ÅRSREDOVISNING

för

EnviroWater Nordic AB

Org.nr. 556673-0031

Styrelsen och verkställande direktören avger följande årsredovisning för räkenskapsåret 2024-01-01--2024-12-31

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FASTSTÄLLELSEINTYG

Jag intygar att resultaträkningen och balansräkningen har fastställts på årsstämma 2025-06-19.

Årsstämman beslöt att godkänna styrelsens förslag till vinstdisposition.

Jag intygar att innehållet i dessa elektroniska handlingar överensstämmer med originalen och att originalen undertecknats av samtliga personer som enligt lag ska underteckna dessa.

Elektroniskt underskriven av
Per Martin, Verkställande direktör
2025-06-23

FÖRVALTNINGSBERÄTTELSE

Årsredovisningen är upprättad i svenska kronor, TSEK.

VERKSAMHETEN

Verksamhetens art och inriktning
EnviroWater Nordic AB är via sina dotterbolag en ledande leverantör och entreprenör av offentliga pool- och spaanläggningar i Norden med över femtio års erfarenhet i branschen. Via de under året förvärvade dotterbolagen bedriver bolaget även utveckling, produktion och försäljning av avsaltningsanläggningar, vattenanläggningar och avloppsvatten inom affärsområdena industri, fastighet samt marin & off-shore.

Säte
Företagets säte är Kungsbacka.

Väsentliga händelser under räkenskapsåret
Det helägda dotterbolaget EnviroProcess Industry Sweden AB har under året fusionerats med det helägda dotterbolaget EnviroProcess Sweden AB.

Bolaget har under året förvärvat bolagen Enwa Water Technology AB, Enwa Water Technology AS, Pahlen International AS och Enwa Badeanlegg AS. Vidare har förvärv skett av ytterligare 15% av aktierna i EnviroProcess Norway AS varmed dotterbolaget är helägt. Enwa Badeanlegg AS har efter förvärvet fusionerats med EnviroProcess Norway AS.

Uppgift om ägare som har mer än tio procent av antalet andelar eller röster i företaget
EnviroWater Nordic AB ägs till 100% av EnviroChemie GmbH, Tyskland.

FLERÅRSÖVERSIKT

	2024	2023	2022	2021	2020
Nettoomsättning	9 020	0	60	56	0
Res. efter finansiella poster	30 943	-2 406	3 378	1 896	3 784
Balansomslutning	678 663	110 653	50 407	47 293	45 619
Soliditet (%)	78	43	99	99	98

Definitioner av nyckeltal, se noter

FÖRÄNDRINGAR I EGET KAPITAL

	Aktiekapital	Balanserat resultat	Årets resultat	Summa eget kapital
Belopp vid årets ingång	102	49 450	-2 406	47 146
Utdelning		-10 000	0	-10 000
Balanseras i ny räkning		-2 406	2 406	0
Erhållna aktieägartillskott		455 126		455 126
Årets resultat			37 007	37 007
Belopp vid årets utgång	**102**	**492 170**	**37 007**	**529 279**

RESULTATDISPOSITION (KRONOR)

Förslag till disposition av bolagets vinst

Till årsstämmans förfogande står	
balanserad vinst	37 044 905
erhållet aktieägartillskott	455 125 558
årets vinst	37 006 877
	529 177 340
Styrelsen föreslår att	
till aktieägarna utdelas	10 000 000
i ny räkning överföres	519 177 340
	529 177 340

Förslag till beslut om vinstutdelning

Styrelsen föreslår att utdelning lämnas med 10 000 000 kr, vilket med 102 aktier motsvarar 98 039,21 kr per aktie.

Styrelsen föreslår att utbetalning av utdelningen skall ske i omedelbar anslutning till årsstämman.

Styrelsen anser att den föreslagna vinstutdelningen är försvarlig med hänsyn till de krav som verksamhetens art, omfattning och risker ställer på storleken av det egna kapitalet samt bolagets konsolideringsbehov, likviditet och ställning i övrigt.

Yttrandet ska ses mot bakgrund av den information som framgår av årsredovisningen. Företagsledningen planerar inga väsentliga förändringar av befintlig verksamhet så som väsentliga investeringar, försäljningar eller avveckling.

Beträffande bolagets resultat och ställning i övrigt hänvisas till efterföljande resultat- och balansräkningar med tillhörande noter.

RESULTATRÄKNING

	Not	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Rörelsens intäkter m.m.			
Nettoomsättning		9 020	0
Övriga rörelseintäkter		14	0
		9 034	0
Rörelsens kostnader			
Övriga externa kostnader		-2 289	-785
Personalkostnader	2	-9 425	-21
Avskrivningar av materiella anläggningstillgångar		-64	0
Övriga rörelsekostnader		-21	0
		-11 799	-806
Rörelseresultat		-2 765	-806
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	3	36 704	-1 377
Resultat från andelar i intresseföretag och gemensamt styrda företag		350	525
Resultat från övriga värdepapper och fordringar som är anläggningstillgångar		0	-1 216
Ränteintäkter från koncernföretag		582	641
Övriga ränteintäkter och liknande resultatposter		1 565	711
Räntekostnader och liknande resultatposter		-808	-287
Räntekostnader till koncernföretag		-4 685	-597
		33 708	-1 600
Resultat efter finansiella poster		30 943	-2 406
Bokslutsdispositioner			
Förändring av periodiseringsfonder		550	0
Andra bokslutsdispositioner		5 514	0
		6 064	0
Resultat före skatt		37 007	-2 406
Skatt på årets resultat	4	0	0
Årets resultat		37 007	-2 406

BALANSRÄKNING

	Not	2024-12-31	2023-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Materiella anläggningstillgångar			
Inventarier, verktyg och installationer	5	258	0
		258	0
Finansiella anläggningstillgångar			
Andelar i koncernföretag	6	497 289	25 152
Andelar i intresseföretag och gemensamt styrda företag	7	35	35
Andra långfristiga värdepappersinnehav	8	0	0
		497 324	25 187
Summa anläggningstillgångar		497 582	25 187
Omsättningstillgångar			
Kortfristiga fordringar			
Fordringar hos koncernföretag		18 600	9 792
Aktuell skattefordran		241	458
Övriga fordringar		446	78
Förutbetalda kostnader och upplupna intäkter		3 025	0
		22 312	10 328
Kassa och bank			
Kassa och bank		158 769	75 138
Summa kassa och bank		158 769	75 138
Summa omsättningstillgångar		181 081	85 466
SUMMA TILLGÅNGAR		678 663	110 653

BALANSRÄKNING

	Not	2024-12-31	2023-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital		102	102
		102	102
Fritt eget kapital			
Balanserat resultat		492 170	49 450
Årets resultat		37 007	-2 406
		529 177	47 044
Summa eget kapital		529 279	47 146
Obeskattade reserver			
Periodiseringsfond		0	550
Summa obeskattade reserver		0	550
Kortfristiga skulder			
Leverantörsskulder		99	157
Skulder till koncernföretag		147 049	62 368
Övriga skulder		182	0
Upplupna kostnader och förutbetalda intäkter		2 054	432
Summa kortfristiga skulder		149 384	62 957
SUMMA EGET KAPITAL OCH SKULDER		678 663	110 653

NOTER

Not 1 Redovisnings- och värderingsprinciper

Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning.

Principerna är oförändrade jämfört med föregående år.

Fordringar

Fordringar har upptagits till de belopp varmed de beräknas inflyta.

Övriga tillgångar och skulder

Övriga tillgångar och skulder har värderats till anskaffningsvärden om inget annat anges nedan.

Intäktsredovisning

Inkomsten redovisas till det verkliga värdet av vad som erhållits eller kommer att erhållas. Företaget redovisar därför inkomsten till nominellt värde (fakturabelopp) om ersättningen erhålls i likvida medel direkt vid leverans. Avdrag görs för lämnade rabatter.

Ränta och utdelning

Ersättning i form av ränta eller utdelning redovisas som intäkt när det är sannolikt att företaget kommer att få
de ekonomiska fördelar som är förknippade med transaktionen och när inkomsten kan beräknas på ett
tillförlitligt sätt. Utdelning redovisas när behörigt organ har fattat beslut om att utdelningen ska lämnas.

Koncernbidrag och aktieägartillskott

Erhållna och lämnade koncernbidrag redovisas som bokslutsdispositioner. Erhållna aktieägartillskott redovisas direkt mot eget kapital.

NOTER

Materiella anläggningstillgångar

Materiella anläggningstillgångar redovisas till anskaffningsvärde med avdrag för ackumulerade avskrivningar och eventuella nedskrivningar. Tillgångarna skrivs av linjärt över tillgångarnas bedömda nyttjandeperiod. Nyttjandeperioden omprövas per varje balansdag. Följande nyttjandeperioder tillämpas:

	Antal år
Inventarier, verktyg och installationer	5

Finansiella instrument

Redovisning och värdering

Finansiella instrument värderas utifrån anskaffningsvärde.

Finansiella tillgångar och finansiella skulder redovisas när företaget blir part i det finansiella instrumentets avtalsmässiga villkor. Finansiella tillgångar tas bort från balansräkningen när den avtalsenliga rätten till kassaflödet från tillgången upphör eller regleras, eller när de risker och fördelar förknippade med tillgången överförs till annan part. Finansiella skulder tas bort från balansräkningen när den avtalade förpliktelsen fullgörs eller upphör.

Kundfordringar värderas till anskaffningsvärde med avdrag för befarade förluster. Leverantörsskulder och andra icke-räntebärande skulder värderas till nominella belopp.

Finansiella anläggningstillgångar och finansiella långfristiga skulder värderas såväl vid första redovisningstillfället som i efterföljande värdering till upplupet anskaffningsvärde, vilket normalt är detsamma som verkligt värde (transaktionsvärdet) vid anskaffningstidpunkten med tillägg av direkt hänförliga transaktionsutgifter såsom courtage. Räntebärande kortfristiga finansiella fordringar och skulder värderas såväl vid första redovisningstillfället som i efterföljande värdering till anskaffningsvärde. Tillägg görs av direkt hänförliga transaktionsutgifter såsom courtage.

Nedskrivning av finansiell anläggningstillgång

Per varje balansdag bedömer företaget om det finns indikationer på nedskrivningsbehov. Bedömningen görs individuellt post för post.

Leasing

Ett finansiellt leasingavtal är ett leasingavtal enligt vilket de ekonomiska risker och fördelar som är förknippade med att äga en tillgång i allt väsentligt överförs från leasegivaren till leasetagaren. Ett operationellt leasingavtal är ett leasingavtal som inte är ett finansiellt leasingavtal.

Samtliga leasingavtal kostnadsförs linjärt över leasingperioden.

NOTER

Inkomstskatt
Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats.
Aktuell skatt värderas till det sannolika beloppet enligt de skattesatser och skatteregler som gäller på balansdagen.

Uppskjuten skatt är inkomstskatt för skattepliktigt resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser.

Uppskjuten skatt beräknas på temporära skillnader. En temporär skillnad finns när det redovisade värdet på en tillgång eller skuld skiljer sig från det skattemässiga värdet.

Företaget har inga temporära skillnader förutom de som återspeglas i obeskattade reserver.

Fordringar och skulder i utländsk valuta
Monetära fordringar och skulder i utländsk valuta har räknats om till balansdagens kurs.
Valutakursdifferenser som uppkommer vid reglering eller omräkning av monetära poster redovisas i resultaträkningen det räkenskapsår de uppkommer, antingen som en rörelsepost eller som en finansiell post utifrån den underliggande affärshändelsen.

NOTER

Not 2 Personal

	2024	2023
Medelantal anställda		
Medelantalet anställda bygger på av bolaget betalda närvarotimmar relaterade till en normal arbetstid.		
Medelantal anställda har varit	6,00	0,00
varav kvinnor	*2,00*	*0,00*
varav män	*4,00*	*0,00*
Löner, ersättningar m.m.		
Löner, ersättningar, sociala kostnader och pensionskostnader har utgått med följande belopp:		
Styrelsen och VD:		
Löner och ersättningar	1 764	0
Pensionskostnader	409	0
	2 173	0
Övriga anställda:		
Löner och ersättningar	4 444	0
Pensionskostnader	487	0
	4 931	0
Sociala kostnader	2 123	0
Summa styrelse och övriga	9 227	0

Not 3 Resultat från andelar i koncernföretag

	2024	2023
Utdelning	36 704	6 613
Nedskrivning av fordringar	0	-6 377
Nedskrivning av andelar	0	-1 613
	36 704	-1 377

NOTER

Not 4	Skatt på årets resultat	2024	2023
	Aktuell skatt	0	0
	Uppskjuten skatt	0	0
	Summa redovisad skatt	0	0

Avstämning av effektiv skatt		
Resultat före skatt	37 007	-2 406
Skattekostnad 20,60% (20,60%)	-7 623	496
Skatteeffekt av:		
Ej avdragsgilla kostnader	-12	-1 899
Ej skattepliktiga intäkter	7 635	1 471
I år uppkomna underskottsavdrag	0	-68
Summa redovisad skatt	0	0

Not 5	Inventarier, verktyg och installationer	2024-12-31	2023-12-31
	Ingående anskaffningsvärde	0	0
	Inköp	322	0
	Utgående ackumulerade anskaffningsvärden	322	0
	Ingående avskrivningar	0	0
	Årets avskrivningar	-64	0
	Utgående ackumulerade avskrivningar	-64	0
	Utgående redovisat värde	258	0

NOTER

Not 6 Andelar i koncernföretag

Företag Org.nummer Säte	Antal Kap.andel %	Eget kapital Resultat	Redovisat värde
EnviroProcess Sweden AB			
556275-2898	1 000	70 323	6 099
Kungsbacka	100 %	21 556	
EnviroProcess Norway AS			
992738022	100	72 959	304 327
Billingstad	100 %	17 606	
EnviroProcess Denmark A/S			
31091489	100	-4 385	0
Odder	100 %	-536	
EnviroProcess Finland Oy			
110551112-1	1 125	6 099	3 660
Kerava	90 %	389	
Enwa Water Technology AB			
556557-6161	1 500	13 530	10 841
Göteborg	100 %	2 316	
Enwa Water Technology AS			
981335961	1 000 000	63 685	172 362
Sandefjord	100 %	16 570	
Pahlen International AS			
927725223	8 900	1 089	0
Skien	100 %	-1 254	
			497 289

	2024-12-31	2023-12-31
Ingående anskaffningsvärde	26 765	22 904
Inköp	472 137	3 861
Utgående ackumulerade anskaffningsvärden	498 902	26 765

Ingående nedskrivningar	-1 613	0
Årets nedskrivningar	0	-1 613
Utgående ackumulerade nedskrivningar	-1 613	-1 613

NOTER

Not 7 Andelar i intresseföretag och gemensamt styrda företag

Utgående redovisat värde			497 289	25 152
Företag				
Org.nummer		Antal	Eget kapital	Redovisat
Säte		Kap.andel %	Resultat	värde
Swimtec AB				
556835-9193		350		35
Kungsbacka		35%		
				35

Not 8 Andra långfristiga värdepappersinnehav

	2024-12-31	2023-12-31
Ingående anskaffningsvärde	1 216	1 216
Utgående ackumulerade anskaffningsvärden	1 216	1 216
Ingående nedskrivningar	-1 216	0
Årets nedskrivningar	0	-1 216
Utgående ackumulerade nedskrivningar	-1 216	-1 216
Utgående redovisat värde	0	0

Not 9 Eventualförpliktelser

	2024-12-31	2023-12-31
Borgen till förmån för koncernföretag	264	631
	264	631

Bolaget har för det danska dotterföretaget lämnat borgensförbindelse vilket per 2024-12-31 uppgår till DKK 5.000.000 (DKK 5.000.000). Per balansdagen har dotterföretaget inte någon skuld i bank. Liksom övriga företag lämnar EnviroProcess Denmark A/S bankgarantier vid tecknade av entreprenader och det är för dessa bankgarantier som moderbolaget tecknat borgen. Per 2024-12-31 uppgick bankgarantieras värde till DKK 171.709 (DKK 422.967). Den tecknade borgensförbindelsen förväntas inte medföra något utflöde av medel från moderbolaget.

NOTER

Not 10 Väsentliga händelser efter räkenskapsårets slut

Inga väsentliga händelser har inträffat efter räkenskapsårets slut.

Not 11 Koncernförhållanden

Bolaget är dotterbolag till EviroChemie GmbH, Tyskland.
Bolaget är moderbolag, men med stöd av ÅRL 7 kap 2 § upprättas inte någon koncernredovisning.
Övergripande koncernredovisning upprättas av SKion GmbH, Tyskland.

NOTER

Not 12 Definition av nyckeltal

Soliditet:
Justerat eget kapital i procent av balansomslutning

Kungsbacka

Per Martin	Jörg Krause	Stefan Letschert
Per Martin	Jörg Krause	Stefan Letschert
Verkställande direktör	Styrelsens ordförande	Styrelseledamot
2025-05-27	2025-05-27	2025-05-27

Vår revisionsberättelse har lämnats den 19 juni 2025.

Ernst & Young AB
Linda Sallander
Linda Sallander
Auktoriserad revisor

Revisionsberättelse

Till bolagsstämman i EnviroWater Nordic AB, org.nr 556673-0031

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för EnviroWater Nordic AB för räkenskapsåret 2024-01-01 – 2024-12-31.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av EnviroWater Nordic ABs finansiella ställning per den 31 december 2024 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till EnviroWater Nordic AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om att årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning av EnviroWater Nordic AB för räkenskapsåret 2024-01-01 – 2024-12-31 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till EnviroWater Nordic AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Göteborg den 19 juni 2025
Ernst & Young AB

Linda Sallander

Linda Sallander
Auktoriserad revisor

SKion GmbH
Bad Homburg v. d. Höhe

Consolidated financial statements and
Group management report for the 2024
financial year
pursuant to Section 315e
HGB in accordance with
IFRS Accounting Standards
Independent auditor's report

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Consolidated income statement of SKion GmbH Bad Homburg v. d. Höhe
for the period from January 1 to December 31, 2024

In millions of euros	Appendix	2024	2023
Sales revenue	4a	**4.609**	**4.088**
Cost of services rendered	4b	-3.188	-2.898
Gross profit on sales		**1.421**	**1.190**
Distribution costs		-492	-423
Research and development costs	2m	-224	-204
Administrative costs		-370	-327
Other operating income	4c	76	38*
Other operating expenses	4d	-88	-32*
Operating result (EBIT)		**323**	**242**
Financial income		141	91
Financial expenses		-164	-76
Financial result	4e	**-23**	**15**
Result from associated companies and joint ventures	5e,5f	-213	-72
Earnings before taxes (EBT)		**87**	**185**
Income taxes	4f	-103	-65
Earnings after taxes from continuing operations		**-16**	**120**
Result from discontinued operations		-2	1
Consolidated net loss for the year (previous year: consolidated net profit for the year) (EAT)		**-18**	**121**
of which attributable to minority interests		2	4
of which attributable to shareholders of SKion GmbH		-20	117

*Previous year's figures adjusted

Attachmen
t 2

Consolidated statement of comprehensive income of SKion GmbH, Bad Homburg v. d. Höhe for the period from January 1 to December 31, 2024

In millions of euros	Appendix	2024	2023
Consolidated net loss for the year (previous year: consolidated net profit for the year) (EAT)		**-18**	**121**
Remeasurement of the pension obligation	5p	0	-16
Income taxes	4f	0	5
Share of other comprehensive income of companies accounted for using the equity method are recognized in the balance sheet	5f	2	0
Miscellaneous		0	-2
Items that will not be reclassified subsequently to profit or loss		**2**	**-13**
Differences from currency translation		64	-64
Income taxes	4f	0	0
Share of other comprehensive income of companies accounted for using the equity method are recognized in the balance sheet	5f	23	-9
Items that will be reclassified subsequently to profit or loss		**87**	**-73**
Other result		**89**	**-86**
Overall success		**71**	**35**
of which attributable to minority interests		3	3
of which attributable to shareholders of SKion GmbH		68	32

Attachmen
t 3

Consolidated balance sheet of SKion GmbH, Bad Homburg v. d. Höhe as at December 31, 2024

In millions of euros	Appendix	31.12.2024	31.12.2023
Intangible assets and goodwill	5a	1.314	1.309
Property, plant and equipment	5b	1.436	1.344
Investment property	5c	19	21
Financial assets	5d	294	587
Shares in associated companies and joint ventures	5e, 5f	325	508
Receivables from related parties		2	2
Deferred tax assets	5h	62	46
Other non-current assets	5k	26	40
Total non-current assets		**3.478**	**3.857**
Inventories	5i	729	653
Trade receivables	5j	826	743
Contract assets	5j	282	258
Income tax refund claims		25	30
Receivables from associated companies		5	8
Other current assets	5k	199	198
Current financial assets	5l	94	26
Securities	5g	43	136
Cash and cash equivalents	5m	1.134	757
Assets held for sale and disposal groups		73	-
Total current assets		**3.410**	**2.806**
Total assets		**6.888**	**6.663**
Subscribed capital		50	50
Capital reserve		54	54
Retained earnings (including profit for the year)		4.290	4.318
Remeasurement of net pension obligations		-47	-51
Revaluation reserve		35	6
Differences from currency translation		166	107
Other equity items		-10	-4
Equity of the owners of the parent company		**4.538**	**4.480**
Non-controlling interests		32	36
Equity	5n	**4.570**	**4.516**
Non-current financial liabilities	5o	534	560
Provisions for pensions and similar obligations Obligations	5p	215	220
Other non-current provisions	5q	62	47
Deferred tax liabilities	5h	118	126
Other non-current liabilities	5r	72	87
Total non-current liabilities		**1.001**	**1.040**
Current financial liabilities	5o	92	58
Liabilities from deliveries and services		415	366
Contract liabilities	5j	209	194
Current tax provisions		93	53
Other current provisions	5q	204	174
Other current liabilities	5r	287	262
Liabilities in connection with assets held for sale			
Assets and disposal groups		17	-
Total current liabilities		**1.317**	**1.107**
Total equity and liabilities		**6.888**	**6.663**

Consolidated statement of changes in equity of SKion GmbH, Bad Homburg v. d. Höhe for the 2024 financial year

In millions of euros	Notes	Subscribed capital	Capital reserve	Retained earnings (incl. annual result)	Remeasurement of the net pension obligation
Status as of 01.01.2023		**50**	**54**	**4.232**	**-45**
Consolidated net income (EAT)		-	-	117	-
Other result		-	-	-	-11
Acquisition of a subsidiary with non-controlling interests		-	-	-	-
Acquisition of non-controlling interests		-	-	-	-
Disposal of non-controlling interests		-	-	-	-
Dividend payment		-	-	-	-
Other change		-	-	-4	4
Changes in the scope of consolidation recognized directly in equity		-	-	-	-
Purchase of shares from other shareholders		-	-	-27	-
Status as of 12/31/2023	5n	**50**	**54**	**4.318**	**-51**
Consolidated net loss for the year (EAT)		-	-	-20	-
Other result		-	-	0	0
Acquisition of a subsidiary with non-controlling interests		-	-	-	-
Acquisition of non-controlling interests		-	-	-	-
Disposal of non-controlling interests		-	-	-	-
Dividend payment		-	-	-	-
Other change		-	-	-4	4
Changes in the scope of consolidation recognized directly in equity		-	-	-2	-
Purchase of shares from other shareholders		-	-	-2	-
Status as of 12/31/2024	5n	**50**	**54**	**4.290**	**-47**

Revaluation reserve	Currency translation differences	Other equity items	Shareholders Parent company	Non-controlling interests: Equity	Not controlling interests: Currency translation differences	Group equity
15	**170**	**-1**	**4.475**	**27**	**-4**	**4.498**
-	-	-	**117**	4	0	**121**
-9	-63	-2	**-85**	0	-1	**-86**
-	-	-	**0**	5	0	**5**
-	-	-	**0**	0	0	**0**
-	-	-	**0**	0	0	**0**
-	-	-	**0**	0	0	**0**
-	-	-	**0**	0	0	**0**
-	-	-	**0**	33	0	**33**
-	-	-	**-27**	-28	0	**-55**
6	**107**	**-4**	**4.480**	**41**	**-5**	**4.516**
-	-	-	**-20**	2	-	**-18**
25	63	-	**88**	-	1	**89**
-	-	-	**0**	-	-	**0**
-	-	-6	**-6**	-3	-	**-9**
-	-	-	**0**	-	-	**0**
-	-	-	**0**	0	-	**0**
4	-4	-	**0**	-	-	**0**
-	-	-	**-2**	-	-	**-2**
-	-	-	**-2**	-4	0	**-6**
35	**166**	**-10**	**4.538**	**36**	**-4**	**4.570**

Consolidated cash flow statement of SKion GmbH, Bad Homburg v. d. Höhe for the 2024 financial year

In millions of euros	Appendix	**2024**	2023
Consolidated net loss for the year (previous year: consolidated net profit for the year) (EAT)		**-18**	**121**
Amortization, depreciation and impairment of intangible assets, goodwill, property, plant and equipment and investment property	5a, b, c	263	230
Result from companies accounted for using the equity method	5e, f	213	72
Result from the disposal of intangible assets, property, plant and equipment and investment property	4c, d	0	-2
Net financing expenses	4e	23	-15
Change in inventories	5i	-47	34
Change in trade receivables and other assets	5j, k	-86	-130
Change in income tax items	4f, 5h	25	38
Change in provisions	5p, q	43	59
Change in trade payables and other liabilities	5r	106	72
Result from the disposal of companies accounted for using the equity method	5f	0	0
Other		-2	20
Cash flow from operating activities		**520**	**499**
Payments for investments in intangible assets, property, plant and equipment and investment property	5a, b, c	-249	-248
Proceeds from the disposal of intangible assets, property, plant and equipment and investment property	5a, b	20	11
Payments for acquisitions less acquired cash and cash equivalents	3	-74	-334
Payments for the acquisition of financial assets	5d	-14	-118
Proceeds from the disposal of financial assets	5d	282	102
Payments for the acquisition of securities	5g	-28	0
Proceeds from the disposal of securities	4e	128	20
Proceeds from dividends from associated companies	5f	31	24
Change in current financial assets	5l	-68	36
Payments for the acquisition of shares in companies accounted for using the equity method and capital increases	5f	-43	-61
Cash flow from investing activities		**-15**	**-568**
Payments for the acquisition of minority interests		-5	-31
Payments for the repayment of financial liabilities	5o	-109	-55
Proceeds from the assumption of financial liabilities	5o	20	250
Cash flow from financing activities		**-94**	**163**
Exchange rate effects		3	-5
Changes in cash and cash equivalents in connection with assets classified as held for sale assets and disposal groups classified as held for sale	3f	-37	0
Change in cash and cash equivalents	5m	**377**	**89**
Cash and cash equivalents as at 01.01.		757	668
Cash and cash equivalents as at 31.12.		1.134	757
Payments for			
Income taxes		-110	-100
Interest		-22	-20
Dividends		0	0
Deposits for			
Income taxes		42	26
Interest		27	16
Dividends		2	2

Notes to the consolidated financial statements of SKion GmbH, Bad Homburg v. d. Höhe, for the 2024 financial year

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1. General principles

SKion GmbH (hereinafter also referred to as "SKion" or the "parent company") is a German limited liability company with its registered office in Bad Homburg v. d. Höhe, Seedammweg 55, and is registered with the Bad Homburg v. d. Höhe Local Court under commercial register no. HRB 7569. In mid-2024, Ms. Susanne Klatten, Doctor of Science h.c., Univ. Buckingham, transferred >99% of the shares in SKion in equal shares to her three adult children and their associated companies SKion Primus, SKion Secundus and SKion Tertia GmbH, Munich, with <1% of the shares remaining with her.

