNV Energy Transition Outlook .	Energy Transition Outlook 2024, Det Norske Veritas.
DSO	Distribution system operators.
EEA	European Economic Area (encompassing all of the members of the European Union and the European Free Trade Association).
ESG	Environmental, Social and Governance.
ESMA	European Securities and Markets Authority.
ESMA Guidelines	The guidelines issued by the European Securities and Markets Authority (ESMA) on October 5, 2015.
ESRS	European Sustainability Reporting Standards.
EU	Refers to the European Union.
EU Corporate Sustainability Reporting Directive	Directive (EU) 2022/2464 of the European Parliament and the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting.
EU Taxonomy Regulation	Regulation (EU) 2020/852 of the European Parliament and the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.
Euro, EUR or €.....	Refers to the single currency of the participating member states in the third stage of the European Economic Union pursuant to the Treaty Establishing the European Community.
Flat Tax	Refers to the settlement of the shareholder's income tax liability on dividends under German tax law.
FSMA	Financial Services and Markets Act

GDPR	Regulation (EU) 2016/679 of the European Parliament and the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data., and repealing Directive 95/46/EC (General Data Protection Regulation).
German GAAP	German generally accepted accounting principles of the German Commercial Code (*Handelsgesetzbuch*).
Germany	The Federal Republic of Germany.
GHG Protocol	Greenhouse gas protocol.
Greenshoe Option	The option of the Underwriters to acquire up to 778,353 Shares from the holdings of Karl-Heinz Pfisterer at the Offer Price to cover a possible over-allotment.
Group	PFISTERER Holding SE together with its subsidiaries.
HGB	German Commercial Code (*Handelsgesetzbuch*).
HVA Segment	High Voltage Cable Accessories Segment.
HVD Segment	High Voltage Direct Current Cable Accessories Segment.
IEA 2023	Energy Technology Perspectives 2023, International Energy Agency.
IEA 2024	World Energy Outlook 2024, International Energy Agency.
IFRS	Refers to the International Financial Reporting standards as adopted by the European Union, including International Accounting Standards.
IP	Intellectual Property.
IPO Capital Increase	A capital increase against contributions in cash expected to be resolved by the Company's management board (*Vorstand*) on May 12, 2025, approved by the Company's supervisory board (*Aufsichtsrat*) on the same day, utilizing the authorized capital 2025/I as resolved by the Company's shareholders' meeting on January 31, 2025.
IRENA Report	World Energy Transitions Outlook 2024, International Renewable Energy Agency (IRENA).

ISIN	International Securities Identification Number.
IT	Information Technology.
Joint Bookrunners	Refers to Berenberg, COMMERZBANK and LBBW together in their role in the Offering.
Joint Global Coordinators	Refers to Berenberg and COMMERZBANK together in their role in the Offering.
KPIs	Key performance indicators.
KrWG	German Circular Economy Act (*Kreislaufwirtschaftsgesetz*)
LBBW	Landesbank Baden-Württemberg, Am Hauptbahnhof 2, 70173 Stuttgart, Germany, LEI B81CK4ESI35472RHJ606.
LEI	Legal entity identifier.
Lending Shareholder	Karl-Heinz Pfisterer.
Listing	The New Shares placed in the Offering and all existing Shares of the Company shall be included to trading on the Regulated Unofficial Market of the Frankfurt Stock Exchange with simultaneous inclusion in the Basic Board thereof.
LkSG.....	German Supply Chain Act (*Lieferkettensorgfaltspflichten-gesetz*).
Management Board	Refers to the management board of the Company.
MAR	Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014, on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, as amended.
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014, on markets in financial instruments, and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended.
MiFID II Requirements	MiFID II together with Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 of April 7, 2016, supplementing MiFID II and local implementing measures.