The object of the SKion Group's business activities is the holding and management of equity investments and capital investments. The Group's business activities are mainly characterized by ALTA- NA AG, Wesel, and its Group companies (ALTANA). As a specialty chemicals company, ALTANA focuses on surface protection and finishing in the broadest sense. The Group's business activities are complemented by SKion Water, which acts as a technology and solutions provider and plant constructor in industrial water and wastewater technology through its operating divisions.

The consolidated financial statements of SKion GmbH as at December 31, 2024 were prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), as adopted by the European Union (EU) for financial years beginning on or after January 1, 2024, and the additional requirements of German commercial law pursuant to Section 315e of the German Commercial Code (HGB).

The standards of the International Accounting Standards Board (IASB), as applicable in the EU, and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly the Standards Interpretations Committee (SIC), are applied in the consolidated financial statements. They result in the presentation of a true and fair view of the net assets, financial position and results of operations of the SKion Group. There was no deviation from these standards due to overriding principles. SKion prepares these IFRS consolidated financial statements in accordance with

§ Section 315e (3) HGB and is therefore exempt from preparing and publishing consolidated financial statements in accordance with the provisions of the HGB. The consolidated financial statements were approved by the management on June 23, 2025.

Unless otherwise stated, all figures in the notes are in thousands of euros (EUR thousand). Differences between individual items and totals are possible due to rounding differences.

New accounting standards

In January 2020, the IASB published Amendments to IAS 1 "Classification of Liabilities as Current or Non-current". The amendments clarify the circumstances under which liabilities with an unknown settlement date are classified as current or non-current. Among other things, the amendments explain that the classification depends on the rights that apply on the reporting date and define the circumstances in which liabilities can be settled with cash, other economic resources or equity instruments. On October 31, 2022, the IASB postponed the date of application. On the same day, the IASB published Amendments to IAS 1 "Non-current Liabilities with Constraints" to clarify how conditions that an entity must fulfill within twelve months of the reporting period affect the classification of a liability. The amendments to IAS 1 are now effective for financial years beginning on or after January 1, 2024. The application of the amendments to IAS 1 had no impact on the SKion Group's consolidated financial statements. In April 2024, the IASB published IFRS 18 "Presentation of Financial Statements". IFRS 18 amends several other standards and replaces IAS 1. The new standard adopts most of the requirements and introduces new ones to increase the transparency and comparability of financial statements. Among other things, IFRS 18 requires the income statement to be broken down into three newly defined sections and provides for extended disclosures for company-specific key figures. IFRS 18 is to be applied for financial years beginning on or after January 1, 2027. Earlier application is permitted.

The SKion Group is currently examining the effects of IFRS 18 on the consolidated financial statements. IFRS 18 has not yet been endorsed by the EU Commission.

Beyond this, no new standards or interpretations have been published that have a material impact on SKion's current and, from today's perspective, future consolidated financial statements. SKion does not make use of the early application of new standards or interpretations.

2. Significant accounting and valuation principles

The preparation of the consolidated financial statements requires management to make estimates and assumptions and thus to exercise its judgment in the recognition and measurement of assets, liabilities and contingent liabilities as well as income and expenses in accordance with IFRS. The actual amounts may differ from the estimates.

Discretionary decisions are based on expectations regarding future events and historical experience. In particular, the risks of burdens from military and political conflicts and the resulting inflation as well as a deterioration in the development of the global economy or important core regions compared to expectations are taken into account. Risks resulting from climatic changes are also taken into account. This applies, for example, when assessing the requirements for classifying assets as held for sale, when reviewing the recoverability and remaining useful lives of assets, when determining expected credit losses on financial instruments, when assessing the term of leases with regard to the reasonably certain exercise of extension or termination options, as well as in the context of revenue recognition with regard to the allocation of the transaction price and the determination of provisions and contingent liabilities.

The assumptions and estimation uncertainties are continuously reviewed and changes are recognized prospectively in the reporting period or in future periods. Assumptions and estimates are made in particular in connection with the measurement of intangible assets and property, plant and equipment, (pension) provisions, valuation allowances due to expected credit losses from trade receivables and deferred taxes.

The tools for impairment testing and determining impairment of goodwill, other intangible assets and property, plant and equipment include weighted scenario-based valuations that take into account uncertainties arising from geopolitical tensions and macroeconomic conditions to varying degrees.

As part of the application of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", it is at the discretion of the company to decide whether an asset or disposal group meets the criteria for classification as held for sale. If this is the case, assumptions and estimates are required to determine the fair value and costs to sell.

On the balance sheet date, the management made the following key assumptions concerning the future and identified significant sources of estimation uncertainty that have a significant risk of causing a material adjustment to the recognized assets and liabilities within the next financial year:

Revenue recognition: Estimates based on sales and agreed contract terms are used to determine sales and the associated discounts (see "Revenue recognition").

Pension obligations: When measuring pension obligations on the basis of the projected unit credit method, current parameters such as the expected discount rate, salary and pension trend and return on plan assets are used as at the balance sheet date. If these parameters develop significantly differently than expected, this can have a significant impact on the pension obligations (see point 5(p)).

Impairment: Goodwill, other intangible assets and property, plant and equipment are generally tested for impairment on the basis of discounted cash flows from continuing use or the expected selling price of the assets. Factors such as a lower operating result than expected and the resulting lower net cash flows, as well as changes in discount rates, can lead to impairment. Please refer to points 5(a) and 5(b) for information on goodwill, other intangible assets and property, plant and equipment.

Assets held for sale and disposal groups: The assessment as held for sale is based on management decisions made and a process initiated to find a buyer, which is expected to be completed within one year. Determinations of the fair value to be applied and the costs to sell are based on non-binding purchase offers and information from ongoing negotiations. With regard to the assets and disposal groups classified as "Assets held for sale", please refer to Note 3 (f).

Taxes: The recognition of deferred tax assets requires that sufficient taxable income is generated in the future that can be offset against tax credits and loss carryforwards. The assessment of whether deferred taxes can be capitalized is subject to an estimate of various factors. Tax matters are subject to uncertainties with regard to their assessment by the tax authorities and it can therefore not be ruled out that they may come to different conclusions than SKion in individual cases. If changes in the assessment are likely, a corresponding provision is recognized.

Allowances for trade receivables: When assessing the appropriateness of valuation allowances on trade receivables, the maturity structure of the receivables, past experience, the creditworthiness of customers and changes in payment terms are taken into account. Should the customer's financial situation deteriorate, the actual value adjustments may exceed the expected amount.

The accounting and valuation principles listed below were applied uniformly to all periods presented in the consolidated financial statements and to all companies belonging to the Group.

(a) Principles of preparing consolidated financial statements

(i) Subsidiaries

Subsidiaries are companies that are controlled directly by the parent company or indirectly via a subsidiary included in the consolidated financial statements. Control exists when SKion has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In accordance with IFRS 3 "Business Combinations" and IFRS 10 "Consolidated Financial Statements", subsidiaries are included in SKion's consolidated financial statements by way of full consolidation from the date of acquisition (transfer of control) until the date on which the shares no longer meet the criteria of a subsidiary.

The scope of consolidation comprises 48 (2023: 53) domestic and 179 (2023: 174) foreign companies that can be directly or indirectly controlled by SKion.

In the 2024 financial year, an acquisition was made at ALTANA in the ECKART division in the legal form of a share deal, whereby one domestic and 14 foreign companies were acquired. As part of the integration, the domestic company was reported under other investments and two foreign companies were merged with two other foreign companies. In the ELANTAS division, three foreign companies were merged with another foreign company and one domestic company with another domestic company as part of the integration of the companies acquired in the 2023 financial year. Two further foreign companies were no longer consolidated due to immateriality.

At SKion Water, the following changes have arisen for the individual sub-segments in the 2024 financial year:

Ovivo acquired the remaining 79.1% of shares in E2metrix Inc., Sherbrooke, Canada, with effect from February 14, 2024. As a result, E2metrix Inc. was included in the foreign scope of consolidation for the first time in the 2024 financial year.

With effect from January 15, 2024, the Ecopreneur Chile S.A. Group acquired 95% of the shares in VIGAflow S.A., Colina, Chile, and is part of the foreign scope of consolidation.

The SKion Water International Group increased its equity interest in SouthWestSensor Ltd., Southampton, United Kingdom, by around 36% and included it in the foreign scope of consolidation.

In the 2024 financial year, Eliquo acquired Malmberg AS, Drammen, Norway, and Malmberg Water AB, Åhus, Sweden, both of which are included in the foreign scope of consolidation.

There were also various changes that are not attributable to business combinations, but to various intragroup additions and disposals (e.g. foundations, mergers and liquidations).

All intragroup balances and transactions are eliminated on consolidation. The financial statements of the consolidated companies are prepared using uniform Group accounting policies.

The main companies included in the consolidated financial statements are listed under point 6 (d).

(ii) Business combinations under common control

A business combination of entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party both before and after the business combination. The IASB standards do not contain any explicit rules on the treatment of such cases.

In SKion's consolidated financial statements, business combinations of companies under common control are accounted for using the single-entity method and carrying forward the consolidated carrying amounts at the time of the transaction (so-called "predecessor accounting"). The difference between the consideration granted and the sum of the consolidated carrying amounts of the assets acquired and liabilities assumed is offset against equity.

(iii) Acquisition of non-controlling interests

Transactions with minority shareholders without a change in control represent equity transactions between shareholders that have no effect on profit or loss or on the Group's assets and liabilities. The difference between the consideration granted and the value of the acquired non-controlling interest is offset against the share of Group equity attributable to the majority shareholders. The value of the acquired non-controlling interest is determined using the share of net assets attributable to the minority shareholders at Group carrying amounts at the time of the transaction.

(iv) Joint arrangements

Joint arrangements are jointly controlled entities "joint ventures" or jointly controlled assets and jointly controlled activities "joint operations". Joint control is the contractually agreed sharing of control of the economic activity and requires the unanimous consent of the parties involved in joint control with regard to the decisions relating to the relevant activities of an investee. Joint ventures are accounted for in accordance with IFRS 11.24 in conjunction with IAS 28 "Joint Ventures". IAS 28 "Joint Ventures", joint ventures are included in SKion's consolidated financial statements using the equity method. Joint operations are recognized in accordance with IFRS 11.20 "Joint Operation" in the amount of SKion's share in the assets and liabilities as well as expenses and income.

As at December 31, 2024, the scope of consolidation comprised 0 domestic (2023: 0) and 3 (2023: 2) foreign joint arrangements. The financial statements of the joint arrangements were prepared using uniform Group accounting policies. Formally, one of the two foreign companies is an independent vehicle which, however, holds the assets and corresponding liabilities exclusively on a fiduciary basis for the account of the participating shareholders on the basis of contractual provisions. The joint arrangement is therefore included in SKion's consolidated financial statements in accordance with IFRS 11.20 et seq. The other jointly controlled entity is accounted for in accordance with IFRS
11.24 in conjunction with IAS 28 are accounted for using the equity method.

(v) Associated companies

An associated company is a company over which SKion has direct or indirect significant influence and which is neither a subsidiary nor a joint arrangement. Significant influence is presumed to exist if a company directly or indirectly holds at least 20% of the voting rights in the associated company. Investments in associates are accounted for using the equity method in accordance with IAS 28. Based on the acquisition costs at the time of acquisition of the shares, the respective carrying amount of the investment is increased or decreased by the changes in equity of the associated companies, insofar as these are attributable to SKion's shares. SKion's share in the results of the associated companies is recognized in the income statement, while other changes in equity of the associated companies are recognized in other comprehensive income. If there are indications that the investment in the associated company is impaired, the carrying amount is tested for impairment. There is no separate test of the proportionate goodwill. The test is carried out for the entire carrying amount of the investment. Impairment losses on the carrying amount of the investment are therefore not allocated separately to the goodwill included in the carrying amount of the investment and can therefore be reversed in full in subsequent periods.

(b) Currency conversion

(i) Transaction effects

Transactions in foreign currencies are recognized in accordance with IAS 21 in the functional currency of the respective subsidiary by translating the foreign currency amount at the exchange rate between the functional currency and the foreign currency applicable on the date of the transaction.

The functional currency is the currency of the primary economic environment in which the respective Group company operates.

(ii) Translation effects

At each reporting date, monetary items in foreign currencies are translated into the functional currency of the respective company at the current closing rate. Differences arising from the translation of monetary items are recognized in profit or loss for the reporting period in which these differences arose. An exception is made for translation differences from monetary items that are part of a net investment by the reporting company in a foreign operation. Translation differences from monetary items that are part of a net investment by the reporting company in a foreign operation are initially recognized in other comprehensive income and reclassified from equity to the income statement when the monetary items are sold. Non-monetary items in foreign currencies that are measured at historical cost in the balance sheet are translated at the exchange rate on the date of the transaction.

The following table shows the exchange rates of the most important foreign currencies for SKion against the euro:

	Closing rate		Average rate for the calendar years	
	31.12.2024	31.12.2023	**2024**	2023
1 Euro				
US dollar	1,04	1,11	1,08	1,08
Swiss franc	0,94	0,93	0,95	0,97
Japanese yen	163,06	156,33	163,85	151,99
Chinese renminbi	7,58	7,85	7,79	7,66
Indian rupee	88,93	91,90	90,56	89,30
Brazilian real	6,43	5,36	5,83	5,40
Canadian dollar	1,49	1,46	1,48	1,46

SKion's consolidated financial statements are prepared in euros (presentation currency). The financial statements of foreign subsidiaries whose functional currency differs from the presentation currency are translated into the presentation currency at each reporting date in accordance with IAS 21. Assets and liabilities are translated at the respective middle rate on the balance sheet date and income and expenses are translated at the average rate for the year. Equity is translated at historical rates. Resulting translation differences are recognized separately in equity. When a foreign subsidiary is disposed of, the translation differences recognized in equity up to that date are reclassified to profit or loss in the period in which the gain or loss from the disposal is recognized.

(c) Financial instruments

In accordance with IFRS 9, SKion reports all financial assets and liabilities as well as all derivatives as assets or liabilities in the balance sheet and measures them at fair value or amortized cost. Primary assets are initially recognized on the settlement date, while derivatives are recognized on the trade date.

The following rules apply to financial instruments measured at fair value: The fair values to be applied for securities correspond to prices quoted for identical assets on active markets (hierarchy level 1). The fair value of derivative receivables and liabilities as well as other non-interest-bearing primary financial liabilities is determined using valuation methods based on observable market data (hierarchy level 2) or using parameters that are not observable on the market (hierarchy level 3).

Equity instruments are recognized at fair value. The option to recognize them directly in equity is not currently used.

In addition, the requirements of IFRS 9 lead to the recognition of a risk provision (expected credit loss) on trade receivables and other financial assets recognized at amortized cost. For trade receivables, the expected credit loss is determined using the simplified approach. The credit loss is calculated on the basis of the total term of the financial asset. If there is objective evidence of a credit default (e.g. insolvency or delivery stop), an individual value adjustment is made to the corresponding receivables, although attempts are still made to enforce the claim. To determine the expected credit losses, receivables are grouped according to their past due status. The historical default rates used for this purpose are adjusted for forward-looking information such as economic market conditions and general future risks. For other financial assets carried at amortized cost, the expected credit loss is determined using the general approach, according to which only expected credit losses for the next twelve months are taken into account. Due to the good creditworthiness of the customers (investment grade rating, at S&P AAA to BBB), there is a low default risk as at the reporting date, meaning that the low credit risk exemption is used.

All existing hedging relationships also meet the requirements for hedge accounting in accordance with IFRS 9. The option to initially recognize hedging costs in connection with designated hedging relationships in other comprehensive income is applied.

Changes in the market value of financial assets and liabilities recognized at fair value that are not recognized as part of a cash flow hedge are recognized directly in profit or loss. Changes in the market value of derivative financial instruments that are recognized in a hedging relationship are recognized in profit or loss or in equity, depending on whether the hedge is a fair value hedge or a cash flow hedge. Changes in the market value of the hedged item and the derivative financial instrument are recognized in the income statement as part of a fair value hedge.

The effective portion of changes in the market value of derivative financial instruments used to hedge future cash flows (cash flow hedges) is recognized in equity under other comprehensive income until the underlying transaction is recognized in profit or loss. The ineffective portion of a cash flow hedge or hedging transaction that does not meet the requirements for hedge accounting is recognized immediately in profit or loss. The change in the cash element of a forward transaction is designated as a hedging instrument in a hedging relationship. SKion exercises the option to recognize hedging costs in connection with designated hedging relationships in other comprehensive income (cost of hedging). This relates to the forward element of a forward transaction and the foreign currency basis spreads. Hedge accounting in accordance with IFRS 9 is applied prospectively. When a hedging relationship is entered into, the relationship between the hedging instrument used and the hedged item is documented. The economic hedging relationship is ensured by matching the value-critical parameters. In addition, at the beginning of the hedging relationship and on an ongoing basis, an assessment is made as to whether the hedging instrument used can actually compensate for the fluctuations in value of the underlying transaction (effectiveness measurement). Potential ineffectiveness can arise from the time lag or the discontinuation of the underlying transaction.

(d) Fair value

IFRS 13 "Fair Value Measurement" regulates fair value measurement, including the required disclosures, in a largely uniform manner in IFRS. Fair value is the value that would be realized by the sale of an asset or the price that would have to be paid to transfer a liability. The 3-level fair value hierarchy in accordance with IFRS 13 is applied. Financial assets and liabilities are allocated to hierarchy level 1 if there is a quoted price for the same assets and liabilities on an active market. They are allocated to hierarchy level 2 if a valuation model is used or the price is derived from comparable transactions. Financial assets and liabilities are reported in hierarchy level 3 if the fair value is determined using unobservable parameters. The default risk is also taken into account when measuring assets and liabilities. If there are transfers between the levels of the fair value hierarchy, these are taken into account at the end of the reporting year.

(e) Intangible assets and goodwill

(i) Goodwill

Goodwill recognized in the consolidated financial statements results from the acquisition and initial consolidation of subsidiaries. Goodwill is recognized as the excess of the cost of the acquisition, the amount of the non-controlling interests in the acquired company and the fair value of any previously held equity interests at the acquisition date over the Group's interest in the net assets measured at fair value. For each company acquisition, the Group decides on an individual basis whether the non-controlling interests are recognized at fair value or on the basis of the proportionate share of the net assets of the acquired company. If the acquisition costs are lower than the net assets of the acquired subsidiary measured at fair value, the difference is recognized directly in the income statement.

IFRS 3 "Business Combinations" and IAS 36 "Impairment of Assets" stipulate that goodwill should not be amortized on a scheduled basis, but only if a need for impairment is identified. For this purpose, goodwill is tested for impairment at least once a year in accordance with IAS 36.

(ii) Intangible assets

Intangible assets including software are recognized and capitalized in accordance with IAS 38 "Intangible Assets" if (a) the intangible asset is identifiable (i.e. it is separable or arises from contractual or other rights), (b) it is probable that the future economic benefits (e.g. cash or other benefits such as cost savings) arising from the asset will flow to the entity and (c) the cost of the intangible asset can be measured reliably.

Intangible assets with a definite useful life are recognized at cost less accumulated amortization. In the case of qualifying assets with a construction period of more than 12 months, the directly attributable financing costs are also capitalized. Amortization is calculated using the straight-line method over the shorter of the contract term or the estimated useful life.

The following useful lives are applied:

	years
Patents, licenses and similar rights	3 to 20
Other intangible assets	1 to 30

Amortization and impairment of intangible assets with finite useful lives are reported in cost of sales, selling expenses, research and development expenses or general administrative expenses, depending on their function.

Intangible assets with an indefinite useful life are not amortized but are always tested for impairment once a year or when there are indications of impairment. If this test reveals a need for impairment, the corresponding expense is shown under other operating expenses. Furthermore, an ongoing assessment is made as to whether the estimate of an asset's indefinite useful life is valid.

(f) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are recognized at acquisition or production cost less accumulated depreciation and impairment losses.

The acquisition costs include all costs directly attributable to the purchase of the asset. In the case of self-constructed property, plant and equipment, production costs are determined on the basis of directly attributable direct costs and appropriate overheads, including depreciation. In the case of qualifying assets with a construction period of more than 12 months, the directly attributable financing costs are also capitalized. Grants from third parties (government subsidies) reduce the acquisition or production costs.

(ii) Subsequent acquisition or production costs

Maintenance and repairs are recognized as expenses, while replacement and expansion investments that meet the recognition criteria for assets, as well as dismantling and disposal obligations, are capitalized. Gains or losses from asset disposals are recognized under other operating income or expenses.

(iii) Amortization

Property, plant and equipment are depreciated on a straight-line basis over the following estimated useful lives, The "right of use" assets (RoU assets) from leasing agreements are not included:

	years
Buildings and land rights	2 to 75
Technical equipment and machinery	2 to 35
Operating and office equipment	2 to 33

The useful life is regularly reviewed and, if necessary, adjusted to reflect changes in the expected useful life. If necessary, impairment losses are recognized in accordance with IAS 36, which are reversed if the reasons no longer apply.

Depending on their function, depreciation and impairment losses on property, plant and equipment are reported under cost of sales, selling expenses, research and development expenses or general administrative expenses.

(g) Investment property

According to IAS 40 "Investment Property", investment property comprises properties that are held to generate rental income and/or for the purpose of capital appreciation. As with property, plant and equipment, they are recognized at cost less depreciation and any necessary impairment losses in accordance with the cost model. They are not measured at fair value through profit or loss in accordance with the fair value model. Investment property is depreciated over a useful life of 8 to 40 years. The fair value of these properties is also disclosed in the notes. It is determined using recognized valuation methods, taking into account project development opportunities.

(h) Impairment losses on non-financial assets

Goodwill acquired as part of business combinations and intangible assets with indefinite useful lives are tested for impairment at least once a year. The test is carried out regardless of whether there are specific circumstances that indicate a need for impairment. For the impairment test of goodwill, it is allocated to the cash-generating units that will benefit from the company acquisition.

Intangible assets with a finite useful life and property, plant and equipment are tested for impairment if there are indications on the reporting date that an asset may be impaired. If such an indication exists, the recoverable amount of the asset must be determined. This applies regardless of whether the asset is still in use or is to be sold.

In accordance with the provisions of IAS 36, an impairment loss is recognized if the carrying amount of the asset or the cash-generating unit to which the asset is allocated exceeds the recoverable amount. The recoverable amount of an asset, a cash-generating unit or a group of cash-generating units is the higher of the fair value less costs to sell and the value in use of the asset, the cash-generating unit or the group of cash-generating units. The value in use is determined on the basis of the expected future cash inflows that the asset or cash-generating unit is likely to generate through continued use over the period of use or through a possible sale.

If this test results in an impairment requirement, the corresponding expense is recognized under other operating expenses.

With the exception of goodwill, for which a reversal of impairment losses is not permitted under IAS 36, an assessment is made at each balance sheet date as to whether there is any indication that an impairment loss recognized in prior periods may no longer exist or may have decreased. If such an indication exists, the recoverable amount of the asset or cash-generating unit is determined and a review is carried out to determine whether a reversal of an impairment loss up to a maximum of amortized cost is required.

(i) Inventories

Inventories are recognized at the lower of cost or fair value on the balance sheet date. The fair value corresponds to the estimated selling price that can be achieved in the ordinary course of business, less estimated costs of completion and selling costs.

Acquisition and production costs are calculated using weighted average costs. Production costs include material and personnel expenses as well as directly attributable overheads, including depreciation. Write-downs are reported under cost of materials.

(j) Employee benefits

(i) Pensions and similar obligations

The pension schemes in the SKion Group comprise both defined contribution and defined benefit plans and mainly relate to ALTANA. Under defined contribution plans, the company's legal or constructive obligation is limited to the agreed contribution to the pension provider. The amount of the benefits depends on the amount of the contributions to the pension provider and the income from the investment of these contributions. The risk that the benefits may be lower than expected (actuarial risk) and the risk that the invested assets are not sufficient to provide the expected benefits (investment risk) is borne by the employee. Defined contribution plans exist mainly in foreign ALTANA companies. The current contribution payments are recognized as an expense for the respective fiscal year in the functional areas.

The majority of pension commitments comprise defined benefit plans, whereby a distinction is made between pension commitments financed by provisions and those financed by funds. Under defined benefit plans, the company's obligation is to grant the promised benefits to active and former employees. The actuarial risk and the investment risk are essentially borne by the company. In the case of funded pension commitments, the benefits to be provided by the company are financed by long-term investments in fixed-interest securities or qualifying insurance contracts, whereby the company continues to bear the actuarial and investment risks associated with the plan. The promised pension benefits mainly relate to German and Swiss employees of the ALTANA Group and are calculated on the basis of length of service and estimated future salary and pension trends.

Pension obligations from defined benefit plans are recognized and measured in accordance with IAS 19 using the projected unit credit method on the basis of actuarial reports. The changes from the estimates applicable at the beginning of the financial year with regard to the scope of the obligation, plan assets and actuarial assumptions and the estimates applicable at the end of the financial year are designated as actuarial gains and losses and recognized directly in equity on the balance sheet date. The net obligation recognized as a provision therefore corresponds to the fair value of the company's obligation as at the balance sheet date.

(ii) Employee stock option programs

ALTANA

ALTANA has issued share-like instruments to employees as part of long-term incentive programs.
These instruments are issued to employees and are accounted for in accordance with IFRS 2 "Share-based Payment". ALTANA therefore measures these instruments at fair value on the grant date (hierarchy level 3). The vesting conditions under which the instruments were granted are taken into account. The expense is spread over the required service period. The liabilities are remeasured at fair value on each balance sheet date and on the settlement date until the instruments issued are settled in cash. Changes in fair value are recognized in profit or loss.

Ovivo

The Appreciation Share Units ("ASUs") are regarded as cash-settled share-based payment transactions. The fair value of each tranche of ASUs that vest is calculated using the Black-Scholes model and remeasured at the end of each reporting period until maturity. The change in fair value determined in this way is recognized as a share-based payment expense over the specific ASU vesting period for each tranche, with a corresponding entry in the consolidated balance sheet under other liabilities.

Eliquo Water Group GmbH

On 12 December 2016, Eliquo Water Group GmbH launched a virtual share rights (VSRs) program for managers and key personnel. Virtual shares (VSRs) were issued to managers for the first time in the 2018 financial year. The virtual shares are granted in addition to the salary and bonus. The value is determined on the balance sheet date as a weighted average of the consolidated net income of Eliquo Water Group GmbH.

EnviroChemie GmbH

EnviroChemie GmbH has also set up the same program. The virtual shares are treated as cash-settled share-based payments. The value is determined on the balance sheet date as a weighted average of the consolidated annual result of EnviroChemie GmbH.

(k) Provisions

Provisions are recognized in accordance with IAS 37, according to which provisions are recognized in the balance sheet for current legal or constructive obligations arising from past events if an outflow of resources embodying economic benefits to settle the obligation is probable and can be reliably estimated.

The carrying amount of provisions takes into account the amounts required to cover future payment obligations, identifiable risks and uncertain obligations of the Group to third parties. They are measured at the amount expected to be utilized. Provisions with an expected term of more than one year are recognized at their present value on the balance sheet date. If there are reimbursement claims within the meaning of IAS 37, these are recognized as a separate asset if it is virtually certain that the SKion Group will receive the reimbursement when the obligation is met.

The personnel-related items included in other provisions are calculated in accordance with IAS 19 "Employee Benefits".

(i) Warranty expenses

Provisions for warranty expenses are recognized on the basis of past experience. Based on the average warranty claims of the last two to three years, a percentage is calculated and applied to net merchandise sales, depending on the line of business. The provision is adjusted to new estimates where necessary.

(ii) Onerous contracts

Provisions for onerous contracts are recognized if the unavoidable costs of meeting the obligations under a contract are higher than the expected economic benefits. The unavoidable costs reflect the minimum amount of the net costs to be incurred upon withdrawal from the contract. The provision is therefore recognized at the lower of the fulfillment costs and any compensation payments or penalties resulting from non-fulfillment. Before a provision is recognized for onerous contracts, an impairment of the assets associated with the contract is recognized.

(l) Revenue recognition

IFRS 15 uses a five-step model to regulate the amount, timing and period over which revenue is to be recognized. This contains additional qualitative and quantitative disclosure requirements. SKion's revenue includes all revenue recognized in the course of ordinary business activities.

For revenue arising from product sales whose performance obligations are not satisfied over time and therefore at a point in time, revenue is also recognized at a point in time when control is transferred to the buyer. Control is generally transferred as soon as the products have been delivered to the agreed location, the risks of obsolescence and loss, among other things, have been transferred to the customer and the customer has either accepted the products in accordance with the purchase agreement or SKion has obtained objective evidence that all acceptance criteria have been met. Revenue from these sales is recognized in the amount of the price stipulated in the contract, less estimated rebates in the form of customer bonuses and discounts. A corresponding refund liability is recognized under other provisions (5(q)) and other liabilities (5(r)). In determining these, the management uses the best possible estimates (expected value method), which are based on sales and the agreed contractual conditions. If the purchase price covers several performance obligations, the transaction price is allocated appropriately to the individual sales transactions. Once payment has been received, the revenue is adjusted to the actual payment. Payment of the transaction price is due in the short term. Transaction prices that are attributable to unfulfilled or partially unfulfilled performance obligations at the end of a financial year are based on contracts with a maximum term of one year and are therefore not disclosed in accordance with IFRS 15.

In the case of contracts where the service is provided over a period of time, revenue is recognized depending on the type of service provided, either according to the percentage of completion or on a straight-line basis for reasons of simplification, if straight-line revenue recognition does not differ significantly from recognition according to the percentage of completion. The percentage of completion is calculated from the share of contract costs incurred up to the balance sheet date in the total expected contract costs (cost-to-cost method). The contract costs incurred regularly represent the best benchmark for measuring the degree of fulfillment of performance obligations. If the result from a performance obligation that is generated over a period of time is not yet sufficiently certain, but SKion expects that at least the costs will be reimbursed by the customer, the revenue is only recognized in the amount of the contract costs incurred (zero profit margin method). If the expected costs exceed the expected sales revenues, the expected loss is immediately recognized in full as an expense by writing down the associated capitalized assets and, if necessary, creating provisions. Until the performance obligations have been met in full, revenue is recognized through the recognition of contract assets. If the advance payments received from the contractual partner exceed the capitalized amount, they are reported as contract liabilities. As soon as the performance obligation has been met in full, the contract asset is replaced by a trade receivable. If a contract contains several distinct performance obligations (multi-component contracts), these are recognized separately in accordance with the above principles.

(m) Research and development costs

Research costs are costs for independent and planned research with the intention of gaining new scientific or technical knowledge. In accordance with IAS 38, they are expensed as incurred. Development costs include expenses that serve to implement theoretical knowledge technically and commercially. If the requirements for capitalization as intangible assets in accordance with IAS 38 are met, the directly attributable development costs are capitalized. In most cases, however, the requirements for capitalization are not fully met due to the risks existing within the SKion Group until products are commercialized.

(n) Insurance refunds

Insurance reimbursements are recognized in the income statement under other operating income as soon as they are virtually certain. Insurance reimbursements are not offset against the costs incurred in connection with the claim. If the reimbursement is initially provisional due to ongoing legal proceedings, for example, the payments received are recognized as other liabilities until the provisional nature of the reimbursement ceases to apply.

(o) Government grants

Taxable and tax-free government grants for the acquisition of certain non-current assets are recognized as a reduction in the acquisition or production costs of the acquired and self-produced assets. Non-refundable cost reimbursements are recognized as other operating income or deducted from the corresponding expense item to the extent that the expenses have already been incurred and if all conditions have been met. Until then, grants received are recognized as deferred income.

(p) Income taxes

Income taxes include both current and deferred taxes. Income tax expenses are recognized directly in profit or loss. Deferred tax expenses resulting from temporary differences are an exception to this, provided that the valuation changes are also recognized directly in equity.

The calculation of income taxes for SKion GmbH and its subsidiaries is based on the applicable laws and regulations. However, the tax items presented in the financial statements may be subject to differing interpretations by taxpayers on the one hand and local tax authorities on the other. Any differences in interpretation may result from the recognition and measurement of balance sheet items and the tax assessment of expenses and income.

Current taxes

Current taxes relate to all taxes levied on the taxable profit of the Group companies. Taxable income differs from the net profit for the year in the consolidated income statement due to expenses and income that are taxable or tax-deductible in later years or never. The Group's liability for current taxes is calculated on the basis of the tax rates applicable or soon to be applicable.

Other taxes such as asset-related taxes or operating taxes (electricity, energy) are included in the corresponding functional costs.

Deferred taxes

Deferred taxes result from different valuations between the IFRS and tax balance sheets of the consolidated companies as well as from consolidation measures, insofar as these differences reverse over time. In addition, deferred taxes are recognized for loss carryforwards if and to the extent that it is probable that they will be utilized in the foreseeable future. To calculate deferred taxes, the company applies the liability method using the tax rates applicable on the balance sheet date or those already enacted and known for the future. The effects of tax rate changes on deferred taxes are therefore recognized when the statutory change is enacted. Deferred tax assets are offset against deferred tax liabilities if they relate to the same tax authority "IAS 12.74".

Deferred tax liabilities are recognized for taxable temporary differences arising from investments in subsidiaries, unless the Group is able to control the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are only recognized to the extent that it is probable that future taxable income can be offset against tax credits and loss carryforwards.

Deferred tax liabilities and tax assets are determined on the basis of the expected tax rates and tax laws that are expected to apply when the liability is settled or the asset is realized. The measurement of deferred tax assets and liabilities reflects the tax consequences that arise from the manner in which the Group expects to settle the liability or realize the asset at the reporting date.

IFRIC 23 clarifies the application of the recognition and measurement requirements of IAS 12 when there is uncertainty about income tax treatment. Estimates and assumptions must be made for recognition and measurement, e.g. whether an estimate is made separately or together with other uncertainties, whether a probable or expected value is used for the uncertainty and whether changes have occurred compared to the previous period. The detection risk is irrelevant for the recognition of uncertain balance sheet items. Accounting is based on the assumption that the tax authorities are investigating the matter in question and that they have all the relevant information.

There are no material effects on the consolidated financial statements.

The OECD BEPS Pillar 2 regulations have already been transposed into German law as of December 31, 2023. The law will apply for the first time for financial years beginning after December 31, 2023. SKion falls within the scope of the second pillar ("Pillar 2") of the OECD model rules. The relevant Pillar 2 legislation was adopted in Germany and has been applied since January 1, 2024. The legislation provides for the payment of an additional tax per country calculated as the difference between the GloBE effective tax rate and the minimum tax rate of 15 %. The application of the "Pillar 2" legislation resulted in an additional charge of EUR 1 million recognized in income taxes. SKion applies the exception in IAS 12, according to which no deferred tax assets and liabilities are recognized in connection with the second pillar ("Pillar 2") income taxes of the OECD model rules and no disclosures are made in this regard.

(q) Leasing

SKion leases land and buildings, technical equipment and machinery as well as operating and office equipment. In terms of the number of leases, the majority of the leasing portfolio consists of vehicle leases. In terms of carrying amount, however, leased land and buildings account for the largest share. Lease agreements are generally concluded for a fixed period, but may also include extension and termination options. Leased assets do not serve as collateral and lease agreements do not contain any special conditions. Lease agreements are negotiated individually and contain a variety of different conditions.

Leases are recognized as a right-of-use (RoU) asset and a corresponding liability at the commencement date of the lease. The RoU asset is amortized on a straight-line basis over the useful life of the asset or, if earlier, until the end of the lease term.

In accordance with the effective interest method, each payment is divided into repayment and interest expense. The interest expense is recognized in profit or loss over the term of the contract.

Assets and liabilities arising from a lease are initially recognized at present value.

RoU assets are measured at cost and comprise the following: (a) the amount of the initial measurement of the lease liability, (b) any lease payments made at or before the commencement date less any lease incentives received, (c) any initial direct costs, and (d) site restoration costs.

Lease liabilities include the present value of the following lease payments: (a) fixed payments (including de facto fixed payments), less any lease incentives receivable, (b) variable lease payments that are linked to an index or (interest) rate and whose initial measurement is based on the index or (interest) rate applicable at the commencement date, (c) amounts expected to be paid by the lessee under residual value guarantees, (d) the exercise price of a purchase option if reasonably certain, (c) amounts expected to be payable by the lessee under residual value guarantees, (d) the exercise price of a purchase option if it is reasonably certain that the lessee will exercise that option and (e) payments of penalties for early termination of the lease if the lease term reflects that the lessee will exercise an option to terminate the lease.

Lease payments are discounted at the incremental borrowing rate if the interest rate on which the lease is based cannot be readily determined.

Payments in connection with short-term leases and leases for low-value assets are recognized immediately in profit or loss. Short-term leases are leases with a term of 12 months or less. Low-value assets have an acquisition cost of no more than EUR 5,000 and are typically operating and office equipment such as printers, photocopiers, etc.

(r) Impact of climate-related risks on financial reporting

The effects of climate-related risks on financial reporting can generally relate to the following issues: Impairments and useful lives of property, plant and equipment and intangible assets, fair value measurements, inventories, provisions and contingent liabilities, financial instruments in the form of expected credit losses, deferred tax assets and significant estimates and discretionary decisions.

The main physical climate risks for SKion include water shortages and extreme weather events. The potential damage of water scarcity lies in particular in the fact that water used for cooling purposes may be unavailable or only available to a limited extent. Furthermore, this risk poses a threat not only to the company's own operations, but also to the upstream and downstream value chain, e.g. for the transportation of raw materials and products on ships. Risks from extreme weather events such as tornadoes or cyclones will occur more frequently and more intensively in the medium and long term. Even if the probability of occurrence for the individual location is low, the potential damage costs are high.

The transition to a greenhouse gas-neutral global economy poses particular risks with regard to CO_2 pricing mechanisms. The vast majority of the locations of the companies within the SKion Group are not directly affected by mandatory CO_2 pricing. Nevertheless, some of the Group's subsidiaries are dependent on the availability of a large number of chemical raw materials. Most of these raw materials are currently based on fossil materials and therefore contribute significantly to overall emissions in the value chain. A global expansion of CO_2 pricing mechanisms, taking into account a 1.5°C-compatible scenario, could therefore increase companies' raw material costs in the medium and long term. The effects of the identified risks on financial reporting are evaluated on an ongoing basis.

3. Company acquisitions and disposals

Business combinations are accounted for using the acquisition method in accordance with IFRS 3 "Business Combinations" from the date on which control over the financial and operating policies is transferred to SKion. The consideration transferred in excess of the estimated fair value of the pro rata net assets acquired is capitalized as goodwill. It is allocated to the corresponding cash-generating units for which a benefit arises from the acquisition. The income and expenses of acquired companies are included in the consolidated financial statements from the date on which control is obtained. In the event of a sale, income and expenses are included in the consolidated financial statements until control is lost. The fair values of the acquired assets and liabilities are determined as part of the purchase price allocation using standard discounted cash flow methods in which input factors of hierarchy level 3 are used.

(a) Company acquisitions in 2024

ALTANA made the following acquisitions in the 2024 reporting year:

On January 19, 2024, ALTANA acquired 100% of all companies in the Silberline Group with 430 employees worldwide. The group develops and produces effect pigments that are used in a wide range of applications - from automotive coatings and printing inks to plastics, protective coatings and packaged consumer goods. The business was integrated into the ECKART division and is strategically expanding it.

The following table provides an overview of the final purchase price allocation to the individual assets and liabilities that were acquired by ALTANA on the acquisition date.

in millions of euros	Book value
Other intangible assets	1,3
Property, plant and equipment	40,4
Inventories	31,2
Trade receivables	13,5
Deferred tax assets	5,0
Other assets	3,4
Cash and cash equivalents	5,3
Financial liabilities	-33,2
Liabilities from deliveries and services	-8,1
Current tax liabilities	-0,1
Provisions	-0,1
Deferred tax liabilities	-4,3
Other liabilities	-3,6
Consideration transferred	**50,8**

The purchase price amounted to the equivalent of EUR 50.8 million and was paid in cash. No goodwill arose. In addition to the purchase price payment, liabilities of Silberline amounting to EUR 31.7 million were assumed as part of the transaction. Incidental transaction costs incurred in the amount of EUR 0.4 million are included in general administrative expenses and are reported in cash flow from operating activities. The gross amount of contractual receivables is EUR 13.5 million.

The assessment at the time of acquisition showed that there were no significant uncollectible contractual cash flows. No significant specific valuation allowances or payment defaults have been recognized since the acquisition.

Since the acquisition, the business has contributed sales of EUR 64.9 million and a net loss for the year of EUR 11.2 million to the Group figures. If the acquisition had taken place on January 1, 2024, the business would have contributed EUR 68.6 million to consolidated revenue and EUR -11.9 million to the consolidated net loss for the year in the 2024 financial year.

The main objectives of the acquisition are to expand the product range and market share and to strengthen the regional presence, particularly in North America and Asia.

At SKion Water, the acquisitions made in 2024 for the individual sub-segments are as follows

Ovivo

Ovivo acquired the remaining 79.1% of the shares in E2metrix Inc, Sherbrooke, Canada, with effect from February 14, 2024. E2metrix specializes in innovative and clean electrotechnologies that are particularly effective in destroying perfluorinated and polyfluorinated alkyl compounds ("PFAS"), commonly referred to as "forever chemicals", and other emerging pollutants in water and wastewater.

E2metrix designs, develops and produces electro-technological solutions. Its product, the ECOTHOR reactor, is a device that uses electrochemical oxidation to remove pollutants from drinking water and wastewater.

In addition to strengthening Ovivo's growth in existing markets, the integration of E2metrix should also open up new opportunities through innovative solutions that a r e geared towards customers' needs in terms of longevity, performance and sustainability. The consideration transferred amounted to EUR 10.2 million and was paid entirely in cash.

The following table provides an overview of the final purchase price allocation to the individual assets that were acquired by Ovivo on the acquisition date in 2024.

in millions of euros	Book value
Goodwill	5,8
Other intangible assets	3,3
Property, plant and equipment	2,0
Inventories	0,2
Trade receivables	1,3
Liabilities from deliveries and services	-1,0
Deferred tax liabilities	-0,9
Other liabilities	-0,5
Consideration transferred	**10,2**

Based on the final purchase price allocation, goodwill amounts to EUR 5.8 million. This is made up of the value of synergies and the acquired workforce. The goodwill is not tax-deductible. Incidental transaction costs incurred in the amount of EUR 0.1 million are included in general administrative expenses and are reported in cash flow from operating activities. The gross amount of contractual receivables is EUR 1.3 million. The assessment at the time of acquisition showed that there were no significant uncollectible contractual payment flows.

The fair value of the investment before the acquisition amounted to EUR 2.1 million. The revaluation resulted in a gain of EUR 0.7 million.

Since the acquisition, the business has contributed sales of EUR 0.0 million and a result o f EUR -0.8 million to the Group figures. If the acquisition had taken place on January 1, 2024, the business would have contributed EUR 0.0 million to consolidated sales and EUR -0.9 million to the consolidated net loss in the reporting period.

Eliquo

Eliquo has acquired 100% of the shares in Malmberg Water AB (now: Eliquo Malmberg), Åhus, Sweden, with effect from August 20, 2024. The acquisition represents an important milestone for both Eliquo and Malmberg Water. The merger underpins the strong position of both companies in the Nordic market for water treatment and cleantech. The consideration transferred amounted to EUR 19.3 million and was paid entirely in cash.

The following table provides an overview of the final purchase price allocation to the individual assets that were acquired by Eliquo on the acquisition date in 2024.

in millions of euros	Book value
Goodwill	9,6
Other intangible assets	3,9
Property, plant and equipment	0,4
Contract assets	7,6
Inventories	0,2
Trade receivables	6,7
Other assets	1,0
Cash and cash equivalents	1,7
Provisions	-0,4
Liabilities from deliveries and services	-5,8
Deferred tax liabilities	-0,8
Contractual debts	-3,5
Other liabilities	-1,3
Consideration transferred	**19,3**

Based on the final purchase price allocation, this results in goodwill of EUR 9.6 million, which is not tax-deductible. The goodwill is based on the broad expertise and a very well-trained workforce of dedicated water experts. Incidental transaction costs of EUR 0.1 million are included in general administrative expenses and are reported in cash flow from operating activities. The gross amount of contractual receivables is EUR 6.7 million. The assessment at the time of acquisition showed that there were no material uncollectible contractual cash flows.

Since the acquisition, the business has contributed sales of EUR 18.7 million and a result o f EUR -1.8 million to the Group figures. If the acquisition had taken place on January 1, 2024, the business would have contributed EUR 59.7 million to consolidated sales and EUR -1.1 million to the consolidated net loss in the reporting period.

Ecopreneur

The Ecopreneur Group has acquired 95% of the shares in VIGAflow S.A., Colina, Chi- le, effective January 15, 2024. VIGAflow is a leading company in membrane technology for the treatment of water of various qualities, including ultrapure water. With this acquisition, Ecopreneur intends to expand its activities in the manufacture and servicing of water treatment, desalination and reuse plants. The consideration transferred amounted to EUR 4.5 million and was paid entirely in cash.

The following table provides an overview of the final purchase price allocation to the individual assets that were acquired by Ecopreneur on the acquisition date in 2024.

in millions of euros	Book value
Goodwill	1,5
Other intangible assets	0,7
Property, plant and equipment	1,2
Contract assets	0,1
Inventories	5,2
Trade receivables	1,5
Other assets	0,1
Cash and cash equivalents	0,5
Provisions	-2,8
Liabilities from deliveries and services	-1,0
Deferred tax liabilities	-0,2
Other liabilities	-2,1
Non-controlling interests	-0,2
Consideration transferred	**4,5**

Based on the final purchase price allocation, this results in goodwill of EUR 1.5 million, which is not tax-deductible. Goodwill is made up of the value of synergies, particularly with regard to market expansion and the know-how acquired. Incidental transaction costs incurred in the amount of EUR 0.0 million are included in general administrative expenses and are reported in cash flow from operating activities. The gross amount of the contractual receivables is EUR 1.5 million. The assessment at the time of acquisition showed that there were no significant uncollectible contractual cash flows.

Since the acquisition, the business has contributed sales of EUR 12.0 million and earnings of EUR 0.6 million to the Group figures. If the acquisition had taken place on January 1, 2024, the business would have contributed the same amount to consolidated sales in the reporting period and reduced the consolidated net loss accordingly.

SKion Water International

The SKion Water International Group increased its stake in SouthWestSensor Ltd. based in Southampton, United Kingdom, by 35.6% to 74.6% as part of a transaction in the course of the 2024 financial year. The purchase price paid amounted to EUR 1.0 million and the fair value of the shares before the acquisition amounted to EUR 1.1 million. The profit resulting from the valuation amounted to EUR 0.5 million.