Minimum Risk Test	Refers to the cumulative requirements for relief under applicable double taxation treaties as well as the crediting of withholding tax for shares held in private and business assets.
Minimum Term	Refers to the minimum period of 30 days that the shareholders' meeting must be announced in the Federal Gazette prior to its commencement.
MVA Segment	Medium Voltage Cable Accessories Segment.
NIS2 Directive	Directive (EU) 2022/2555 of the of the European Parliament and of the Council of 14 December 2022 on measures for a high common level of cybersecurity across the Union, amending Regulation (EU) No 910/2014 and Directive (EU) 2018/1972, and repealing Directive (EU) 2016/1148 (NIS 2 Directive).
New Shares	Newly issued Shares from a capital increase against contributions in cash expected to be resolved by the Company's management board (*Vorstand*) on May 12, 2025, approved by the Company's supervisory board (*Aufsichtsrat*) on the same day, utilizing the Authorized Capital 2025/I as resolved by the Company's shareholders' meeting on January 31, 2025.
OEMs	Original equipment manufacturers.
Offer Period	The offer period during which purchase orders for the Offer Shares may be submitted.
Offer Price	The final placement price of the Offer Shares.
Offer Shares	The New Shares and the Sale Shares and the Over-Allotment Shares.
Offering	The Offering consists of (i) a public offering in Germany and (ii) private placements in certain jurisdictions outside of Germany. Outside the United States the Offer Shares will be offered and sold in "offshore transactions" within the meaning of and in reliance on Regulation S under the U.S. Securities Act of 1933, as amended. In the United States, the Offer Shares will be offered and sold only to persons reasonably believed to be qualified institutional buyers as defined in and in reliance on Rule 144A under the Securities Act.
OHL Segment	Overhead Lines Segment.
Order Book Manager	ICF BANK AG.

OSHA	Occupational Safety and Health Act of 1970.
Our	Has the same meaning as the Group.
Over-Allotment Shares	Refers to existing ordinary bearer shares with no par value from the holdings of the Lending Shareholder in connection with a possible over-allotment.
Parent-Subsidiary Directive	Council Directive 2011/96/EU of 30 November 2011 on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States.
PFAS	Per- and polyfluoroalkyl substances.
Price Range	The price range for the Offering within which purchase orders may be placed.
Prospectus	Refers to this prospectus.
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC., as amended.
REACH Regulation	Regulation (EC) No. 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC (Registration, Evaluation, Authorization and Restriction of Chemicals).
Regulation S	Regulation S under the Securities Act.
Relevant States	The member states of the EEA.
Roland Berger HVDC Study	HVDC Market Opportunity Assessment, August 13, 2024, Roland Berger Inc., Canada.
Roland Berger General Study.....	Pfisterer HV, MV, LV Accessories Market Study, December 19, 2024, Roland Berger Inc, Canada.

Rule 144A	Rule 144A under the Securities Act.
R&D	Research and development.
Sale Shares	Refers to the Secondary Base Shares and the Upsize Shares together.
SEAG	Act implementing Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (*SE-Ausführungsgesetz*).
Secondary Base Shares	Refers to existing ordinary bearer shares with no par value (*Stückaktien*) of the Company from the holdings of the Selling Shareholders offered in the Offering.
Securities Act	United States Securities Act of 1933 as amended.
Selling Shareholders	Refers to Karl-Heinz Pfisterer, Anna Dorothee Stängel, Johannes Linden, Dr. Konstantin Kurfiss, Prof. Dr. Wolfgang Blättchen, Prof. Dr. Petra Denk, Erich Anton Schefold, Dr. Stefan Seipl.
SE Regulation	Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE), as amended.
Share	Refers to each share of the Company.
Stabilization Manager	Berenberg or its affiliates, acting for the account of the Underwriters, acting as stabilization manager in connection with the Offering.
Stabilization Period	The period from the commencement of the trading of the shares of the Company on the Regulated Unofficial Market (*Freiverkehr*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Scale segment) – expected to be on or about May 14, 2025 to no later than 30 calendar days after such date, during which the Stabilization Manager may take stabilization measures.
SOP	Stock Option Plan.
Summary	Refers to the summary of this prospectus.
Target Market Assessment	Refers to the target market all product manufacturers and distributors are required to define under MiFID II.

Taxonomy Regulation	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.
Trading Participant	Respective depositary bank where investors submit purchase orders.
TSO	Transmission system operators.
QIBs	Qualified institutional buyers.
UCC	Regulation (EU) 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code, as amended.
UmwG	German Transformation Act (*Umwandlungsgesetz*).
Underwriters	Refers to Berenberg, COMMERZBANK, LBBW and ICF BANK AG together in their role in the Offering.
Upsize Option	Option to increase the size of Offering, upon the decision of Karl-Heinz Pfisterer and Anna Dorothee Stängel in consultation with the Joint Global Coordinators, based on market demand on the date of pricing.
Upsize Shares	Refers to up to 1,000,000 existing ordinary bearer shares with no par value (*Stückaktien*) of the Company in equal parts from the holdings of each of Karl-Heinz Pfisterer and Anna Dorothee Stängel, subject to the exercise of an upsize option upon decision of Karl-Heinz Pfisterer and Anna Dorothee Stängel, in consultation with the Joint Global Coordinators, based on market demand on the date of pricing.
Us	Has the same meaning as the Group.
US Dollar, USD or $	Refer to the legal currency of the United States of America and its territories.
United States or U.S.	The United States of America.
We	Has the same meaning as the Group.
Variable Total Remuneration	Annual remuneration of 1% of the total dividend actually distributed for the respective financial year in accordance with the relevant resolution of the Annual General Meeting.