(b) Acquisitions after the reporting date

No significant acquisitions were made after the reporting date.

(c) Company acquisitions in the previous year

ALTANA made the following acquisitions in the 2023 reporting year:

On August 11, 2023, ELANTAS published the pre-announcement of a public tender offer for all publicly held bearer shares of Von Roll Holding AG, Breitenbach, Switzerland, with an offered price of CHF 0.86 per bearer share. Von Roll is a manufacturer of electrical insulation systems that develops, produces and distributes high-performance materials such as insulation tapes, resins and composite materials. The aim of the acquisition was to combine the innovative strength of the ELANTAS and Von Roll divisions to develop sustainable future technologies for the energy transformation. The acquisition strengthened the area of high-voltage insulation in particular.

Prior to the public tender offer, a share purchase agreement was concluded with the majority shareholder and other shareholders with effect from September 29, 2023. At the same time, a further 4.1% of the free float shares were acquired via the stock exchange, as a result of which ELANTAS held 88.7% of the shares at the close of trading on September 29, 2023. As the management did not believe that control of the remaining shares covered by the purchase offer had yet been transferred to ELANTAS, these were recognized as non-controlling interests as of September 29, 2023. As part of the public purchase offer, a further 9.8% of the shares were tendered after September 29, 2023. As at December 31, 2023, ELANTAS therefore held around 98.5% of the shares in Von Roll.

In the 2024 financial year, the remaining 1.5% of the shares were acquired at a price of CHF 0.86 per bearer share for the equivalent of EUR 4.8 million and the company was delisted from the SIX Swiss Exchange on May 17, 2024.

The following table provides an overview of the final purchase price allocation to the individual assets and liabilities that were acquired by ELANTAS on the acquisition date.

in millions of euros	Provisional carrying amount	Adjustments	Final carrying amount
Other intangible assets	44,6	-16,0	28,6
Property, plant and equipment	112,4	-5,6	106,8
Financial assets	0,9		0,9
Inventories	50,3		50,3
Trade receivables	44,8		44,8
Income tax refund claims	1,7		1,7
Deferred tax assets	2,1		2,1
Other assets	11,9		11,9
Cash and cash equivalents	88,8		88,8
Financial liabilities	-3,9		-3,9
Provisions for pensions and similar obligations	-6,2		-23,2
Provisions	-13,2		-13,2
Tax liabilities	-3,7		-3,7
Liabilities from deliveries and services	-11,5		-11,5
Deferred tax liabilities	-18,2	5,7	-12,4
Other liabilities	-8,9		-8,9
Acquired identifiable net assets	**292,0**	**-15,8**	**276,2**
Minority interests	-33,1	1,8	-31,3
Goodwill	18,0	14,0	32,1
Consideration transferred	**277,0**	**0,0**	**277,0**

The purchase price amounted to EUR 277.0 million and was paid entirely in cash. The final purchase price allocation resulted in goodwill of EUR 32.1 million, which is not tax-deductible and includes in particular the technological expertise and know-how of the acquired workforce.

Non-controlling interests were recognized at the non-controlling interest's proportionate share of Von Roll's identifiable net assets (partial goodwill method). At the time of acquisition, the share of non-controlling interests amounted to 11.3% and corresponded to EUR 33.1 million; as at December 31, 2023, this share amounted to 1.5% and corresponded to EUR 4.4 million.

Incidental acquisition costs of EUR 3.6 million were r e c o g n i z e d in the previous year's income statement under general administrative expenses and in the consolidated cash flow statement under cash flow from operating activities. In the previous year, the business contributed sales o f EUR 54.1 million and a net loss for the year of EUR 7.8 million to the consolidated figures. If the purchase had been
January 01, 2023, the business would have contributed EUR 236.4 million to consolidated sales and EUR 4.0 million to consolidated net income in the 2023 financial year.

On August 4, 2023, ALTANA entered into an agreement with Imaginant Inc. (Imaginant), Rochester, New York, USA, to acquire the high-frequency ultrasonic measuring instruments business. The acquisition was completed on August 15, 2023. The business was integrated into the BYK division.

The following table provides an overview of the final purchase price allocation to the individual assets and liabilities that were acquired by ALTANA on the acquisition date.

in millions of euros	Book value
Other intangible assets	23,5
Property, plant and equipment	0,1
Inventories	1,7
Trade receivables	1,1
Other assets	0,0
Financial liabilities	0,0
Acquired identifiable net assets	**26,4**
Goodwill	4,6
Consideration transferred	**31,0**

The purchase price amounted to the equivalent of EUR 31.0 million and was paid entirely in cash. This resulted in goodwill of EUR 4.6 million, which is not tax-deductible.

In the previous year, the business contributed sales of EUR 3.6 million and a net profit of EUR 0.2 million to the Group figures. If the purchase had taken place on January 1, 2023, the business would have contributed EUR 10.2 million to consolidated sales and EUR 2.0 million to consolidated net income in the 2023 financial year.

At SKion Water, the acquisitions made in 2023 for the individual sub-segments are as follows

SKion Water GmbH

SKion Water GmbH acquired 100% of the shares in Schweitzer Chemie GmbH, Freiberg a.N., Germany, with effect from March 31, 2023. The purpose of Schweitzer Chemie GmbH is the development and sale of chemical and technical products for water treatment, water purification and chemical cleaning as well as the provision of technical consulting and planning services and other services in these areas. In addition to biocides and disinfectants to support microbiological control in water-bearing systems, the product portfolio also includes anti-scaling products and other specialty products such as defoamers, flocculants and biodispersants for use in industrial processes. In addition, the company offers a local digital water data management system "ST-TEC Aquis Touch", which visualizes, documents and analyses water treatment in real time using sensor and fault message data. The consideration transferred amounted to EUR 61.3 million and was paid entirely in cash.

The following table provides an overview of the final purchase price allocation to the individual assets that were acquired by SKion Water GmbH on the acquisition date in 2023:

in millions of euros	Book value
Goodwill	34,0
Other intangible assets	15,0
Property, plant and equipment	10,0
Inventories	4,3
Trade receivables	3,4
Other assets	2,1
Cash and cash equivalents	2,6
Liabilities from deliveries and services	-0,7
Provisions	-2,5
Deferred tax liabilities	-5,9
Other liabilities	-1,0
Consideration transferred	**61,3**

Based on the final purchase price allocation, goodwill amounted t o EUR 34.0 million. In the previous year, the business contributed sales of EUR 22.6 million and earnings of EUR 1.1 million to the consolidated figures. Due to the company's different financial year, the SKion Group was entitled to both sales and earnings for the entire financial year.

TS Wassertechnik Tempel & Scholz GmbH was also acquired as part of the Schweitzer Chemie GmbH transaction. This resulted in goodwill of EUR 1.3 million.

SKion Water International

SKion Water International GmbH acquired 100% of the shares in ENWA AS, Sandefjord, Norway, with effect from April 19, 2023. ENWA AS is engaged in advanced water technology and supplies energy-efficient and environmentally friendly water treatment systems in Scandinavia. ENWA AS has three business areas. The Energy and Water division specializes in water, wastewater, district heating, industrial and process plants. The Pool Technology division offers pool and spa solutions for all types of public and private swimming pools, water parks and spa facilities. The Water Technology division also offers a technology portfolio in the maritime and offshore, industrial and real estate and aquaculture segments. The consideration transferred amounted to EUR 51.2 million and was paid entirely in cash.

The following table provides an overview of the final purchase price allocation to the individual assets that were acquired by SKion Water International on the acquisition date in 2023.

in millions of euros	Book value
Goodwill	21,9
Other intangible assets	25,4
Property, plant and equipment	7,4
Inventories	8,0
Trade receivables	13,6
Other assets	2,7
Cash and cash equivalents	4,2
Liabilities from deliveries and services	-4,4
Provisions	-0,9
Deferred tax liabilities	-5,8
Other liabilities	-20,9
Consideration transferred	**51,2**

Based on the final purchase price allocation, goodwill amounted t o EUR 21.9 million. In the previous year, the business contributed sales of EUR 57.9 million and earnings of EUR 0.5 million to the Group figures. If the purchase had taken place on January 1, 2023, the business would have contributed EUR 80.8 million to consolidated sales and EUR 2.8 million to consolidated net income in the reporting period.

Enviro

The Enviro Group acquired 100% of the shares in Osiris Water Management Limited, Lingfield, United Kingdom, with effect from October 1, 2023. Osiris Water Management Limited provides water treatment services and supports companies in maintaining the efficiency of water systems and complying with legal requirements. The consideration transferred amounted to EUR 2.0 million and was paid entirely in cash.

The following table provides an overview of the final purchase price allocation to the individual assets that were acquired by Enviro on the acquisition date in 2023.

in millions of euros	Book value
Other intangible assets	1,4
Property, plant and equipment	0,0
Inventories	0,0
Trade receivables	0,3
Other assets	0,0
Cash and cash equivalents	0,7
Liabilities from deliveries and services	-0,0
Deferred tax liabilities	-0,3
Other liabilities	-0,1
Consideration transferred	**2,0**

In the previous year, the business contributed sales of EUR 0.3 million and a result of EUR -0.0 million to the Group figures. If the purchase had taken place on January 1, 2023, the business would have contributed EUR 1.3 million to consolidated sales and EUR 0.2 million to consolidated net income in the reporting period.

With effect from December 15, 2023, Enviro also acquired 100% of the shares in DLK Technologies SA, Le Locle, Switzerland. DLK Technologies SA is active in the treatment and recycling of industrial wastewater and recyclable materials. Enviro also acquired 100% of the shares in OZONE.CH Sárl, Le Locle, Switzerland and OZONE.CH France Sárl, Annemasse, France. The consideration transferred for DLK Technologies SA amounted to EUR 0.8 million, while it amounted to EUR 0.2 million for the OZONE.CH Group. This was paid exclusively in cash and cash equivalents.

The following table provides an overview of the final purchase price allocation to the individual assets of DLK Technologies SA, which were acquired by Enviro on the acquisition date in 2023.

in millions of euros	Book value
Inventories	0,1
Trade receivables	0,2
Other assets	0,3
Cash and cash equivalents	0,9
Provisions	-0,2
Liabilities from deliveries and services	-0,1
Other liabilities	-0,4
Consideration transferred	**0,8**

As the purchase agreement was not concluded until December 15, 2023, the company was managed as an investment in 2023 for reasons of materiality and was therefore not included in the consolidated financial statements. If the purchase had taken place on January 1, 2023, the business would have contributed EUR 1.7 million to consolidated revenue and EUR 0.2 million to consolidated net income in the reporting period. The company was acquired as at
January 01, 2024 fully consolidated with the stated values.

The following table provides an overview of the final purchase price allocation to the individual assets of the OZONE.CH Group that were acquired by Enviro on the acquisition date in 2023.

in millions of euros	Book value
Other assets	0,1
Cash and cash equivalents	0,1
Other liabilities	-0,1
Consideration transferred	**0,1**

As the purchase agreement was not concluded until December 15, 2023, the companies were managed as investments in 2023 for reasons of materiality and were therefore not included in the consolidated financial statements. If the purchase had taken place on January 1, 2023, the business would have contributed EUR 0.1 million to consolidated sales and EUR 0.0 million to consolidated net income in the reporting period. The companies were fully consolidated as at January 1, 2024 with the stated values.

Enviro also acquired 100% of the shares in ProWaTech AG, Flaach, Switzerland, and its subsidiary Hauser + Walz GmbH, Flaach, Switzerland, with effect from April 1, 2023. ProWaTech specializes in process water, recycling and wastewater technology for the electroplating, medical, watchmaking and electronics industries. Through its products and services, the company contributes to the sustainable use of resources and the protection of the environment. The subsidiary Hauser + Walz GmbH complements these business areas with its expertise and knowledge in handling chemical products. Both companies will continue to operate as independent companies within the Enviro Group. The consideration transferred for ProWaTech AG amounted to EUR 0.5 million, while it amounted to EUR 0.1 million for Hauser + Walz GmbH. In both cases, the consideration was paid exclusively in cash.

The following table provides an overview of the final purchase price allocation to the individual assets of ProWaTech AG, which were acquired by Enviro on the date of acquisition in 2023.

in millions of euros	Book value
Goodwill	0,1
Property, plant and equipment	0,1
Trade receivables	0,4
Other assets	0,0
Cash and cash equivalents	0,9
Provisions	-0,1
Liabilities from deliveries and services	-0,2
Other liabilities	-0,7
Consideration transferred	**0,5**

Based on the final purchase price allocation, goodwill amounted t o EUR 0.1 million. In the previous year, the business contributed sales of EUR 2.7 million and earnings of EUR 0.7 million to the Group figures. If the purchase had taken place on January 1, 2023, the business would have contributed EUR 3.3 million to consolidated sales and EUR 0.4 million to consolidated net income in the reporting period.

The following table provides an overview of the final purchase price allocation to the individual assets of Hauser + Walz GmbH, which were acquired by Enviro on the date of acquisition in 2023.

in millions of euros	Book value
Goodwill	0,0
Property, plant and equipment	0,0
Inventories	0,1
Trade receivables	0,0
Other assets	0,0
Cash and cash equivalents	0,1
Provisions	-0,0
Liabilities from deliveries and services	-0,0
Other liabilities	-0,1
Consideration transferred	**0,1**

In the previous year, the business contributed sales of EUR 0.2 million and a result of EUR -0.4 million to the Group figures. If the purchase had taken place on January 1, 2023, the business would have contributed EUR 0.3 million to consolidated sales and EUR -0.4 million to consolidated net income in the reporting period.

Paques

Paques acquired 51% of the shares in Sanpure Systems Private Limited, Hyderabad, India, with effect from October 31, 2023. Sanpure Systems Private Limited offers customized water systems for the pharmaceutical and biopharmaceutical industries. The consideration transferred amounted to EUR 9.3 million and was paid exclusively in cash.

The following table provides an overview of the final purchase price allocation to the individual assets that were acquired by Paques on the acquisition date in 2023.

in millions of euros	Book value
Goodwill	4,3
Other intangible assets	2,4
Property, plant and equipment	0,5
Inventories	0,6
Trade receivables	0,7
Other assets	0,8
Cash and cash equivalents	1,1
Provisions	-0,1
Liabilities from deliveries and services	-0,1
Other liabilities	-0,9
Consideration transferred	**9,3**

Based on the final purchase price allocation, goodwill amounted t o EUR 4.3 million. In the previous year, the business contributed sales of EUR 0.8 million and earnings of EUR 0.2 million to the Group figures. If the purchase had taken place on January 1, 2023, the business would have contributed EUR 3.4 million to consolidated sales and EUR 0.2 million to consolidated net income in the reporting period.

(d) Company disposals in 2024

There were no significant company disposals in 2024.

(e) Company disposals in the previous year

There were no significant company disposals in 2023.

(f) Assets held for sale and disposal groups

At the end of 2024, ALTANA decided to sell business activities in the ELANTAS division in the areas of battery protection, composites and wire insulation, as well as activities for a new printing technology in the Holding division. The transactions are expected to be completed by the end of the third quarter of 2025.

Immediately prior to classification as "Assets held for sale and disposal groups", the assets were measured at fair value less costs to sell. This resulted in an impairment loss of EUR 19.4 million, of which EUR 0.4 million was attributable to intangible assets (of which EUR 0.2 million to goodwill) and EUR 19.0 million to property, plant and equipment.

Assets	**December 31 2024**
in millions of euros	
Property, plant and equipment	4,2
Other non-current assets	0,6
Inventories	12,0
Trade receivables	12,5
Income tax refund claims	1,7
Other current receivables and assets	2,0
Current financial assets	3,5
Cash and cash equivalents	36,7
Assets held for sale and disposal groups	**73,2**

Liabilities	**December 31 2024**
in millions of euros	
Non-current financial liabilities	0,2
Provisions for pensions and similar obligations	5,9
Other non-current provisions	0,4
Current financial liabilities	0,2
Liabilities from deliveries and services	2,0
Current tax liabilities	1,9
Other current provisions	1,9
Other current liabilities	4,2
Liabilities in connection with assets held for sale and disposal groups	**16,7**

Currency translation losses of EUR 0.4 million were recognized in other comprehensive income for "Assets and disposal groups held for sale" as at 31 December 2024.

4. Notes to the income statement

(a) Sales revenue

Revenue is made up as follows:

in thousands of euros	**2024**	2023
Europe	1.895.009	1.626.617
thereof Germany	517.253	*534.198*
America	1.239.591	1.177.881
thereof USA	834.779	*823.979*
Asia	1.409.922	1.212.010
thereof China	827.833	*709.162*
Other regions	64.835	71.909
Group	**4.609.357**	**4.088.417**

The customer structure and the large number of business activities of the SKion Group meant that there was no significant concentration on individual customers, regions or business areas in the financial years.

In the 2024 financial year, SKion recognized revenue from customer contracts in the amount of EUR 4,609 million (2023: EUR 4,088 million). Of this amount, EUR 3,462 million is attributable to performance obligations that are fulfilled at a point in time and EUR 1,147 million to performance obligations that are fulfilled over time.

In 2024, SKion generated revenues of EUR 3,169 million from the specialty chemicals business of the ALTANA Group, EUR 1,439 million from the water and wastewater technology business of SKion Water and EUR 2 million from "other".

As at December 31, 2024, there were refund liabilities from sales deductions amounting to EUR 1.1 million (2023: EUR 1.0 million). These are reported under other liabilities 5(r). Further refund liabilities from sales bonuses in the amount of EUR 16.1 million (2023: EUR 15.0 million) are reported under other provisions 5(q).

(b) Cost of services rendered

in thousands of euros	**2024**	2023
Cost of materials	1.857.658	1.910.694
Production expenses	1.330.389	987.389
Cost of services rendered	**3.188.047**	**2.898.083**

(c) Other operating income

in thousands of euros	**2024**	2023
Insurance refunds	38.977	4.248
Release of value adjustments on receivables	336	5.353
Investment grants	2.556	2.750
Exchange rate gains	17.199	4.072*
Reversal of other provisions	1.709	2.065
Gains from the disposal of fixed assets	1.038	2.822
Other	14.188	16.270
Other operating income	**76.003**	**37.580**

* Previous year's figures adjusted due to gross reporting of exchange rate gains and losses.

In the 2024 financial year, insurance reimbursements in the BYK division of ALTANA include a one-time special income of EUR 36.5 million from the settlement of a fire claim from 2023.

(d) Other operating expenses

in thousands of euros	**2024**	2023
Impairment of intangible assets and property, plant and equipment	25.026	2.358
Restructuring expenses	12.809	3.210
Exchange rate losses	13.521	9.247*
Losses from derivative financial instruments	6.873	-
Amortization of receivables	1.501	594
Losses from the disposal of fixed assets	955	1.058
Value adjustment for loans	2	8.576
Donations	362	435
Other	26.562	6.339
Other operating expenses	**87.611**	**31.817**

* Previous year's figures adjusted due to gross reporting of exchange rate gains and losses.

The impairment of intangible assets and property, plant and equipment in the amount of EUR 25.0 million mainly relates to the assets of ALTANA's disposal groups, which were reclassified to the item "Assets held for sale and disposal groups". The assets were measured at fair value less costs to sell immediately prior to reclassification.

The restructuring expenses of EUR 12.8 million relate to efficiency enhancement measures and residual restructuring measures at ALTANA, of which EUR 9.5 million is attributable to the ECKART division and EUR 3.3 million to ELANTAS. Of this amount, EUR 5.2 million is attributable to German sites, EUR 4.0 million to a British site and EUR 2.8 million to Italian sites.

The Other item mainly includes the real estate transfer tax expense of EUR 20.5 million recognized by ALTANA in the 2024 financial year in connection with the transfer of the shares in SKion.

(e) Financial result

Financial income is made up as follows:

in thousands of euros	**2024**	2023
Interest income	30.914	21.163
Investment income	3.594	2.908
Gains from the disposal of securities	49.367	817
Income from changes in the fair value of financial assets and securities	56.340	64.468
Other	1.069	1.750
Financial income	**141.284**	**91.106**

EUR 33.3 million (2023: EUR 56.7 million) of the income from changes in the fair value of financial assets and securities in the amount of EUR 56.3 million (2023: EUR 64.5 million) relates to income from SKion GmbH.

Interest income for the 2024 financial year mainly comprises interest income from ALTANA in the amount of EUR 14.9 million and from SKion GmbH in the amount of EUR 10.0 million.

Gains from the disposal of securities mainly comprise income from the sale of financial assets of SKion GmbH in the amount of EUR 27.0 million and SKion Digital Printing GmbH in the amount of EUR 18.1 million.

Financial expenses break down as follows:

in thousands of euros	**2024**	2023
Impairment of financial assets and securities	23.129	847
Interest expenses	42.352	39.251
Losses from changes in the fair value of financial assets and securities	82.036	24.942
Losses from derivative financial instruments	-	104
Losses from the disposal of securities	12.595	-
Other	4.355	10.675
Financial expenses	**164.467**	**75.819**

The impairment of financial assets and securities in 2024 relates to a loan issued by ALTANA in the amount of EUR 21.2 million, which was impaired due to payment default risks.

The losses from changes in the fair value of financial assets and securities in the amount of EUR 82.0 million (2023: EUR 24.9 million) mainly result from the fair value adjustments in accordance with IFRS 9 of shares held in SKion GmbH in the amount of EUR 73.8 million as well as EUR 4.7 million from an Israeli and EUR 1.6 million from a German investment in ALTANA.

In the 2024 financial year, interest expenses include interest from leases in the amount of EUR 4.4 million (2023: EUR 5.5 million) and interest expenses from bank loans in the amount of EUR 17.2 million (2023: EUR 8.7 million).

(f) Income taxes

The income tax expense is as follows:

in thousands of euros	**2024**	2023
Current taxes	118.434	86.645
Deferred taxes	-15.872	-21.577
Income taxes	**102.562**	**65.068**

The combined income tax rate is 29.5% (2023: 29.5%). This is made up of the corporation tax rate of 15.0% plus the solidarity surcharge of 5.5% and trade tax of approx. 14% (2023: approx. 14%). The tax rate for trade tax is based on a weighted trade tax rate. For the 2024 financial year, the tax expense deviated from the effective values using the expected tax rate of 29.5% (2023: 29.5%) as follows

in thousands of euros	**2024**	2023
Earnings before taxes (EBT)	**87.006**	**185.247**
Calculated tax expense at the assumed average tax rate	25.667	54.648
Taxation differences due to different tax rates	-20.607	-14.457
Non-deductible expenses	9.605	9.161
Tax-free income components	-7.177	-8.048
Write-downs on financial assets	20.690	171
Taxes for prior periods	-3.484	-3.176
Change in value adjustment	2.628	1.432
Results from investments accounted for using the equity method	62.807	18.949
Change in permanent effects	-436	-3.115
Miscellaneous	12.868	9.503
Income taxes	**102.561**	**65.068**
Effective tax rate	117,88 %	35,12 %

The following table shows the deferred income taxes recognized directly in equity in the financial year:

in thousands of euros	**2024**	2023
Actuarial gains and losses	-225	4.586
Items that will not be reclassified subsequently to profit or loss	**-225**	**4.586**
Derivative financial instruments	126	-
Items that will be reclassified subsequently to profit or loss	**126**	**-**
Deferred income taxes recognized directly in equity	**-99**	**4.586**

(g) Other disclosures on the income statement

(i) Personnel expenses

in thousands of euros	**2024**	2023
Wages and salaries	948.743	807.561
Social security contributions and expenses for support	150.218	130.097
Expenses for pensions and other post-employment benefits	33.332	30.130
Personnel expenses	**1.132.293**	**967.788**

The average number of employees during the financial year breaks down by group as follows:

Employees by group (business divisions)	**2024**	2023
BYK Additives & Instruments	2.559	2.516
ECKART Effect Pigments	2.114	1.738
ACTEGA Coatings & Sealants	1.360	1.343
ELANTAS Electrical Insulation	2.071	1.344
Ovivo	1.505	1.416
Enviro	1.275	1.109
Eliquo Water Group	609	534
ADASA	153	169
Paques	633	526
SKion Water Chile	160	67
inCTRL	28	17
Enpure	93	83
SchweitzerChemistry	*	202
ENWA	*	304
Holding companies	286	280
	12.846	**11.648**

*In the 2024 financial year, the figures for Schweitzer Chemie are included in Enviro and the figures for ENWA are included in Enviro and Eliquo Water Group.

Personnel expenses for the 2024 financial year include expenses for ALTANA's employee participation programs. EUR 7.4 million (2023: EUR 2.0 million income) is attributable to the "ALTANA Equity Performance" compensation plan for executives and EUR 2.3 million (2023: EUR 2.3 million) to the "ALTANA Profit-Sharing Rights" compensation plan for employees.

ALTANA Equity Performance (AEP)

Since 2010, ALTANA has set up an annual stock-like compensation plan with a long-term incentive effect for executives. The programs begin on January 1 of each year and have a four-year plan term. The compensation plans are based on so-called ALTANA Equity Performance Rights (AEP rights). These are debt instruments issued by ALTANA AG, the value of which develops relative to ALTANA's equity valuation. AEP rights, known as AEP awards, are granted to executives at the beginning of the program. Payment is made at the value determined after the end of the plan term, whereby the amount paid out is limited to 250% of the original allocation value. In the event of negative performance, no payment is made. It is made up for in the following four years if there is a positive performance for the corresponding program.

The prerequisite for participation in these remuneration plans is initially a personal investment in AEP rights, which is measured according to the beneficiary's membership of a management category. The participant must remain invested for the entire term of the plan. The AEP rights held as a personal investment are generally subject to the same performance as the AEP awards, although any increase in value is limited to a maximum of 20% p.a.

No payment was made for the AEP 2020 tranche in the 2024 financial year after the end of the plan term on December 31, 2023, as the required performance was not achieved. The plan term was extended until December 31, 2024. For the 2019 tranche, 11,060 AEPs were finally allocated at the end of the plan term on December 31, 2022; the resulting payout of EUR 3.5 million was made in 2023.

The following table shows the key data of the remuneration plan:

	Awards granted	Initial market value in EUR per Award	Market value in EUR per Award as of 31.12.2024	End of the plan term
AEP 2020 tranche	11.183	276,28	352,84	31.12.2024
AEP 2021 tranche	11.364	287,42	352,84	31.12.2024
Tranche AEP 2022	10.703	326,99	393,23	31.12.2025
Tranche AEP 2023	10.945	319,21	476,01	31.12.2026
Tranche AEP 2024	13.268	267,61	560,17	31.12.2027

The total expense recognized in the reporting period for all plans, including own investments, amounted to EUR 7.4 million (2023: EUR 2.0 million). The provision as at December 31, 2024 amounted to EUR 15.6 million (2023: EUR 9.5 million), including EUR 8.0 million for the fully vested AEP 2020 and AEP 2021 tranches. The own investment was measured at EUR 4.2 million as at December 31, 2024 (2023: EUR 3.3 million) and is included in other liabilities (see Note 5(r)).

ALTANA Profit Participation Rights (AGBR)

At the end of 2010, ALTANA launched a participation program for employees who are not eligible to participate in the AEP program. Since then, the program has offered the opportunity to acquire ALTANA profit-sharing rights (AGBR) every year.

The AGBR are debt instruments issued by ALTANA AG with a plan term of at least four years. Employees are granted an annual basic interest rate on the debt instrument and, if applicable, an additional bonus interest rate. For the AGBR programs 2010 to 2020, the basic interest rate is 3%; with the launch of the AGBR program 2021, the basic interest rate was reduced to 2% for all new programs. The basic interest rate was increased to 2.5% for the 2023 program and to 3% for the 2024 program. The bonus interest corresponds to 1.5 times the relative ALTANA Value Added.

This corresponds to the positive difference between the return on capital employed (ROCE) generated by ALTANA in the respective fiscal year and the average cost of capital.

In addition, ALTANA granted the AGBR subscribers a one-time performance-related subsidy for each country. The AGBR programs 2016 and 2017 were terminated as of December 31, 2024, and the nominal amount was repaid in January 2025. The AGBR programs 2014 and 2015 were terminated as of December 31, 2023, and the nominal amount was repaid in January 2024.

The AGBR issued in 2024 and previous years were recognized in other liabilities at a total of EUR 51.7 million (2023: EUR 51.5 million). The subsidy granted and the current interest resulted in an expense of EUR 2.3 million (2023: EUR 2.3 million), which was recognized in personnel expenses.

Ovivo employee participation program

Appreciation Share Units ("ASU")

In 2020, the Board of Directors introduced share-based remuneration under the name Appreciation Share Unit ("ASU"). These ASUs vest over a period of five years (in equal tranches of 20%) from the first anniversary of the grant date and reach their full value on the fifth anniversary. The ASUs have a maximum term of ten years from the grant date. Under the ASU plan, participants receive a cash amount equal to the difference between the market value of the ASU and the value of the grant price, also referred to as the intrinsic value. The market value is calculated annually using valuation formulas approved by the Board of Directors.

	December 31 2023	Granted	Expired	Exercised	December 31 2024
ASU 2020 - $5.32	578.000	0,00	-5.000	-51.000	522.000
ASU 2021 - $5.63	3.940.750	0,00	-21.000	-349.750	3.570.000
ASU 2022 - $6.95	122.000	0,00	-32.000	-12.000	78.000
ASU 2023 - $15.13 (March)	100.000	0,00	0,00	-2.000	98.000
ASU 2023 - $15.13 (August)	50.000	0,00	0,00	-10.000	40.000
ASU 2024 - $22.25	0,00	230.000	0,00	0,00	230.000
	4.790.750	**230.000**	**-58.000**	**-424.750**	**4.538.000**

The following table summarizes the share-based payment expenses of the ASU in the twelve-month period ending 31 December 2024:

	2024	2023
	in TCAD	in TCAD
ASU 2020 - $5.32	**2.458**	3.574
ASU 2021 - $5.63	**19.252**	24.350
ASU 2022 - $6.95	**195**	768
ASU 2023 - $15.13 (March)	**523**	341
ASU 2023 - $15.13 (August)	**132**	95
ASU 2024	**724**	-
	23.284	29.128

The following table summarizes the assumptions used in the calculation of the fair value of the ASU as at 31 December 2024

	ASU 2020 $5,32	**ASU 2021 $5,63**	**ASU 2022 $6,95**	**ASU 2023 - $15,13 (March)**	**ASU 2023 - $15,13 (August)**	**ASU 2024**
Weighted average market value	20,90	20,75	19,64	12,99	13,12	9,29
Risk-free interest rate	2,93 %	2,93 %	2,93 %	2,87 %	2,87 %	2,96 %
Expected average term (in years)	0,50	1,40	2,20	3,30	3,60	4,20
Expected volatility of the share price	29,5 %	29,5 %	28,5 %	30,8 %	29,6 %	29,6 %
Expected dividend yield	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %	0,0 %

Other liabilities as at December 31, 2024 include an amount of EUR 51.5 million (2023: EUR 41.4 million) based on employee participation programs.

Eliquo Water Group GmbH employee participation program "Virtual Share Rights (VSRs) Program"

On 12 December 2016, Eliquo Water Group GmbH launched a virtual share rights (VSRs) program for managers and key personnel. Virtual shares (VSRs) were issued to managers for the first time in the 2018 financial year. The virtual shares are granted in addition to the salary and bonus. The value is determined on the balance sheet date as a weighted average of the consolidated net income of Eliquo Water Group GmbH.

As at December 31, 2024, a fair value of EUR 81.59 per VSR was calculated on the basis of the above formula. As at December 31, 2024, a total of 13,868 (2023: 12,890 VSRs) had been issued.

50% of the share value extrapolated according to the above formula is paid out two years after the VSRs are issued; the remaining 50% is not remunerated until the manager leaves the company with the last salary payment based on the then applicable share value. As at 31 December 2024, liabilities from the VSR program amounting to EUR 1,131 thousand (2023: EUR 1,101 thousand) are recognized as other liabilities.

Enviro Chemie GmbH employee participation program "Virtual Share Rights (VSRs) Program"

Enviro Chemie GmbH has also set up the same program. In the 2024 financial year, Enviro's managers were granted a total of 9,808 (2023: 8,224 VSRs) virtual shares, which are linked to the growth in value of the EnviroChemie Group. A fair share value of EUR 66.28 per VSR was calculated on the basis of the above formula. As at December 31, 2024, EUR 651 thousand (2023: EUR 14 thousand) was recognized as a liability.

(ii) Depreciation, amortization and impairment of non-financial non-current assets

Amortization, depreciation and impairment of intangible assets and property, plant and equipment are shown in the following table:

in thousands of euros	**2024**	2023
Scheduled amortization of intangible assets	75.823	76.902
Scheduled depreciation of property, plant and equipment	158.870	147.296
Scheduled depreciation on investment property	697	549
Impairment of goodwill	2.266	-
Impairment of intangible assets	213	4.724
Impairment of property, plant and equipment	24.641	745
Impairment of financial assets1	105.427	847
Depreciation, amortization and impairment	**367.937**	**231.063**

[1]Includes impairments of financial assets (item 5 (d)), associates (item 5 (f)), marketable securities (item 5 (g)).

Please refer to items 5 (a) and 5 (b) for information on impairment losses on intangible assets and property, plant and equipment. Impairment losses on financial assets are reported under financial expenses (items 4 (e) and 5 (d)). The impairment losses on intangible and tangible assets incurred in the 2024 financial year related to impairment losses from ALTANA in the amount of EUR 25.0 million. This mainly includes the assets of ALTANA's disposal groups, which were reclassified to the item "Assets held for sale and disposal groups". The assets were measured at fair value less costs to sell.

(iii) Leasing

The following effects arose for the income statement:

in thousands of euros	**2024**	2023
Amortization of rights of use		
Rights of use - land, land rights and buildings	21.185	19.377
Rights of use - Technical equipment and machinery	659	308
Rights of use - Other equipment, furniture and fixtures	8.508	7.760
	30.352	**27.445**
Expenses for leasing from		
Short-term leases	7.168	7.166
Low-value leases	655	624
variable lease payments - not included in the lease liability	4.167	4.688
Interest	4.383	5.508

5. Notes to the balance sheet

(a) Intangible assets

In thousands of euros	Patents, licenses and Similar rights	Goodwill	Software and Other	Total
Acquisition costs				
Status as of 01.01.2023	**1.252.137**	**816.851**	**178.270**	**2.247.258**
Additions	14.702	2.399	15.788	32.889
Departures	-1.727	-1.142	-5.935	-8.804
Rebookings	952	392	-781	563
Currency changes	-6.441	-15.597	-839	-22.877
Changes to the Scope of consolidation	110.878	98.309	1.647	210.834
Reclassification to assets held for sale and disposal groups groups	-	-	-	-
Status as at 31.12.2023	**1.370.501**	**901.212**	**188.150**	**2.459.863**
Additions	7.000	512	21.774	29.286
Departures	-2.007	-	-923	-2.930
Rebookings	427	153	-806	-226
Currency changes	14.924	27.907	919	43.750
Changes to the Scope of consolidation	-5.518	30.546	24	25.052
Reclassification to assets held for sale and disposal groups groups	-169	-176	-116	-461
Status as at 31.12.2024	**1.385.158**	**960.154**	**209.022**	**2.554.334**
Accumulated amortization and Impairment losses				
Status as of 01.01.2023	**768.093**	**151.113**	**147.081**	**1.066.287**
Additions	67.883	85	8.934	76.902
Departures	-1.620	-47	-5.628	-7.295
Impairment losses	1.360	1.751	1.613	4.724
Rebookings	171	-49	-119	3
Currency changes	-5.961	969	-801	-5.793
Changes in the scope of consolidation	2.536	13.917	-	16.453
Reclassification to assets held for sale values and disposal groups	-	-	-	-
Status as at 31.12.2023	**832.462**	**167.739**	**151.080**	**1.151.281**

In thousands of euros	Patents, Licenses and Similar rights	business or Goodwill Other goodwill	software and	Total
Additions	66.910	26	8.887	75.823
Departures	-2.085	-	-927	-3.012
Impairment losses	145	2.266	68	2.479
Rebookings	-393	-500	361	-532
Currency changes	13.863	1.373	1.003	16.239
Changes to the Scope of consolidation	-1.066	-	20	-1.046
Reclassification to assets held for sale and disposal groups groups	-169	-176	-116	-461
Status as at 31.12.2024	**909.667**	**170.728**	**160.376**	**1.240.771**
Carrying amount at 31.12.2024	**475.491**	**789.426**	**48.646**	**1.313.563**
31.12.2023	538.039	733.473	37.070	1.308.582

(i) Acquisition costs

In the 2024 financial year, additions to the patents, licenses and similar rights item mainly related to SKion Water, of which EUR 5.3 million was attributable to Ovivo. The additions result in particular from the acquisition of E2metrix Inc.

In the 2023 financial year, additions to the item patents, licenses and similar rights mainly related to ALTANA with EUR 11.1 million and Ovivo with EUR 3.6 million. Additions to the item software and other mainly relate to the further digitalization and expansion of ERP systems at ALTANA with EUR 14.5 million.

The acquisition of Imaginant Inc. and Von Roll Holding AG resulted in changes to the scope of consolidation for ALTA- NA in the amount of EUR 90.7 million in the 2023 financial year. The changes in the scope of consolidation also result from the acquisitions of SKion Water. The main part of this relates to the acquisitions of Schweitzer Chemie GmbH and ENWA AS, from which patents, licenses and similar rights in the amount of EUR 40.7 million were acquired.

(ii) Amortization and impairment

The intangible assets reported as at December 31, 2024 mainly originate from ALTANA.

The expected amortization of patents, licenses and similar rights in subsequent years is as follows, whereby the actual amortization may differ from the expected amortization:

in thousands of euros Year	Amount
2025	75.161
2026	64.359
2027	58.299
2028	54.636
2029	45.943
Afterwards	177.094

The item patents, licenses and similar rights includes trademark rights with indefinite useful lives in the amount of EUR 23.0 million (2023: EUR 22.8 million). These mainly relate to the ECKART brand at ALTANA. Brand rights were acquired as part of ALTANA's business combinations and the indefinite useful life was identified in the purchase price allocation. They continue to be used and, as in the previous year, there was no need for impairment.

In the 2023 financial year, trademark rights in the BYK division at ALTANA in the amount o f EUR 1.9 million were reclassified from indefinite useful life to trademark rights with a definite useful life, as these will only be used for a further 5 years. Also in the 2023 financial year, the capitalization of EUR 1.6 million incurred to date was impaired in the ECKART division as part of the discontinuation of a software project (Software and other item).

The impairment losses recognized on goodwill mainly related to the goodwill of Paques in the amount of EUR 2.1 million.

(iii) Impairment test for goodwill ALTANA

The goodwill recognized as at December 31, 2024 in the amount of EUR 789.4 million
(2023: EUR 733.5 million) in the amount of EUR 636.2 million (2023: EUR 597.4 million) is attributable to ALTANA. Goodwill is tested for impairment at least once a year in the fourth quarter. For the impairment test, goodwill was allocated to the following cash-generating units within ALTANA

in thousands of euros	**2024**	2023
BYK Additives & Instruments	408.578	386.528
ECKART Effect Pigments	5.171	5.171
ELANTAS Electrical Insulation	136.609	120.446
ACTEGA Coatings & Sealants	85.882	85.219
	636.240	**597.364**

The last impairment test was carried out on the basis of the planning for the years 2025 to 2029 at the level of the cash-generating units. This planning was based on past experience and management's best possible estimates of future developments.

In addition, the weighted average growth rates used in the planning were derived from corresponding market forecasts. In order to perform the impairment tests, ALTANA estimated cash inflows beyond the planning period by extrapolating a constant growth rate for subsequent years. Using a discounted cash flow method, the fair value less costs to sell was determined for each cash-generating unit using input factors of hierarchy level 3. The following parameters were applied: Discount rate after tax 7.75% (2023: 8.0%) for each cash-generating unit; the growth rates used were: BYK Additives & Instruments 1.75% (2023: 1.75%), ECKART Effect Pigments 1.5% (2023: 1.5%), ELANTAS Electrical Insulation 1.5% (2023: 1.5%), ACTEGA Coatings & Sealants 1.5% (2023: 1.5%). The calculated fair value less costs to sell was then compared with the carrying amount of the cash-generating unit.

The impairment tests were carried out on the basis of fair value less costs to sell. The value in use was also determined for each group of cash-generating units to secure the result of the impairment test. If the calculations reveal a need for impairment taking into account the sensitivity analyses, the exact impairment amount is determined on the basis of a weighted scenario-based valuation.

A weighted scenario-based valuation was carried out for the ACTEGA division, which did not result in any need for impairment even after a subsequent sensitivity analysis. The sensitivity analyses carried out in the other divisions showed that there was no need for impairment in the divisions, even within a realistic range of deviating key assumptions.

In the fiscal years 2024 and 2023, no impairment losses on goodwill were recognized at ALTANA. The impairment recognized in 2024 related to the assets of the disposal groups that were reclassified to "Assets held for sale and disposal groups". The assets were measured at fair value less costs to sell immediately prior to reclassification (see note 3 (f)).

No indicators of impairment have arisen in the period since the impairment test was carried out until December 31, 2024.

SKion Water

SKion Water tests goodwill for impairment at least once a year in the fourth quarter. The goodwill of EUR 153.2 million recognized in SKion Water as at December 31, 2024 is attributable to the single CGU of the same name.

in thousands of euros	**2024**	2023
SKion Water	**153,2**	**136,1**

The goodwill of SKion Water is tested for impairment at the level of the cash-generating unit using the fair value less costs to sell. This is determined using a valuation multiplier on the expected operating result before depreciation, amortization, interest and income taxes.

The annual impairment test of goodwill for the cash-generating unit was completed as at December 31, 2024. In this context, the management used the values for the 2024 financial year. A valuation multiple was then applied to these values to determine the recoverable amount. The multiplier was determined on the basis of comparable market data, the specific risk exposure of the cash-generating unit, historical developments and the future trend expected by SKion.

Cash-generating unit	Valuation multiplier	Observed range (median/mean value)
SKion Water	16,8	14,1 - 16,8

Following this analysis, the management concluded that the recoverable amount of the cash-generating units exceeds their carrying amount and that no impairment is required.

Using the lower end of the valuation multiple range or reducing the expected earnings before interest, taxes, depreciation and amortization by 5% or 10% would not have led to the recognition of an impairment loss.

(iv) Impairment test for intangible assets with indefinite useful lives

In 2023 and 2024, no impairment losses were recognized on intangible assets with indefinite useful lives.

(b) Property, plant and equipment

in thousands of euros	Plots of land cke, basic piece- smooth rights and buildings	Technical Anla- and Machines	Other Attachments, Operating & Business equipment	Attachments under construction	Total
Acquisition costs					
Status as of 01.01.2023	**954.902**	**1.056.554**	**400.002**	**121.849**	**2.533.306**
Additions	55.937	30.041	33.011	95.562	214.551
Departures	-8.304	-16.099	-18.859	-123	-43.385
Rebookings	25.458	36.846	7.292	-68.877	719
Currency changes	-10.078	-10.220	-3.707	-2.586	-26.591
Changes in the scope of consolidation	77.742	41.380	14.760	4.798	138.680
Reclassification to assets held for sale and disposal groups **Status as at 31.12.2023**	-	-	-	-	-
Additions	**1.095.657**	**1.138.502**	**432.499**	**150.623**	**2.817.280**
Disposals	57.461	27.965	35.706	116.922	238.054
Transfers	-19.185	-12.729	-15.217	-5.799	-52.930
Currency changes	17.103	52.457	9.915	-79.800	-325
Changes in the scope of consolidation	10.485	21.600	4.301	4.652	41.038
Reclassification to assets held for sale and disposal groups **Balance as at 31.12.2024**	9.855 -10.545 1.180.831	20.513 -13.861 1.234.447	187 -1.487 465.904	11.918 -835 197.681	42.473 -26.728 3.038.882
Accumulated depreciation and impairment losses					
Status as of 01.01.2023	**408.305**	**688.625**	**269.373**	**-1**	**1.366.302**
Addition	49.731	59.558	38.007	-	147.296
s	-5.788	-13.532	-16.799	-	-36.119
Disposal	-	745	-	-	745
s	-23	-443	365	-	-102
Impairments	-5.452	-6.546	-2.761	-	-14.759
Reclassifications Currency changes Changes in the scope of consolidation	2.543	1.134	5.677	-	9.354
Reclassification to assets held for sale and disposal groups **Status as at 31.12.2023**	-	-	-	-	-
	449.316	**729.541**	**293.862**	**-1**	**1.472.717**

	Property cke, basic unit- & rights	Technical Plant and	Other plants, Operating business	assets	
Additions	53.431	67.822	37.617	-	158.870
Departures	-10.500	-10.798	-14.179	-	-35.477
Impairment losses	8.338	11.337	2.119	2.847	24.641
Rebookings	2.176	-802	-918	-	456
Currency changes	2.875	12.659	3.174	-	18.708
Changes to the conso lidation circle	443	2.966	1.356	-1	4.764
Reclassification to assets held for sale and Disposal groups	-8.973	-11.465	-1.472	-617	-22.527
Status as at 31.12.2024	**497.106**	**801.260**	**321.559**	**2.228**	**1.622.152**
Carrying amount at 31.12.2024	**663.724**	**433.188**	**144.346**	**195.452**	**1.436.710**
31.12.2023	646.341	408.961	138.637	150.624	1.344.563

The following table shows the right-of-use assets recognized in non-current assets in accordance with IFRS 16:

in thousands of euros	Land, land rights and buildings	Technical installati ons and	Other equipment, operating & business equipment	Assets under	Total
Status as at 31.12.2023	**103.886**	**715**	**17.837**	**-**	**122.437**
Amortization expense for the year	-21.185	-659	-8.508	-	-30.352
Impairment losses for the year	-94	-	-366	-	-460
Additions to the rights of use to investments gen	37.626	630	11.192	-	49.448
Derecognition of usufructuary rights to assets	-12.159	-62	-1.050	-	-13.271
Currency changes	1.003	17	-46	-	974
Reclassification	342	0	-318	-	24
Changes to the conso lidation circle	1.443	970	709	-	3.122
Reclassification to assets held for sale and Disposal groups	-	-	-16	-	-16
Status as at 31.12.2024	**110.862**	**1.611**	**19.434**	**-**	**131.906**

in thousands of euros	Land, land rights and buildings	Technical installations and	Other equipment, operating & business equipment	Assets under	Total
Status as at 31.12.2022	**72.025**	**524**	**11.976**	**-**	**84.524**
Amortization expense for the year	-19.377	-308	-7.760	-	-27.445
Access to the grooves rights to investments gen	45.018	90	11.475	-	56.583
Derecognition of groove rights to assets assets	-3.012	-75	-707	-	-3.794
Currency changes	-535	14	247	-	-274
Changes to the conso lidation circle	9.767	470	2.606	-	12.844
Status as at 31.12.2023	**103.886**	**715**	**17.837**	**-**	**122.437**

(i) Acquisition costs

The changes in property, plant and equipment are mainly attributable to ALTANA. In the 2024 reporting year, EUR 42.4 million (2023: EUR 25.9 million) of the additions in the BYK Additives & Instruments division of ALTANA related to the European sites. EUR 31.6 million (2023: EUR 32.4 million) was invested in American production and research facilities, while EUR 8.4 million (2023: EUR 5.8 million) related to Asia. In the ECKART division, EUR 10.3 million (2023: EUR 11.4 million) was invested in European locations, EUR 7.7 million (2023: EUR 0.6 million) in Asian locations and EUR 5.0 million (2023: EUR 5.7 million) in US locations. In the ELANTAS division, EUR 17.7 million (2023: EUR 14.1 million) was invested in Europe, EUR 16.6 million (2023: EUR 18.0 million) in Asia and EUR 8.2 million (2023: EUR 4.0 million) in the US companies. In the ACTEGA division, EUR 16.3 million (2023: EUR 23.3 million) was invested in the US companies and EUR 10.2 million (2023: EUR 7.8 million) in the European locations. SKion Water contributed with additions of EUR 59.8 million (2023: EUR 63.6 million), which mainly took place at Ovivo and Enviro.

The changes in the scope of consolidation primarily relate to the acquisition of the Silberline Group and the final adjustment of the acquisition of Von Roll within ALTANA (see also note 3 (a)). Within SKion Water, the acquisitions of VIGAflow S.A., E2metrix Inc. and the Malmberg Group, consisting of Malmberg AS and Malmberg Water AB, made a significant contribution to these changes.

In the 2024 financial year, ALTANA received taxable and tax-free investment grants of EUR 2.3 million (2023: EUR 1.9 million).

(ii) Impairment losses

In the 2024 financial year, the impairment losses recognized in the amount of EUR 21.0 million mainly related to the assets of the disposal groups of ALTANA and there of ELANTAS, which were reclassified to the item "Assets held for sale and disposal groups". The assets were measured at fair value less costs to sell immediately prior to reclassification (see note 3 (f)). Impairment losses of EUR 0.7 million were recognized in the 2023 financial year.

(iii) SKion as lessor

SKion leases land and buildings. From the lessor's perspective, there are both finance and operating leases.

Finance leasing

In 2024, SKion generated a gain on disposal of EUR 0.0 million (2023: EUR 0.1 million) and a financial income on the net investment in the lease of EUR 0.0 million (2023: EUR 0.0 million).