WHG	German Water Resources Act (*Wasserhaushaltsgesetz*).
WKN	German Securities Code (*Wertpapier-Kenn-Nummer*)
WpHG	German Securities Trading Act (*Wertpapierhandelsgesetz*).
WpÜG	German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*).

21. RECENT DEVELOPMENTS AND TREND INFORMATION

21.1 Recent Developments

During the first three months ending March 31, 2025, based on preliminary figures, we recorded a substantial increase in order intake compared to the first quarter of the previous year. On the other hand, our first quarter 2025 was burdened by IPO-related project costs and the relocation of our Wunsiedel production to Kadaň (with corresponding negative effects on revenues), which we completed by April 2025. Nevertheless, we achieved stable revenues and results compared to an exceptionally good first quarter of 2024 and observed an overall development above expectations. Thus, we remain confident for the current year and beyond.

On April 2, 2025, we acquired the UK engineering development and services company PCS Holdings (UK) Ltd., which has been already our long-standing partner for many years.

Before the end of the second quarter of 2025, we intend to support our further growth plan by obtaining additional letters of credit lines in the amount of €30.0 million; at the same time, we aim to finalize an investment development loan in the amount of €25.0 million to partly finance the investment of the in-house research and development laboratories for our HVDC products.

On April 11, 2025, the Company's shareholders' meeting resolved a dividend payment of €11.7 million for the financial year 2024.

Other than that, there have been no material recent developments affecting our financial performance or the Group's financial position since December 31, 2024, the end of the last financial period for which financial information has been published to the date of this Prospectus.

21.2 Trend Information

The expected continued trends towards decarbonization of key industries, a growing population that is accompanied by urbanization (source: IEA 2024) as well as the rise of artificial intelligence and data center infrastructure are expected to drive a steady and predictable increase in global electricity consumption in the mid-term. Moreover, the aging power grid infrastructure and expected changing energy generation technologies will necessitate the replacement and expansion of existing power grids worldwide (source: IEA 2024).

Based on these factors, our order backlog and the increasing efficiency of our production sites, assuming stable conditions regarding transportation routes, material availability and price development including tariffs, we expect in the financial year 2025 a continued increase ofin our revenues and order intake in all regions and product segments. We aim to achieve a particularly strong revenue growth in the HVA Segment. The HVD Segment is expected to contribute to revenue growth starting from the financial year 2026 only. The MVA Segment is expected to see solid revenue growth, while the OHL Segment is expected to see strong revenue growth in 2025. Our restart of the OHL-production during the second quarter of 2025 (after relocation of production from our Wunsiedel site to our production site in Kadaň due to a fire incident in Wunsiedel in the third quarter of 2024) supports this view. Within the COM Segment we target moderate revenue growth.

In the mid-term we target to continue outperforming the average annual growth rate (CAGR) of our addressable market of 11.6% (source: Roland Berger General Study) with annual revenues in the €665-735 million range. Further, we aim to achieve an increase in our

Adjusted EBITDA Margin of the Group to the upper range of the high teens margin corridor, driven by our product mix shift and geographical scope as well as economies of scale from increasing revenues. To secure delivery reliability, we aim to keep the Net Working Capital of the Group within a range between 27% and 28% of our revenues and expect to invest approximately €215 million capital expenditure over the mid-term. These investments are intended to be used, inter alia, (i) for the expansion and enhancing of our manufacturing and office capacities as well as our in-house laboratories for R&D and electrical end-of-line testing capabilities, (ii) product development in the high voltage segments, and (iii) selective add-on acquisitions to further strengthen our technological know-how.

The expectations and targets described above constitute forward-looking statements. Our ability to achieve them will depend on several factors, many of which are outside our control, including significant business, economic and competitive uncertainties and contingencies and risks, including those described in section "*1. Risk Factors*". Therefore, our actual results could differ materially from these expectations and targets. Except as specifically set out above, we have not defined these expectations and targets by reference to specific periods and the term "mid-term" and the financial targets are not intended to refer to any particular financial year; see "*2.3 Forward-Looking Statements*".