The following table presents a maturity analysis of lease receivables and shows the undiscounted lease payments to be received after the balance sheet date.

in thousands of euros	2024	2023
less than 1 year	227	206
1-2 years	152	309
2-3 years	-	309
3-4 years	-	-
4-5 years	-	-
more than 5 years	-	-
Total amount of undiscounted lease receivables	**379**	**824**
Unrealized financial income	24	80
Net investment in the lease	**355**	**744**

Operating leasing

The Group has classified leases as operating leases if they do not transfer substantially all the risks and rewards incidental to ownership.

SKion recognized lease income of EUR 2.8 million in 2024 (2023: EUR 3.0 million). Corresponding leases can be terminated within 30 days, which is why there are no lease receivables due within one year as at the reporting date.

(c) Investment property

in thousands of euros	Held as a financial investment Real estate
Acquisition costs	
Status as of 01.01.2023	**26.491**
Additions	279
Departures	-
Rebookings	-
Currency changes	-149
Status as at 31.12.2023	**26.622**
Additions	1.024
Departures	-3.186
Rebookings	-
Currency changes	-508
Status as at 31.12.2024	**23.952**
Accumulated depreciation and impairment losses changes	
Status as of 01.01.2023	**5.468**
Additions	549
Departures	-
Rebookings	-
Currency changes	-220
Status as at 31.12.2023	**5.797**
Additions	697
Departures	-876
Rebookings	-
Currency changes	-283
Status as at 31.12.2024	**5.335**
Carrying amount at 31.12.2024	**18.617**
31.12.2023	20.825

As at December 31, 2024, investment land and buildings amounted to EUR 18.6 million (2023: EUR 20.8 million). The fair value of this land and buildings amounted to EUR 31.9 million (2023: EUR 35.8 million). The fair value is determined using the income capitalization approach or with the help of external appraisals. Market prices of comparable assets that are not traded on active markets (hierarchy level 2) are used as input factors. There are no restrictions on disposal or other contractual obligations in connection with investment properties.

The amounts recognized in profit or loss for rental income from investment properties amounted to EUR 1.9 million in the 2024 financial year (2023: EUR 2.2 million).

Operating expenses (including repairs and maintenance) amounted to EUR 1.1 million in the 2024 financial year (2023: EUR 1.1 million). These are directly attributable to investment properties that generated rental income during the reporting period.

No directly attributable operating expenses (including repairs and maintenance) were incurred in the 2024 financial year (2023: EUR 0.0 million) for investment properties with which no rental income was generated during the reporting period.

(d) Financial assets

in thousands of euros	Shareholdings	Other long-term Financial assets	Securities	Total
Acquisition costs				
Status as of 01.01.2023	**38.084**	**64.676**	**482.097**	**584.857**
Additions	5.394	69.302	43.534	118.230
Departures	-271	-1.664	-125.455	-127.390
Reclassification	3.736	-2.830	-	906
Currency changes	-57	-258	-	-315
Change in the Market values	-1.887	1.213	-	-674
Change in the scope of consolidation	892	12	-	904
Reclassification to assets held for sale and disposal groups	-	-	-	-
Status as at 31.12.2023				
Additions	**45.891**	**130.451**	**400.176**	**576.518**
Disposals	7.303	12.785	2.817	22.905
Reclassification	-1.290	-96.289	-171.350	-268.929
Currency changes Change in market values	3.635	-27.416	-	-23.781
	249	605	-	854
Change in the scope of consolidation	-1.477	34.382	-53.096	-20.191
Reclassification to assets held for sale and disposal groups	-270	-	-1	-271
As at 31.12.2024	-	-10	-	-10
Accumulated changes in value				
As at 01.01.2023	**54.042**	**54.507**	**178.546**	**287.095**
Impairments Additions				
Disposals Changes in market values	**3.248**	**-14.375**	**34.446**	**23.318**
	-	98	473	571
	-	-	5	5
	-	-	-	-
	-	-4.914	-29.461	-34.375
Currency changes	-	-	-473	-473
Status as at 31.12.2023	**3.248**	**-19.191**	**4.990**	**-10.953**
Impairment losses	-	-	1.938	1.938
Additions	106	-	-	106
Departures	-	-99	-	-99
Reclassification	1.671	-	-	1.671
Currency changes	-	1	-	1
Status as at 31.12.2024	**5.026**	**-19.289**	**6.927**	**-7.336**

in thousands of euros	Shareholdings	Other non-current financial assets	Securities	Total
Carrying amount at				
31.12.2024	**49.016**	**73.796**	**171.618**	**294.430**
31.12.2023	42.643	149.642	395.186	587.471

(i) Acquisition costs

As at December 31, 2024, investments include EUR 0.9 million (2023: EUR 3.3 million) from the shares in the listed 3D Systems Corp. received from ALTANA as part of the sale of dp polar, which are recognized at fair value. In the 2024 financial year, there were fair value changes of EUR -1.7 million, which are reported in the financial result. The first half of the shares was sold for EUR 0.8 million on June 7, 2024 and the second half for EUR 0.8 million on January 2, 2025.

In the 2024 financial year, ALTANA acquired 12.2 % of the shares in Nordtreat Oy, Vantaa, Finland, for EUR 2.5 million.

In the 2023 financial year, the investment in TAU increased due to the conversion of a loan with a conversion option in the amount of EUR 2.0 million; this includes a fair value measurement in the amount of EUR 0.9 million. and further increases in the fair value by EUR 3.0 million. In the 2024 financial year, the investment in TAU increased due to the conversion of a loan with a conversion option in the amount of EUR 0.4 million.

Other non-current financial assets as at December 31, 2024 mainly relate to precious metals that were acquired by SKion GmbH in October 2011. The fair value as at
December 31, 2024: EUR 73.7 million (2023: EUR 55.0 million).

The disposals and reclassifications of other non-current financial assets in the 2024 financial year mainly result from the following transactions:

In the 2018 fiscal year, ALTANA granted an originally long-term, bullet loan of USD 7.1 million to an American investment fund that is not affiliated with ALTANA as part of a US funding program. The loan was included in other non-current financial assets until December 31, 2023. In the 2024 financial year, the loan was set to current maturity and reclassified to other assets accordingly. In return, ALTANA had also received a term loan of USD 9.9 million, which is also recognized as current in 2024 (see Note 5 (o)).

In addition, ALTANA granted a long-term loan of EUR 16.0 million to the Israeli company Landa in the 2019 financial year. In the years 2020 to 2024, the interest accrued to date totaling EUR 4.5 million was added to the loan. In the 2024 financial year, the loan was reclassified to other assets as it matures in the first half of 2025 and is therefore to be reported as current.

In the 2023 financial year, a loan with a conversion option in the amount of USD 100.0 million was granted to Landa by the shareholders. ALTANA participated in this with USD 25.0 million. In the 2024 financial year, a further loan with a conversion option in the amount of USD 50.0 million was granted by the shareholders.

ALTANA participated in this with USD 12.5 million. In the further course of the 2024 financial year, the loans with a conversion option were taken over by Susanne Klatten Beteiligungs GmbH (SKB), Bad Homburg v.d.H., for EUR 48.9 million and EUR 15.7 million was realized in financial income due to changes in market value. The purchase price was determined using the capitalized earnings value method (see also point 6 (a) (i)).

The securities included in financial assets as at December 31, 2024 relate exclusively to SKion GmbH and primarily include shares and units in investment funds.

For reasons of materiality, the investments in Taunus Treuhandgesellschaft m.b.H Steuer-beratungsgesellschaft, Seedamm-Versicherungs-Vermittlungs GmbH, Saralon GmbH and Transalpina Unternehmung für Industriebedarf GmbH are reported under non-current financial assets and not under companies accounted for using the equity method.

In the 2024 financial year, the fair value measurement of Taunus Treuhandgesellschaft m.b.H Steuerberatungsgesellschaft resulted in a write-down of EUR 1.6 million, which was recognized in the financial result.

The disposals in the amount of EUR 171.4 million mainly result from the sale of shares in various investment funds. The disposals reflect the sale of shares in the investment fund aquinta M (Luxembourg) in the amount of EUR 80.9 million and the disposal of an SGL Carbon convertible bond in the amount of EUR 25.0 million. Shares in various private equity funds in the amount of EUR 61.4 million were also sold.

(ii) Accumulated changes in value

In the 2024 financial year, there were impairments on financial assets in the amount of EUR 1.9 million (2023: EUR 0.6 million).

The changes in market values recognized in the income statement for other non-current financial assets result from the change in the market value of SKion GmbH's gold holdings in the amount of EUR 18.7 million. In the case of securities, the change of EUR -51.3 million is mainly due to the change in the value of listed shares held.

(e) Joint ventures

SKion holds a 32.3% interest in a joint operation via a subsidiary, through which long-term investments are made in real estate in Canada. In accordance with IFRS 11.20, the assets and liabilities as well as the income and expenses of the joint operation are recognized in the amount of the share attributable to SKion. Proportionate assets o f EUR 21.1 million (2023: EUR 21.8 million), current and non-current liabilities of EUR 7.7 million (2023: EUR 9.1 million) as well as income of EUR 2.7 million (2023: EUR 2.3 million) and expenses of EUR 2.2 million (2023: EUR 2.2 million) are reported.

A joint venture with the same business purpose was established in December 2011. In accordance with IFRS 11.24, this investment is accounted for using the equity method. The carrying amount as at December 31, 2024 was EUR 0.1 million (2023: EUR 0.1 million). The result for 2024 amounted to EUR -0.1 million (2023: EUR -0.1 million).

Since 2024, the Chinese company Xi'An Purovo Material Co., Ltd., Xi'an, China, has also been accounted for using the equity method in accordance with IFRS 11.24 on the basis of joint control. SKion holds a 60.0% interest in the company. The company reported equity of EUR -0.4 million as at December 31, 2024. The result for 2024 amounted to EUR -0.1 million.

The shares in joint arrangements accounted for using the equity method are reported cumulatively with the shares in associates accounted for using the equity method in Note 5(f).

(f) Associated companies

in thousands of euros	Shares in joint arrangements accounted for using the equity method and Associated companies
Balance as of 01.01.2023	**519.809**
Additions	89.235
Proportionate result	-71.672
Dividends	-24.170
Departures	-
Currency changes	-5.105
Balance as at 31.12.2023	**508.097**
Additions	40.748
Proportionate result - recognized in profit or loss	-131.045
Pro rata result - not recognized in profit or loss	9.985
Other changes - recognized directly in equity	12.350
Dividends	-30.908
Impairment losses	-82.272
Departures	-2.034
Currency changes	-351
Balance as at 31.12.2024	**324.570**

The SKion Group accounts for its investments in associates using the equity method in accordance with IAS 28.10. In the 2024 financial year, the loss from associates amounted to EUR -213.0 million (2023: EUR -72.3 million).

ALTANA holds a 39% interest in Aldoro Indústria de pos e Pigmentos Metalicos Ltda, Rio Claro, Brazil. ALTANA and SKion Digital Printing GmbH together hold a 45.6% stake (2023: 45.9%) in Landa Corporation Ltd., Rehovot, Israel.

The proportionate equity of the 39% stake in Aldoro amounted to EUR 2.8 million at the time of initial recognition in the 2005 financial year; the initial goodwill was calculated at EUR 4.4 million.

With a contract dated July 27, 2022, SKion acquired a 20% stake in BMZ Holding GmbH. The BMZ Group manufactures battery systems for automotive, e-mobility, storage, medical and industrial applications as well as power and garden tools, among other things. In December 2023, SKion acquired a further 2,708 shares through a capital increase, giving it a stake of 25.82% in BMZ Holding GmbH. A total of EUR 220 million was invested. In the 2024 financial year, an impairment loss of EUR 49.2 million was recognized on the lower fair value.

On March 30, 2021, SKion concluded a purchase agreement with SouthWestSensor Ltd. via a subsidiary. SouthWestSensor Ltd. is based in Southampton, United Kingdom, and offers a platform technology for water analysis. On March 30, 2021, 308 shares or 13.75% of the preference shares were acquired at a purchase price of GBP 0.4 million. A further 99 shares were acquired on May 14, 2021. The second financing round stipulated in the agreement, which governs the purchase of the same number of shares at the same purchase price, was completed on September 16, 2021.

With the convertible loan agreement dated March 30, 2021, SKion committed a total loan facility of GBP 1.2 million to SouthWestSensor Ltd. The first disbursement of GBP 0.4 million is due on
September 20, 2022 took place. On May 31, 2023, the loan including interest was converted into shares in the company. This increased the shareholding in the company to a total of 38.95% (2022: 28.1%). In 2024, the shareholding in the company increased to a total of 75%, meaning that it is now included in SKion's consolidated financial statements as a subsidiary of SKion Water.

The following table summarizes the key financial information of the associates as at December 31, 2024. The information on SGL Carbon SE, AVISTA OIL AG, Landa Corp, BMZ Holding GmbH and MattenPlant in 2024 relates to the respective Group figures. All figures relate to 100% of the net assets and results of the associates.

in thousands of euros	Share in %	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Turnover	Result for the period	Other result	Overall result
2024									
SGL Carbon SE, Wiesbaden	29	663.000	673.900	529.000	243.300	1.026.400	-79.400	29.900	-49.500
AVISTA OIL AG, Uetze-Dollbergen	50	277.942	127.911	97.912	71.854	461.067	18.962	7.173	26.135
BMZ Holding Ltd, Karlstein, Germany	26	200.339	299.599	134.941	162.165	434.112	-76.907	2.609	-74.298
Geohumus International Research & Development Ltd, Frankfurt am Main*	43								
Evodos B.V., VT Raams donksveer, Netherlands*	43								
MultiMaterial Welding AG, Stansstad, Switzerland	48	20.299	158	5.578	220	1.352	-819	1	-818

in thousands of euros	Share in %	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Turnover	Result for the period	Other result	Overall result
MattenPlant Pte. ltd, Singapore	29	1.053	11.608	308	24.173	16.248	-1.354	0	-1.354
up2e! GmbH, Rain	49	1.476	5.936	135	5.366	1.552	271	0	271
QWAIR GmbH, Heilbronn*	25								
Aldoro Indústria de pos e Pigmentos Metalicos Ltda, Rio Claro, Brazil*	39								
Landa Corporation Ltd, Rehovot, Israel	46	64.432	122.921	374.978	65.342	46.101	-233.653	-189	-233.842
2023									
SGL Carbon SE, Wiesbaden	29	715.600	757.000	583.300	274.400	1.089.100	41.700	-19.300	22.400
AVISTA OIL AG, Uetze-Dollbergen	45	272.487	151.901	93.186	60.442	469.154	32.332	-6.281	26.051
BMZ Holding Ltd, Karlstein, Germany	26	171.836	454.278	140.110	208.918	645.107	23.292	1.419	24.711
Geohumus International Research & Development Ltd, Frankfurt am Main*	43								
Ecopreneur S.A.S, Bogota, Colombia*	78								
Evodos B.V., VT Raams donksveer, Netherlands*	43								

in thousands of euros	Share in %	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Turnover	Result for the period	Other result	Overall result
MultiMaterial Welding AG, Stansstad, Switzerland	48	19.501	710	4.320	150	1.252	-823	1	-822
MattenPlant Pte. ltd, Singapore	29	1.120	6.332	0	19.719	4.955	-2.109	0	-2.109
up2e! GmbH, Rain	49	1.386	4.220	0	3.965	198	-289	0	-289
QWAIR GmbH, Heilbronn*	25								
SouthWest Sensor Limited, Southampton, United Kingdom Large britain	39	14	73	471	26	45	-839	0	-839
Aldoro Indústria de pos e Pigmentos Metalicos Ltda, Rio Claro, Brazil*	39								
E2metrix Inc., Sherbrooke, Canada*	22								
Landa Corp. Ltd, Rehovot, Israel	46	56.124	80.154	108.860	46.643	44.075	-152.099	-7	-152.107

*Due to of materiality aspects the disclosures are omitted for the corresponding associated companies.

(g) Securities

In accordance with IFRS 9, securities are measured at fair value through profit or loss and are presented as follows for each category of security:

in thousands of euros	**31.12.2024**	31.12.2023
Pension funds	-	67.484
Money market funds	42.565	68.037
Shares and equity funds	2	3
	42.567	**135.524**

The decline in current securities compared to the previous year is mainly due to the complete disposal of bond and money market funds at SKion GmbH level.

The changes in securities held at fair value are recognized in the financial result for the 2024 financial year and the previous year 2023.

(h) Deferred taxes

The deferred tax assets and liabilities recognized relate to the following balance sheet items:

In thousands of euros		**31.12.2024**		31.12.2023
	Assets	Liabilities	Assets	Liabilities
Intangible assets	17.585	-99.334	7.450	-101.470
Property, plant and equipment	10.848	-68.257	8.419	-67.847
Financial assets	2.299	-12.509	1.792	-9.327
Inventories	27.505	-2.175	22.869	-1.574
Receivables and other assets	3.492	-17.408	2.449	-14.252
Contract assets	730	-11.365	9	-2.429
Securities	-	-1.535	2.411	-9.996
Pension provisions	61.467	-9.733	40.018	-1.686
Other provisions	12.983	-12.932	12.343	-3.034
Liabilities	31.869	-12.226	8.523	-979
Tax loss carryforward	25.589	-	29.061	-
Investment values	-	-3.451	-	-3.169
Total	**194.367**	**-250.925**	**135.344**	**-215.763**
Balancing	-132.668	132.668	-89.619	89.619
Balance of deferred taxes	**61.699**	**-118.257**	**45.725**	**-126.144**

Deferred taxes are netted for each company if the necessary requirements are met.

The Group is of the opinion that sufficient tax liabilities have been recognized for outstanding tax assessments. Nevertheless, it cannot be completely ruled out that additional tax payments may be made that exceed the provision recognized in the financial statements. The estimate of tax liabilities is based on provisional tax calculations that take into account interpretations of the applicable tax laws and current practice.

The period of possible utilization of tax loss carryforwards relating to ALTANA is shown in the following table:

in thousands of euros	**31.12.2024**	31.12.2023
Tax loss carryforwards	**236.035**	**145.632**
unlimited in time	111.322	58.250
Expires in 2029 (previous year: 2028)	110.198	72.969
Expiring after 2029 (previous year: 2028)	14.515	14.413

Deferred tax assets on tax loss carryforwards in the amount of EUR 176.1 million (2023: EUR 107.3 million) were not recognized by ALTANA as of December 31, 2024, as future offsetting against taxable profits is not probable. Tax loss carryforwards for which no deferred taxes were capitalized can be used indefinitely in the amount of EUR 71.0 million; EUR 100.1 million expire up to and including 2029.

A deferred tax asset of EUR 3.5 million (2023: EUR 1.9 million) was recognized for ALTANA companies that reported a negative result in the previous year or in the current reporting year, as it is probable that the tax asset will be realized due to the tax result planning.

Deferred tax assets of EUR 10.7 million (2023: EUR 11.4 million) were recognized at SKion Water in the financial year, all of which are attributable to the capitalization of deferred taxes on tax loss carryforwards. SKion Water's tax loss carryforwards are essentially forfeitable within the next 5 to 20 years.

Furthermore, deferred tax assets of EUR 4.1 million (2023: EUR 7.0 million) were recognized for SKion GmbH in the 2024 financial year, which are fully attributable to the capitalization of deferred taxes on tax loss carryforwards. The tax loss carryforwards of SKion GmbH can be carried forward indefinitely.

As of December 31, 2024, deferred tax liabilities of EUR 57.2 million (2023: EUR 51.7 million) were not recognized for temporary differences between the tax base of investments and the net assets (outside basis differences) of certain investments in ALTANA, as the reversal of the differences can be controlled and is not probable in the near future.

(i) Inventories

in thousands of euros	**31.12.2024**	31.12.2023
Raw materials and supplies	270.764	255.729
Unfinished goods and services	69.749	62.314
Finished products and goods	373.028	328.990
Advance payments made	15.509	6.074
Inventories	**729.051**	**653.107**

The inventories are mainly attributable to ALTANA.

At ALTANA, write-downs of EUR 42.1 million (2023: EUR 35.2 million) were deducted from inventories in the respective inventory classes.

(j) Trade receivables and contract assets and liabilities

in thousands of euros	**31.12.2024**	31.12.2023
Current trade receivables	839.924	756.257
Contract assets	282.360	258.084
Value adjustments	-13.729	-13.208
Trade accounts receivable and contract assets values	**1.108.555**	**1.001.133**

Non-current trade receivables are reported under other non-current assets in the amount of EUR 0.4 million (2023: EUR 2.3 million). Please refer to section 50.

The addition to the value adjustments is reported under other operating expenses. The value adjustments developed as follows:

in thousands of euros	**2024**	2023
Value adjustments as of 01.01.	13.208	21.283
Currency changes	183	-67
Additions	4.359	4.424
Resolutions	-1.949	-8.300
Utilization	-2.158	-4.240
Changes in the scope of consolidation	97	108
Reclassification to assets held for sale and disposal groups ration groups	-11	-
Value adjustments as at 31.12.	**13.729**	**13.208**

The credit risk as at December 31, 2024 and December 31, 2023 is shown in the following table

Trade receivables and contract assets in thousands Euro	Single value adjusted carrying amount	(Not) (on) net book value Receivables following time bands gen	demand changes	Of which not impaired as at the reporting date and overdue in the correct			
				Not overdue	0 - 30 days	31 - 90 days	More than 90 days
31.12.2024							
Gross Book value	**1.122.284**	**12.537**	**1.109.747**	**919.796**	**95.920**	**57.175**	**36.856**
Expected Loss rate	-	-	0,43 %	0,08 %	0,70 %	0,91 %	7,59 %
Impairment authorization	13.729	9.008	4.721	735	670	518	2.798
Net Book value	**1.108.555**	**3.529**	**1.105.026**	**919.061**	**95.250**	**56.657**	**34.058**

Claims Trade receivables in thousands of euros	Single value adjusted carrying amount	Claims gen	Not in individual value-correcte d demand s	Of which not impaired as of the reporting date and overdue in the following time bands			
				0 - 30 Days	31 - 60	61 - 90 Days Days	More than 90 days
31.12.2023							
Gross Carrying amount	**1.014.341**	**13.076**	**1.001.265**	**838.708**	**88.794**	**38.454**	**35.309**
Expected loss rate	-	-	0,41 %	0,07 %	0,58 %	1,42 %	6,89 %
Impairment	13.208	9.090	4.118	625	515	545	2.433
Net carrying amount	**1.001.133**	**3.986**	**997.147**	**838.083**	**88.279**	**37.909**	**32.876**

With regard to trade receivables and contract assets that are neither impaired nor overdue, there were no indications at the balance sheet dates that the debtors would not meet their payment obligations.

The changes in contract assets and contract liabilities during the reporting period and the previous year are as follows:

	Contract assets	Contract liabilities
Balance as at 31.12.2022	**199.256**	**200.059**
Increases due to payments received that do not correspond to the exceed the revenue recognized during the period	-	124.076
Recognized revenue included in contract liabilities at the beginning of the period	-	-126.299
Increases due to changes in the measure of progress	754.294	-
Transfers of contract assets to receivables	-689.876	-
Miscellaneous	-245	-59
Translation differences	-5.345	-3.625
Balance as at 31.12.2023	**258.084**	**194.152**
Increases due to payments received that do not correspond to the exceed the revenue recognized during the period	-	107.348
Recognized revenue included in contract liabilities at the beginning of the period	-	-95.670
Increases due to changes in the measure of progress	960.395	-
Transfers of contract assets to receivables	-942.730	-
Miscellaneous	31	-177
Translation differences	6.580	3.787
Balance as at 31.12.2024	**282.360**	**209.440**

(k) Other assets

in thousands of euros	31.12.2024		31.12.2023	
	Other current assets values	Non-current other assets values	Other current assets values	Non-current other assets values
Receivables from bills of exchange	73.699	-	72.765	-
Receivables from the tax authorities tion	41.245	2.112	29.618	6.914
Prepaid expenses and deferred charges	32.338	5.865	26.561	4.158
Receivables from associated companies	4.628	-	-	-
Derivative financial instruments	1.430	27	1.682	1.415
Advance payments made	7.596	473	36.894	4
Loans to third parties	6.815	41	65	97
Loans to associated companies	-	550	1.843	3.354
Receivables from employees	1.604	34	1.242	34
Cash value of life insurance policies	-	1.977	-	1.829
Non-current receivables from Deliveries and services	-	371	-	2.280
Receivables from related parties Legal entities	40	-	32	-
Lease receivables	355	219	206	618
Insurance refunds	-	-	2.680	-
Receivables from security deposits	1.737	27	1.584	-
Other	27.198	13.821	23.291	19.468
Total	**198.685**	**25.516**	**198.463**	**40.171**

(l) Current financial assets

In the 2019 financial year, SKion GmbH acquired fixed-term deposits with a remaining term of more than three months in the amount of EUR 55.0 million; as at December 31, 2024, the amount was still EUR 10.0 million.

In addition, ALTANA has money market investments with a remaining term of more than three months and less than one year. As at December 31, 2024, EUR 84.2 million (2023: EUR 15.1 million) was invested.

(m) Cash and cash equivalents

Cash and cash equivalents mainly relate to balances in fixed-term deposits and current accounts with a term of up to three months. This item includes cash and cash equivalents of subsidiaries in the amount of EUR 5.0 million (2023: EUR 2.3 million), which are subject to restrictions on disposal.

(n) Equity

(i) Subscribed capital and capital reserve

The subscribed capital of SKion GmbH amounts to EUR 50.0 million (2023: EUR 50.0 million) and is fully paid in. The capital reserve of SKion GmbH reported as at December 31, 2024 amounts to EUR 53.6 million (2023: EUR 53.6 million).

(ii) Retained earnings

SKion GmbH's retained earnings of EUR 4,290 million (2023: EUR 4,318 million) comprise net income generated in previous years, which was transferred to retained earnings. The management proposes to distribute an amount totaling EUR 45.0 million to the shareholders from the company's retained earnings.

(iii) Remeasurement of net pension obligations

Pension obligations from defined benefit plans are recognized and measured in accordance with IAS 19 using the projected unit credit method on the basis of actuarial reports. The changes from the estimates applicable at the beginning of the financial year with regard to the scope of obligations, plan assets and actuarial assumptions and the estimates applicable at the end of the financial year are designated as actuarial gains and losses and recognized directly in equity as at the balance sheet date in the item "Remeasurement of the net pension obligation".

(iv) Revaluation reserve

The revaluation reserve contains shares in the other comprehensive income of companies accounted for using the equity method.

(v) Differences from currency translation

The differences from currency translation amounting to EUR 166.5 million (2023: EUR 107.8 million) include all cumulative currency differences from the translation of foreign operations, primarily at ALTANA.

(vi) Other equity items

Other equity items amounting to EUR -9.9 million (2023: EUR -3.6 million) relate to the reserve for transactions with non-controlling interests.

(vii) Non-controlling interests

Non-controlling interests accounted for a profit share of EUR 2.4 million in the 2024 financial year (2023: EUR 4.2 million). A dividend of EUR 0.1 million (2023: EUR 0.1 million) was paid out to them. This is mainly attributable to ELANTAS Beck India Ltd. and Von Roll.

The following table contains financial information on the Group companies ELANTAS Beck India and, as far as 2023 is concerned, also Von Roll, whereby the figures in each case relate to 100% and not to the Group share.

in thousands of euros	**31.12.2024**	31.12.2023
Assets	114.592	471.961
Non-current assets	28.021	201.755
Current assets	86.571	270.205
Liabilities	16.853	79.442
Non-current liabilities	3.523	31.494
Current liabilities	13.330	47.946
Sales revenue	82.322	129.687
Earnings after taxes (EAT)	12.514	7.590

The companies' cash and cash equivalents amounted to EUR 0.7 million as at December 31, 2024 (2023: EUR 91.2 million). At the end of the reporting period, the non-controlling interests in ELANTAS Beck India amounted to 25.0% of the shares, as in the previous year, and 0.0% (2023: 1.5%) of the shares in Von Roll.

(i) Additional disclosures on capital management

The capital management of SKion GmbH and the Group companies comprises the management of cash and cash equivalents, current financial assets and securities, equity and debt. The primary objective is to optimize the provision of financial resources throughout the Group, whereby ALTANA has its own capital management, as do the main companies in the SKion Water division. Essentially, the operating companies of SKion finance the company's activities from current operating cash inflows. Additional borrowing requirements are covered by borrowing funds.

Capital management is monitored via implemented processes and the controls anchored therein.

In 2021, a new syndicated credit line of EUR 250.0 million with a minimum term until 2026 was issued by an international banking syndicate at ALTANA. In the 2023 financial year, the term was extended until 2028. In addition, ALTANA has received a loan commitment from the European Investment Bank (EIB) for 2021 and 2022, under which up to EUR 250.0 million can be used for the development of climate-friendly, digital and sustainable products. In the 2022 financial year, the drawdown period was extended by one year until December 21, 2023. In the 2022 and 2023 financial years, four tranches of EUR 50.0 million each and one tranche of EUR 10.0 million were drawn.

On November 21, 2023, ALTANA took out a promissory note loan of EUR 180.0 million with a minimum term until 2026.

(o) Financial liabilities

in thousands of euros	Long-term Financial liabilities	**31.12.2024** Short-term Financial liabilities	Long-term Financial liabilities	31.12.2023 Short-term Financial liabilities
Liabilities to Credit institutions	240.590	45.925	261.954	31.640
Liabilities to Shareholders	-	-	-	-
Other loan liabilities	-	-	392	289
Promissory note loan	180.000	854	181.430	991
Mortgage debt	-	6.867	7.002	1.489
Leasing obligations	109.583	28.336	99.669	23.668
Other	3.288	9.699	9.201	100
	533.461	**91.681**	**559.648**	**58.177**

At the end of 2024, bank liabilities included EUR 47.4 million (2023: EUR 59.6 million) in foreign currencies, mainly in US dollars, Canadian dollars, Swiss francs and Swedish krona.

The Ovivo Group also has credit lines of around EUR 261 million, which can be utilized either for borrowing or as letters of credit. As at December 31, 2024, they had been utilized in the amount of around EUR 70 million. The largest lines in terms of value have a minimum term until 2026.

Ovivo Group companies have granted first-ranking, general global collateral on all their current and future assets for loans utilized by Ovivo in the amount of EUR 18.9 million. The recognized value of these assets, excluding goodwill, amounts to EUR 315.4 million, of which approximately two thirds is attributable to trade receivables and contract assets.

Enviro and Eliquo have further credit lines totaling EUR 22.0 million, which were utilized as of the balance sheet date.
December 31, 2024 in the amount of EUR 6.6 million were utilized.

ALTANA uses various financing instruments to finance general corporate purposes. In November 2023, a promissory note loan of EUR 180.0 million was taken out. As of the reporting date, ALTANA had a syndicated credit line of EUR 250 million issued by eight banks, which had not been utilized as of December 31, 2024. In addition, ALTANA has entered into a loan agreement with the EIB for EUR 250.0 million (2023: EUR 250.0 million), of which EUR 197.5 million (2023: EUR 202.5 million) had been drawn as of December 31, 2024. The interest benefit of EUR 8.9 million (2023: EUR 11.1 million), which results from the difference between the standard market interest rate and the contractually agreed interest rate, is reported under other liabilities (see item 5(r)). The remaining nominal amount of EUR 188.6 million (2023: EUR 191.4 million) is included in liabilities to banks. As of December 31, 2024, ALTANA also had further, largely unused credit lines totaling EUR 8.4 million (2023: EUR 10.7 million). With the exception of the EIB financing, the credit terms are standard market terms and there is no material collateralization.

The item "Other" includes a loan of EUR 9.5 million (USD 9.0 million) that ALTANA received from a US investment fund.

As at December 31, 2024 and 2023, the total debt due in the next five years and later is as follows

in thousands of euros		Due in 1 year	Due in 2 to 5 years	Due in >5 years	Total
Liabilities to Credit institutions	**31.12.2024**	45.925	210.440	30.150	**286.515**
	31.12.2023	31.641	191.657	70.296	293.594
Promissory note loan	**31.12.2024**	854	140.000	40.000	**180.854**
	31.12.2023	991	141.430	40.000	182.421
Other	**31.12.2024**	16.566	3.288	-	**19.854**
	31.12.2023	1.877	7.636	8.960	18.473
Total	**31.12.2024**	63.345	353.728	70.150	**487.223**
	31.12.2023	34.509	340.723	119.256	494.488
Leasing obligations	**31.12.2024**				**137.919**
	31.12.2023				123.337
Financial liabilities Total	**31.12.2024**				**625.142**
	31.12.2023				617.825

The maturities of the lease obligations are shown below:

In thousands of euros	**31.12.2024**	31.12.2023
Due in 1 year	33.224	26.427
Due in 2 to 5 years	70.184	62.513
Due in> 5 years	58.081	54.623
Total leasing obligations	**161.489**	**143.563**
Less included interest portion	23.570	20.226
Present value of lease obligations	**137.919**	**123.337**
Less current portion	28.336	23.668
Long-term leasing obligations	**109.583**	**99.669**

The cash outflow from leases amounted to EUR 35.0 million in the 2024 financial year.

Possible future cash outflows of EUR 0.5 million (2023: EUR 0.5 million) were not included in the lease obligations, as it is not sufficiently certain that the corresponding lease agreements will be extended (or not terminated).

Variable lease payments that are not reflected in the lease obligations amount to EUR 4.2 million (2023: EUR 4.7 million).

Future cash outflows of EUR 2.2 million (2023: EUR 1.0 million) will result from leases that SKion has entered into as lessee but which have not yet commenced.

The following table shows the financial liabilities, taking into account cash and non-cash changes within the 2024 financial year.

in thousands of euros	**Liabilities opposite Credit institutions**	**Promissory bill loan**	**Leasing obligations**	**Other**	**Total**
Balance at 31.12.2023	**293.594**	**182.421**	**123.337**	**18.473**	**617.825**
cash-effective me changes within the Financial liabilities opportunities	-49.174	-8.722	-30.867	-187	-88.950
Acquisitions	33.298	-	3.239	0	36.537
non-payment effective changes changes	-	-	-	-	-
Currency conversion	1.860	-	1.093	562	3.515
invoices	-1.530	-1.430	-	2.960	0
Reclassifications	-	-	3.150	-273	2.877
Amendment of the Fair Values	-	-	-		
Maturity changes	-	-	36.246	-	-
Leasing				-	36.246
Transfer to Liabilities together connection with the Disposal held Assets and sales ration groups	-	-	-492	-	-492
Other	8.468	8.585	2.212	-1.680	17.584
Balance at 31.12.2024	**286.515**	**180.854**	**137.919**	**19.854**	**625.142**

The following table shows the cash and non-cash changes in the previous year:

in thousands of euros	**Liabilities liabilities Credit institutions**	**Promissory bill loans**	**Lease obligations**	**Other**	**Total**
Balance at 31.12.2022	**255.508**	**-**	**87.212**	**26.916**	**369.636**
cash-effective me changes within the Financial liabilities opportunities	40.619	181.430	-19.282	-8.374	194.393
Acquisitions	32	-	16.948	434	17.414
non-payment effective changes changes					
Currency conversion invoices	-1.754	-	-829	-323	-2.906
Amendment of the Fair Values	-	-	-	411	411
Maturity changes	-	-	35.619	-	-
Leasing	-811	991	3.669		35.619
Other	**293.594**	**182.421**	**123.337**	-591	3.258
Balance at 31.12.2023				**18.473**	**617.825**

(p) Provisions for pensions and similar obligations

As at December 31, 2024, the SKion Group had defined benefit pension obligations of EUR 649.9 million (2023: EUR 608.2 million). Of this amount, a present value o f EUR 610.6 million (2023: EUR 571.3 million) is attributable to ALTANA and EUR 39.3 million (2023: EUR 36.9 million) to
on the SKion Water.

In the following, reference is made to the pension schemes of ALTANA and SKion Water that are significant for the Group. The pension plans at ALTANA are both defined contribution and defined benefit plans.

Defined benefit pension plans

The defined benefit obligations are based on provision- and fund-financed pension schemes, of which around 56% are attributable to obligations in Germany. They are distributed among the individual countries as follows:

in thousands of euros	**31.12.2024**	31.12.2023
Germany	361.261	337.562
USA	16.814	14.567
Great Britain	15.071	15.678
Switzerland	244.960	228.500
Austria	626	660
Other	11.155	11.246
Projected benefit obligation	**649.887**	**608.213**

Domestic plans:

Certain ALTANA managers in Germany are entitled to a final pension. This is determined on an individual basis and is payable for life after reaching the age of 65, when the early retirement age in the statutory pension insurance scheme is reached or in the event of disability. There is also an entitlement to a surviving dependants' pension. As part of the pension scheme for other domestic employees who joined the company before January 1, 2010, there are pension plans that also include retirement, invalidity and surviving dependants' benefits. These are essentially based on a salary-related benchmark model dependent on length of service with payment of a lifelong pension from the age of 65. For commitments from January 1, 1999, an annual increase in current benefits of 1 % has been agreed; for commitments prior to this, an inflation adjustment is provided for in accordance with Section 16 BetrAVG. For ALTANA, the risk essentially lies in the development of life expectancy and inflation, as the benefits from these pension plans are lifelong pension benefits.

For all new entrants after December 31, 2009, there is a pension plan (ALTANA Vorsorgekapi- tal / AVK), which is essentially based on a capital commitment. The employer contributions are invested by ALTANA in external investment funds until they are paid out. ALTANA also offers its employees an employee-financed deferred compensation plan (Altersvorsorge-Aktiv mit ALTANA / AAA), which is increased by employer contributions if necessary. As with the AVK, the contributions are invested in external investment funds until they are paid out. The AVK and AAA pension plans essentially have the same features. ALTANA offers two models: A pension-oriented concept in which the company guarantees a minimum interest rate equal to the actuarial interest rate for life insurance policies of 0.25 % as of December 31, 2024 on the contributions paid, and an equity-oriented model in which ALTANA promises to maintain the contributions paid, but without an additional interest guarantee. The entitlements from the AVK and AAA pension plans are linked to the performance of the fund assets, which leads to a reduction in the overall entrepreneurial risk. The remaining risk at ALTANA is that the fund performance does not cover the guaranteed minimum interest rate or capital preservation.

In addition, some German companies have a company pension scheme based on various regulations and company agreements. There are also individual pension solutions for senior executives. The main pension plans are financed directly by the employer and are not backed by plan assets. The Company Pensions Act must be observed for pension benefits.

Foreign plans:

In Switzerland, ALTANA maintains four different pension plans for its employees in two pension funds and two separate pension foundations. The pension benefits are essentially based on retirement assets, which grow through annual retirement credits and interest. At the time of retirement, insured persons can choose between a lifelong pension or a partial lump-sum withdrawal. In addition to retirement benefits, the pension benefits also include disability, partner and child pensions. On leaving the company, the vested benefits are transferred to the pension fund of the new employer or to a vested benefits institution. When determining the benefits, the minimum provisions of the Occupational Retirement, Survivors' and Disability Pension Act (BVG) and its implementing provisions must be observed. The Swiss pension plan grants employees and their dependants benefits on retirement, in the event of disability and in the event of death. All benefits are fully reinsured with Swiss Life Ltd. The technical administration and management of the accrued benefits are guaranteed by Swiss Life on behalf of the collective foundation. The insurance benefits are paid directly by Swiss Life to the beneficiaries in the name and for the account of the collective foundation. Ovivo Switzerland AG has undertaken to pay the annual amounts and the costs owed in accordance with the pension fund regulations. It is not necessary to carry out an actuarial valuation for this pension plan, as the plan is insured.

In the USA, there are essentially two defined benefit plans that are financed via funds, as well as an additional defined benefit plan for senior executives that is financed via provisions. These plans provide pension benefits on retirement and are closed to new entrants. Since the closure of the two fund-financed plans, future years of service no longer lead to further benefits from these plans. The two closed defined benefit plans were settled by means of an actuarial funding from the plan assets in the amount of EUR 12.4 million as at August 30, 2023, which means that no further contributions will be paid into the plans. In this context, the overfunded plan assets in the amount of EUR 4.7 million were reclassified to assets and will be used for other pension benefits in the coming years.

As part of the acquisition of Von Roll, a further pension plan was also acquired, which is financed by the employer and employees via a foundation. At the time of retirement, the pension benefits are paid out in the form of a lifelong pension. The insured person has the option of drawing the pension benefit as a lump sum. There are minimum funding requirements that must be observed. This pension plan is generally backed by plan assets, but is underfunded.

The UK pension plan grants employees and their dependants benefits on retirement and in the event of death. The plan, which is legally and economically separate from the employer, is established by a trust deed. Under current pension law, the administrator of the plan is a pension committee. This is responsible for the management of the assets, the investment policy, which defines the investment objectives, the target portfolio structure, the risk mitigation strategy and other elements required under pension law. The scheme is registered in Her Majesty's Revenue and Customs under Chapter 2 of the Finance Act 2004 and the members are contracted out of the earnings-related part of the UK State Pension Arrangements. It is a defined benefit plan. The plan was closed to new members on March 31, 2003 and to future accrual of benefits on March 31, 2012. Actuarial valuations are required at least every three years. The effective date of the last actuarial valuation was April 1, 2023.

The development of company pension obligations, similar obligations and pension provisions is shown in the following tables.

The decrease in pension obligations in the 2024 financial year is mainly due to the changes in the financial assumptions, the positive market development of the assets spun off as plan assets and the change in the effect due to the asset ceiling.

			31.12.2024			31.12.2023
In thousands of euros	Domestic	Abroad	Total	Domestic	Abroad	Total
Present value of the fund-financed defined benefit plans Commitments	209.482	248.383	457.865	174.287	231.723	406.010
Market value of plan assets	190.997	284.039	475.036	163.342	269.607	432.949
Financing status	**18.485**	**-35.656**	**-17.171**	**10.945**	**-37.884**	**-26.939**
Present value of unfunded defined benefit obligations	188.844	3.179	192.023	198.298	3.905	202.203
Net debt of the Defined benefit obligations	**207.329**	**-32.476**	**174.853**	**209.243**	**-33.979**	**175.264**
Effect due to the limitation of the asset	-	32.431	32.431	-	36.604	36.604
Other long-term Assets	-	7.340	7.340	-	8.482	8.482
Pension provision	**207.329**	**7.295**	**214.624**	**209.243**	**11.107**	**220.350**
Provisions for obligations similar to pensions	**-**	**198**	**198**	-	178	178
Balance sheet disclosure	**207.329**	**7.493**	**214.822**	**209.243**	**11.285**	**220.528**

in thousands of euros	Present value of the obligation	Market value of plan assets	Total	Plan assets with disclosure under other non-current assets value	Effect due to the limitation of the asset value	Total
Balance as at 01.01.2024	**608.213**	**-432.949**	**175.264**	**8.482**	**36.604**	**220.350**
Changes to the Scope of consolidation	-	-	-	-	-	-
Service cost						
Current	15.507	-	15.507	-	-	15.507
Subsequent	-767	-	-767	-	-	-767
Effects from settlements	-	-	0	-	-	-
Interest expense/(income)	17.382	-10.286	7.096	-	534	7.630
Plan administration costs	0	188	188	-	-	188
	32.122	**-10.098**	**22.024**	**-**	**534**	**22.558**
Valuation changes						
Income from plan assets excluding amounts already recognized in interest income	-	-30.803	-30.803	-	-	-30.803
Gains/losses from the change in demographic assumptions	-1.923	-	-1.923	-	-	-1.923
Gains/losses from changes in financial assumptions	12.448	-	12.448	-	-	12.448
Experience gains/losses	23.849	-	23.849	-	-	23.849
Change in the limitation of Assets without in Amounts recognized as interest expense	-157	-	-157	-	-4.072	-4.229
	34.217	**-30.803**	**3.414**	**-**	**-4.072**	**-658**
Effect of currency differences	-1.837	3.131	1.294	-	-634	660
Contributions:	-	-	-	-	-	-
Employer	-	-14.472	-14.472	-	-	-14.472
Beneficiaries of the pension plan	7.867	-7.867	-	-	-	-
Pension payments	-24.470	17.687	-6.783	-	-	-6.783
Changes in the scope of consolidation	-	-	-	-	-	-
Reclassification to assets held for sale and disposal groups	-6.077	185	-5.892	-	-	-5.892
Other	-147	150	3	-1.142	-	-1.139
Balance as at 31.12.2024	**649.888**	**-475.036**	**174.852**	**7.340**	**32.432**	**214.624**

	Present value of the obligation	Market value of the plan assets gens	Total	Plan assets with disclosure under other non-current assets value	Effect due to the limitation of the asset value	Total.
Balance as of 01.01.2023	**379.472**	**-195.367**	**184.105**	**-**	**-**	**184.105**
Changes to the Scope of consolidation	**266**	**-**	**266**	**-**	**-**	**266**
Service cost						
Current	12.797	-	12.797	-	-	12.797
Past service cost	-966	-	-966	-	-	-966
Effects from settlements	254	-	254	-	-	254
Interest expense/(income)	15.814	-8.365	7.449	-	204	7.653
Plan administration costs	0	439	439	-	-	439
	28.165	**-7.926**	**20.239**	**-**	**204**	**20.443**
Valuation changes				-		
Income from plan assets excluding amounts already recognized in interest income	-	-10.647	-10.647	-	-	-10.647
Gains/losses from the change in demographic assumptions	-505	-	-505	-	-	-505
Gains/losses from changes in financial assumptions	26.932	-	26.932	-	-	26.932
Experience gains/losses	5.232	-	5.232	-	-	5.232
Change in the limitation of Assets without in Amounts recognized as interest expense	-	-	-	-	-6.248	-6.248
	31.659	**-10.647**	**21.012**	**-**	**-6.248**	**14.764**
Effect of currency differences	9.240	-10.818	-1.578	-	1.518	-60
Contributions:						
Employer	-202	-12.033	-12.235	-	-	-12.235
Beneficiaries of the pension plan	5.964	-5.964	-	-	-	-
Pension payments	-19.953	13.905	-6.048	-	-	-6.048
Settlements	-12.383	12.383	-	-	-	-
Changes in the scope of consolidation	186.378	-221.325	-34.947	-	41.130	6.183
Miscellaneous	-127	4.843	4.716	8.482	-	13.198
Balance as at 31.12.2023	**608.213**	**-432.949**	**175.264**	**8.482**	**36.604**	**220.350**

The following table shows the main underlying actuarial assumptions for the pension plans:

	31.12.2024				
	German Plans	American Plans	British Plans	Swiss Plans	Austrian Plans
Discount rate	3,6 %	5,3 %	5,6 %	0,9-1,1 %	3,3 %
Pension trend	2,0 %	n/a	3,7 %	0,0 %	n/a

	31.12.2023				
	German Plans	American Plans	British Plans	Swiss Plans	Austrian Plans
Discount rate	3,6 %	5,0 %	4,8 %	1,6 %	3,95 %
Pension trend	2,0 %	n/a	3,6 %	0,0 %	n/a

As in the previous year, the discount rate for pension and similar obligations is determined on the basis of the "Mercer Yield Curve Approach".

With regard to life expectancy in Germany, the "2018 G mortality tables" developed by Prof. Dr. Klaus Heubeck remain unchanged from the previous year.

For America, the "US generation tables PRI2012" are applied with corresponding updated adjustments and projections.

In Switzerland, the "BVG 2020G" with corresponding updated adjustments and projections are applied.

The following table shows how the present value of the defined benefit obligation would change as a result of changes in the relevant actuarial assumptions. The other assumptions remain unchanged compared to the original calculation, i.e. no possible correlation effects were taken into account. For the domestic plans, it is assumed that life expectancy is extended or shortened by one year for persons aged exactly 65. A corresponding adjustment is made for younger and older people, i.e. the change in life expectancy of younger people is greater than one year and that of older people is less than one year. The Swiss and American plans assume an age-independent shift in the life expectancy of employees as at the valuation date.

			31.12.2024		31.12.2023	
	Change in the insurance mathematical assumptions	Performance-oriented Commitment in TEUR	Effect on the defined benefit plan Commitment Change in %		Performance-oriented commitment in TEUR	Effect on the defined benefit plan Commitment Changes ration in %
Present value of the obligation1		636.497	-		570.338	-
Discount rate	Increase of 0.5 percentage points	607.190	-4,6 %		547.038	-4,1 %
	Reduction of 0.5 percentage points	669.180	5,1 %		595.884	4,5 %
Pension trend	Increase of 0.5 percentage points	652.393	2,5 %		578.518	1,4 %
	Reduction of 0.5 percentage points	622.874	-2,1 %		563.835	-1,1 %
Life expectancy2	Increase by 1 year	650.103	2,1 %		577.052	1,2 %
	Decrease by 1 year	622.803	-2,2 %		563.582	-1,2 %

[1] Present value of the obligation of the German, Swiss and American plans from ALTANA and the present value of Ovivo as a significant part of SKion Water using the actuarial assumptions in the table above.

[2] Change exclusively on the basis of the German, Swiss and American plans from ALTANA at constant present value from Ovivo.

The fair value of the plan assets is allocated to the following asset classes:

			31.12.2024			31.12.2023
in thousands of euros	Market price quotation in an active Market	No market price quotation in an active Market	**Total**	Market price quotation in an active Market	No market price quotation in an active Market	**Total**
Mixed funds	154.164	-	**154.164**	128.797	-	**128.797**
Bonds	95.472	-	**95.472**	89.600	-	**89.600**
Shares	15.186	-	**15.186**	11.194	-	**11.194**
Equity funds	93.476	-	**93.476**	87.263	-	**87.263**
Money market funds	10.134	-	**10.134**	9.852	-	**9.852**
Cash and cash equivalents	5.022	-	**5.022**	4.640	-	**4.640**
Insurances	-	22.121	**22.121**	-	21.099	**21.099**
Other	51.675	27.786	**79.461**	6.781	73.723	**80.504**
Fair value of the plan assets	425.129	49.907	**475.036**	**338.127**	**94.822**	**432.949**

The domestic plan assets consist primarily of money market and mixed funds, while the foreign plan assets mainly comprise equity funds, shares, bonds and insurance policies.

The aim of investments in plan assets is to secure the future cash outflows expected from pension obligations by generating long-term income from the investment portfolio. Accordingly, the composition of the invested plan assets is geared towards the sustainability of income, which is to be generated on the one hand by increasing the value of the investments and on the other by continuous distributions.

An actual gain on plan assets of EUR 40.9 million was recognized in the 2024 financial year (2023: EUR 18.6 million).

The plan assets not offset as at December 31, 2024 amounted to EUR 7.3 million (2023: EUR 8.5 million)

ALTANA and SKion Water are expected to make pension payments to employees of EUR 20.3 million in the following financial year (2024: EUR 23.4 million). These are offset by expected payments from plan assets in the amount of EUR 17.5 million (2024: EUR 12.9 million). Employer contributions to the plan assets are expected in of EUR 14.4 million (2024: EUR 14.8 million) . The expected expenses for defined benefit plans for the 2025 financial year amount to around EUR 23.5 million (2024: EUR 22.8 million), including net interest expenses.

The weighted duration of the German, US, British, Swiss and Austrian pension obligations was 14 years as at December 31, 2024 (2023: 14 years).

Defined contribution pension schemes

Defined contribution commitments exist mainly in foreign companies. Contributions were also paid to state and private pension insurance providers in Germany and abroad on the basis of statutory provisions. The current contribution payments are reported as an expense for the respective year in the functional areas. They amounted to EUR 27.1 million in the 2024 financial year (2023: EUR 31.8 million). Once the contributions have been paid, ALTANA has no further payment obligations.

(q) Other provisions

in thousands of euros	Personnel	Marketing & Distribution	Guarantees	Other	Total
Status as of 01.01.2024	**91.782**	**27.995**	**12.110**	**88.361**	**220.248**
Additions	90.271	29.534	16.933	61.847	198.585
Accumulation of interest	300	-	310	-	610
Utilization	-58.331	-23.343	-5.171	-33.236	-120.081
Resolutions	-2.149	-1.799	-8.104	-9.009	-21.061
Rebookings	-3.335	-2.784	21.724	-27.202	-11.597
Currency changes	1.262	357	1.212	87	2.918
Changes to the scope of consolidation	36	-	-756	119	-601
Reclassification to liabilities in connection with assets held for sale and disposals of assets held for sale. ration groups	-1.534	-181	-55	-771	-2.541
Status as at 31.12.2024	**118.302**	**29.779**	**38.203**	**80.196**	**266.480**
In the long term:					
as of 31.12.2024	**31.582**	**1.926**	**16.614**	**11.930**	**62.052**
as of 31.12.2023	22.335	1.424	3.948	18.983	46.690

The personnel-related provisions include employee participation programs and bonuses. The non-current portion is mainly attributable to partial retirement models, anniversary benefits and employee participation programs.

The provisions for marketing and sales primarily relate to sales bonuses (refund liabilities from sales revenue) and commissions. The provision for sales bonuses amounted to EUR 16.1 million as at December 31, 2024 (2023: EUR 15.0 million). In the 2024 financial year, EUR 15.8 million (2023: EUR 10.5 million) was recognized in
EUR 18.5 million (2023: EUR 11.9 million) was added and EUR 1.6 million (2023: EUR 2.2 million) was released.

Provisions for warranties relate to goods delivered and services rendered. SKion expects that the current portion w i l l also be utilized in the 2025 financial year.

The item Other includes amounts for legal disputes and contributions.

(r) Other liabilities

in thousands of euros	31.12.2024 Other non-current liabilities liabilities	31.12.2024 Other current liabilities liabilities	31.12.2023 Other non-current liabilities liabilities	31.12.2023 Other current liabilities liabilities
Liabilities to the tax authorities (incl. wage tax)				
Wages and salaries Social security contributions	-	38.299	923	38.325
Employee participation programs	-	38.786	146	37.722
Credit notes to customers	-	8.841	-	8.604
Liabilities to related parties	56.327	50.798	69.524	26.824
Derivative financial instruments	-	8.105	-	12.417
Deferred income Refund liabilities	-	-	1.405	15
Contingent purchase price payments	-	11.447	4	2.001
Payment obligations Squeeze-out	10.402	5.419	11.798	3.476
Debtors with credit balances	13	1.086	-	993
Vacation and time credits	-	-	2.135	2.346
Outstanding invoices Legal	-	-	-	28.731
and consulting fees Royalties	-	476	-	5.474
Personnel costs	-	10.402	-	31.185
Advance payments received	-	49.243	-	3.260
Third party Other	-	3.263	-	14.473
Total	-	16.079	-	4.902
	-	9.082	2.135	8.597
	-	4.629	-	31.305
	5.322	30.898	1.098	5.474
	72.064	**286.853**	**87.033**	**262.158**

6. Other notes

(a) Financial instruments

(i) Valuation of financial instruments by category

The SKion Group uses various financial instruments. In accordance with the regulations on accounting for financial instruments, these can be assigned to different measurement categories depending on their type and purpose. In accordance with IFRS 9, financial assets are classified as follows: Debt instruments are classified as at amortized cost if the underlying business model has the objective of holding the financial assets for collection and payments received serve exclusively to collect interest and principal payments.

Financial instruments are classified as at fair value through profit or loss if a debt instrument cannot be measured at amortized cost due to the IFRS 9 classification criteria or if it is a derivative financial instrument outside cash flow hedge accounting or an equity instrument for which the option to recognize it in other comprehensive income (OCI option) is not exercised. Financial liabilities are recognized at amortized cost using the effective interest method.

Based on defined classes of financial instruments, the following tables show the correlations between balance sheet items, carrying amounts and fair value disclosures as at December 31, 2024 and December 31, 2020. December 31, 2023 in accordance with IFRS 9:

31.12.2024
In thousands of euros

	to continued acquisition costs	effective on the date to be applied. worth	No IFRS 9 category	Transition	Book value	Enclosed-the time worth
Non-current assets						
Financial assets	-	294.430	-	-	294.430	294.430
Shares in associated companies and joint ventures company	-	-	324.570	-	324.570	324.570
Receivables from related parties company	2.585	-	-	-	2.585	2.585
Other non-current assets	3.359	27	219	21.912	25.516	25.516
Current assets						
Receivables from deliveries and Services	826.195	-	-	-	826.195	826.195
Receivables from participations company	4.901	-	-	-	4.901	4.901
Other current assets						
- Original ver- assets	95.249	-	355	101.421	197.025	197.025
- Derivative assets	-	1.428	232	-	1.660	1.660
Current financial assets (value papers)	94.164	-	-	-	94.164	94.164
Securities	-	42.567	-	-	42.567	42.567
Cash and cash equivalents	1.134.460	-	-	-	1.134.460	1.134.460
Total	**2.160.914**	**338.453**	**325.376**	**123.333**	**2.948.074**	**2.948.074**

In thousands of euros	31.12.2023 Book value				31.12.2023 Fair value
	Financial assets at amortized cost Acquisition cost	Financial assets recognized in equity at fair value contribute ten	Safety rationing instruments in the Hedge Accounting effective to legends time value	Ac-counting income to contribute legends Time value	
Cash and cash equivalents	**757.180**	**-**	**-**	**-**	**757.180**
Current financial assets	**25.571**	**-**	**-**	**-**	**25.571**
Trade receivables:	**798.626**	**-**	**-**	**-**	**798.626**
thereof included in					
Receivables from Deliveries and services	752.333	-	-	-	752.333
Other non-current assets	5.403	-	-	-	5.403
Other current assets values	4.117	-	-	-	4.117
Other interest-bearing primary Financial assets	**42.153**	**-**	**123.602**	**-**	**165.755**
of which included in:					
Financial assets	25.905	-	123.602	-	149.507
Other non-current assets	6.588	-	-	-	6.588
Other current assets assets	9.660	-	-	-	9.660
Other non-interest-bearing non-derivative financial assets	**87.873**	**-**	**-**	**-**	**87.873**
of which contained in:					
Financial assets	-	-	-	-	-
Other non-current assets	3.198	-	-	-	3.198
Other current assets values	84.675	-	-	-	84.675
Securities and financial assets	**8.288**	**-**	**564.158**	**-**	**572.446**
of which contained in:					
Financial assets	3.802	-	37.935	-	41.737
Securities	4.486	-	526.223	-	530.709
Derivative financial assets assets					
- in hedge accounting	**-**	**-**	**-**	**653**	**653**
of which included in:					
Other non-current assets assets	-	-	-	601	601
Other current assets assets	-	-	-	52	52

In thousands of euros	31.12.2023 Book value				31.12.2023 Fair value
	Financial assets at amortized cost	Financial assets recognized in equity at fair value	Safety rationing instru-assets in the Hedge Ac-c o u n t i n g in equity effective to contribute legends time value	to contribute legends Time value	
Derivative financial instruments Assets	-	-			
- not in hedge accounting			**2.444**	**-**	**2.444**
of which contained in:	-	-			
Other non-current assets	-	-	814	-	814
Other current assets assets			1.630	-	1.630

31.12.2024 In thousands of euros	to continued acquisition costs	effective on the date to be applied. worth	No IFRS 9 Category	Reconciliation	Carrying	To be enclosed the time value
Non-current liabilities						
Current financial liabilities	423.878	-	109.583	-	533.461	552.067
Other liabilities Other liabilities	4.135	-	56.327	11.601	72.064	72.064
Current liabilities						
Kfr. financial liabilities	63.310	35	28.336	-	91.681	92.030
Liabilities LuL	414.840	-	-	-	414.840	414.840
Other current liabilities ten						
- Original liabilities	134.520	-	50.798	89.003	274.321	274.321
- Derivative liabilities	-	11.447	-	-	11.447	11.447
Total	**1.040.683**	**11.482**	**245.043**	**100.604**	**1.397.812**	**1.416.767**

in thousands of euros	31.12.2023 carrying amount				31.12.2023 To be added the fair value
	Financial liabilities			Hedging instruments in the hedge Accounting	
	for continued acquisition costs	recognized directly in equity at the Time value	effective to settle the fair value	at the time to be worth	
Liabilities from deliveries and services Services	**370.314**	**-**	**-**	**-**	**370.314**
of which included in:					
Other non-current liabilities	-	-	-	-	-
Liabilities from deliveries and services	366.069	-	-	-	366.069
Other current liabilities	4.245	-	-	-	4.245
Other interest-bearing primary financial liabilities	**513.912**	**-**	**-**	**-**	**513.912**
Liabilities					
of which contained in:					
Non-current financial liabilities	476.379	-	-	-	476.379
Current financial liabilities	37.533	-	-	-	37.533
Other current liabilities	-	-	-	-	-
Other non-interest-bearing primary financial liabilities	**187.941**	**-**	**-**	**-**	**187.941**
e liabilities					
of which contained in:					
Non-current financial liabilities	47.469	-	-	-	47.469
Current financial liabilities	-	-	-	-	-
Other non-current liabilities	-	-	-	-	-
Other current liabilities	140.472	-	-	-	140.472
Derivative financial liabilities					
- in hedge accounting	**-**	**-**	**-**	**-**	**-**
of which included in:					
Other non-current liabilities	-	-	-	-	-
Other current liabilities	-	-	-	-	-
Derivative financial liabilities					
- not in hedge accounting	**-**	**1.705**	**300**	**-**	**2.005**
of which included in:					
Other non-current liabilities	-	4	-	-	4
Other current liabilities	-	1.701	300	-	2.001

The carrying amounts of trade receivables, receivables from associated companies, other current non-derivative assets, current financial assets, cash and cash equivalents and all other current liabilities approximate their fair values due to the short remaining terms as at the balance sheet date.

The carrying amounts of securities and non-current financial assets correspond to the fair values, insofar as these could be reliably determined. In the case of listed securities and financial assets, these correspond to the market values on the balance sheet date (hierarchy level 1). As of the reporting date, ALTANA held listed financial assets at a market value of EUR 0.9 million (2023: EUR 3.2 million). These were sold on January 2, 2025. Unlisted financial assets in the amount of EUR 34.4 million (2023: EUR 34.7 million) are recognized at fair value in accordance with hierarchy level 3. There are currently no plans to sell the corresponding investments. SKion Water also has unlisted financial assets in the amount of EUR 13.7 million (2023: EUR 4.8 million), which are measured at fair value in accordance with hierarchy level 3. In addition, the SKion Group has listed financial assets in the amount of EUR 227.3 million (2023: 221.3 million), which are measured in accordance with hierarchy level 1. Other unlisted financial assets in the amount of EUR 18.0 million (2023: 144.3 million) are measured in accordance with hierarchy level 3. There are also derivative financial instruments with a positive market value of EUR 1.7 million (2023: 3.1 million) and derivative financial instruments with a negative market value of EUR 11.4 million (2023: 1.9 million), which are measured in accordance with hierarchy level 2.

The significant unobservable inputs in relation to a fair value measurement allocated to level 3 of the fair value hierarchy are as follows:

- unlisted investment funds: net asset value
- unlisted company shares:
    - Transaction prices, multipliers
    - DCF method (corporate planning, weighted average cost of capital, growth rate)

To determine the input factors, SKion uses third-party information (e.g. net asset values and relevant market data), among other things, which was taken into account when determining the fair values.

The carrying amounts of non-current financial assets measured at fair value through profit or loss previously included the loans with a conversion option to Landa described in Note 5 (d) and sold in the financial year (reported under other interest-bearing non-derivative financial assets in the previous year), which were measured in accordance with hierarchy level 3. The fair value of the hybrid instrument is determined on the one hand by the loan component and on the other by the conversion right. As this is not a listed instrument, the fair value was determined using a recognized valuation model (Monte Carlo simulation), taking into account observable and non-observable parameters. The main input parameters are the enterprise value and the discount factor used. The fair value at acquisition amounted to EUR 27.9 million at Altana. The difference of EUR 5.3 million between the fair value and the share price was deferred. As at 31 December 2023, the fair value of the hybrid instrument was EUR 28.2 million. Unrealized gains of EUR 0.3 million were reported in the financial result. The deferred amount not recognized in profit or loss amounted to EUR 5.3 million as at 31 December 2023. In addition, a further loan with a conversion option in the amount of EUR 11.6 million was issued by Altana to Landa in the 2024 financial year. Later in the financial year, both loans with conversion options were acquired by Susanne Klatten Beteiligungs GmbH (SKB) for EUR 48.9 million. The purchase price was determined using the capitalized earnings value method and income of EUR 15.7 million was realized in the financial result due to the fair value measurement. In the SKion Group, further financial instruments included in financial assets were sold to SKB for EUR 107.1 million in the 2024 financial year. Due to the measurement at fair value, income of EUR 24.3 million was realized in the financial result.

In addition, investment funds amounting to EUR 61.4 million were sold to SKB Private Equity GmbH, from the sale of which gains of EUR 16.6 million and losses of EUR 10.7 million were recognized in the financial result.

The carrying amounts of derivative financial assets and liabilities correspond to their fair values. These are generally calculated as the present value of the expected future cash inflows and outflows of the financial instruments, taking into account the credit risk, and allocated to hierarchy level 2.

The fair values of the other non-derivative financial assets and liabilities recognized at amortized cost correspond to the present values of the future cash flows. These are calculated taking into account the currency and maturity-appropriate interest rate parameters at the reporting dates (hierarchy level 2).

Share options are measured at fair value through profit or loss and are allocated to hierarchy level 3. The fair value is determined using an option pricing model, as the underlying of this option is not a listed company and there are no market-oriented volatilities or correlations. The Black-Scholes model using the Margrabe formula is used to determine the fair value.

As part of the option valuation, the enterprise value and a variable purchase price are compared. The enterprise value is calculated on the basis of planned cash flows, taking into account an assumed discount rate that corresponds to a standard market interest rate. The variable purchase price is calculated as a multiplier of a profit figure, taking into account various scenarios.

The term of the options covers a period of several years.

As at 31 December 2024 and 31 December 2023, the carrying amounts of the derivative share options and the unrealized losses recognized in the financial result are immaterial.

The following table shows a reconciliation of the financial instruments allocated to hierarchy level 3:

Financial instruments Hierarchy level 3 In thousands of euros	**01.01.2024**	**Purchases**	**Sales**	**Impairment losses**	**Consolidation circle**	**Change in the market values**	**31.12.2024**
Financial assets	190.175	6.241	-143.683	-1.938	-906	16.320	66.210

(ii) Effects in the income statement by measurement category

The net result from financial instruments by measurement category is shown below. The net financial result results from the balance of interest expenses, interest income, the result from the disposal of financial instruments, dividends received and the result from the netting of other expenses and income. In addition, changes in the fair value of derivative financial instruments that are not recognized in hedge accounting are included. The reported net financial result only includes portions that relate to financial instruments and their categories. It therefore does not include interest expenses from pension and leasing obligations, changes in fair value and interest incurred as part of hedge accounting. The net operating result includes value adjustments on trade receivables and value adjustments on financial assets.

2024	Net financial result	Net operating result	Net result
at amortized cost	8.132	-1.490	6.642
at fair value through profit or loss	-12.691	-	-12.691
Derivatives at fair value through profit or loss	-7.253	-6.873	-14.127
Total	**-11.812**	**-8.363**	**-20.175**

2023	Net financial result	Net operating result	Net result
at amortized cost	-6.788	2.655	-4.134
at fair value through profit or loss	4.582	-	4.582
Derivatives at fair value through profit or loss	4.254	104	4.358
Total	**2.047**	**2.759**	**4.806**

(iii) Management of financial risks

Liquidity risk: To ensure the SKion Group's solvency and financial flexibility at all times, a liquidity reserve is maintained in the form of cash and credit lines.

The following tables show the contractually agreed (undiscounted) interest and principal payments for non-derivative financial liabilities (for lease liabilities not included, see separate presentation under point 5 (o)) and derivative financial instruments with positive and negative fair values. All non-derivative financial liabilities and derivative financial instruments that were held on the respective balance sheet dates and for which payments had already been contractually agreed were included. The variable interest payments from the non-derivative financial instruments were calculated on the basis of the most recent interest rates applicable prior to the balance sheet date. Planned figures for future new liabilities were not taken into account. Foreign currency amounts were translated at the exchange rate on the balance sheet date. The cash flows for the currency derivatives were calculated using the respective forward exchange rates.

in thousands of euros		Due in 1 year	Due in 2 - 5 years	Due in > 5 years
Liabilities from deliveries and services	**31.12.2024**	**414.840**	**-**	**-**
	31.12.2023	370.314	-	-
Irrevocable loan commitments and other unrecognized financial obligations	**31.12.2024**	**9.243**	**-**	**-**
	31.12.2023	11.633	-	-

See section 5 (o) for information on the maturities of financial liabilities.

in thousands of euros		Due in 1 year	Due in 2 - 5 years	Due in > 5 years
Currency derivatives with a positive market value				
Cash inflow	**31.12.2024**	**32.783**	**-**	**-**
Cash outflow	**31.12.2024**	**-33.801**	**-**	**-**
Net	**31.12.2024**	**-1.018**	**–**	**-**
Cash inflow	31.12.2023	41.732	21.851	-
Cash outflow	31.12.2023	-41.017	-22.625	-
Net	31.12.2023	715	-774	-
Currency derivatives with negative market value				
Cash inflow	**31.12.2024**	**229.364**	**-**	**-**
Cash outflow	**31.12.2024**	**-238.292**	**-**	**-**
Net	**31.12.2024**	**-8.928**	**-**	**-**
Cash inflow	31.12.2023	36.252	-	-
Cash outflow	31.12.2023	-38.084	-	-
Net	31.12.2023	-1.832	-	-

Credit risk: SKion is exposed to credit risks if contractual partners fail to meet their obligations. To reduce credit risks, the SKion Group regularly analyzes the creditworthiness of significant debtors. Due to the SKion Group's global activities and diversified customer structure, there is no significant concentration of credit risk. No single customer accounts for more than 3% of sales, and the ten largest customers together account for less than 20%. Outstanding receivables are monitored on a decentralized basis in the individual companies on an ongoing basis. In the financing area, transactions are essentially only concluded with counterparties with an investment grade credit rating. In addition, rating-dependent limits are set for counterparties in the investment area depending on their membership of a deposit insurance association.

The carrying amount of all trade receivables, securities, financial assets, cash and cash equivalents and other receivables and assets represents the SKion Group's maximum credit risk. As at the reporting date, there were no significant agreements that would minimize the maximum credit risk.

IFRS 9 requires the determination of an expected credit risk for financial assets measured at amortized cost.

SKion recognizes a risk provision (expected credit loss) on trade receivables in the amount of the credit losses expected over the term, as the receivables do not contain a significant financing component.

As of December 31, 2024, other receivables and assets include notes receivable from Chinese customers of ALTANA in the amount of EUR 73.7 million (2023: EUR 73.1 million), for which a risk provision of EUR 0.2 million (2023: EUR 0.3 million) was recognized. Due to the low credit risk, ALTANA makes use of the simplification rule: The expected credit loss is determined on the basis of the expected loss within 12 months ("low credit risk assets").

As at the reporting date, there were no significant agreements that reduced the maximum credit risk and there were no financial assets that already had an impaired credit rating when they were acquired or originated.

Market risk

Price risk: The SKion Group's market risk depends on the volatility of the securities held. If the price of the securities held in the respective year were 3% higher or lower, the result would change as follows:

		Effect on earnings of price changes	
		Price change	
in thousands of euros		3 %	-3 %
Stock corporations / funds	**31.12.2024**	**8.637**	**-8.637**
	31.12.2023	15.921	-15.921

Currency risk: As an internationally active group, SKion is exposed to foreign currency risks. Currency risks arise from financial instruments that are denominated in a currency other than the functional currency and are of a monetary nature. Translation-related risks from the inclusion of foreign subsidiaries in the consolidated financial statements (translation risks) are not taken into account. The hedging measures used by the SKion Group to hedge the currency risk are explained in the "Hedging measures" section.

The main currency risks arise from exchange rate fluctuations in the currencies USD, GBP, CHF, CNY, JPY, MXN, against the EUR.

The following table summarizes the effects of a 10 % fluctuation in the exchange rate on earnings:

in thousands of euros		Impact on earnings Course + 10 %	 Course - 10 %
US dollar (USD)			
Derivatives	**31.12.2024**	**4.911**	**-4.911**
	31.12.2023	-2.038	2.038
Other financial instruments	**31.12.2024**	**-13.959**	**13.959**
	31.12.2023	-5.363	5.363
Total	**31.12.2024**	**-9.048**	**9.048**
	31.12.2023	-7.401	7.401
Japanese yen (JPY)			
Derivatives	**31.12.2024**	**836**	**-836**
	31.12.2023	1.127	-1.127
Other financial instruments	**31.12.2024**	**-889**	**889**
	31.12.2023	-1.181	1.181
Total	**31.12.2024**	**-53**	**53**
	31.12.2023	-54	54
British pound (GBP)			
Derivatives	**31.12.2024**	**-67**	**67**
	31.12.2023	308	-308
Other financial instruments	**31.12.2024**	**-**	**-**
	31.12.2023	5	-5
Total	**31.12.2024**	**-67**	**67**
	31.12.2023	312	-312
Euro (EUR)			
Derivatives	**31.12.2024**	**-6.289**	**6.289**
	31.12.2023	-2.339	2.339
Other financial instruments	**31.12.2024**	**-262**	**262**
	31.12.2023	-1.645	1.645
Total	**31.12.2024**	**-6.551**	**6.551**
	31.12.2023	-3.983	3.983
Swiss franc (CHF)			
Derivatives	**31.12.2024**	**-7.539**	**7.539**
	31.12.2023	-907	907
Other financial instruments	**31.12.2024**	**10.424**	**-10.424**
	31.12.2023	6.163	-6.163
Total	**31.12.2024**	**2.885**	**-2.885**
	31.12.2023	5.256	-5.256

in thousands of euros		Impact on earnings Course + 10 %	 Course - 10 %
Chinese yuan (CNY)			
Derivatives	**31.12.2024**	**2.856**	**-2.856**
	31.12.2023	2.528	-2.528
Other financial instruments	**31.12.2024**	**-5.506**	**5.506**
	31.12.2023	-4.194	4.194
Total	**31.12.2024**	**-2.650**	**2.650**
	31.12.2023	-1.666	1.666

in thousands of euros		Impact on earnings Course + 10 %	 Course - 10 %
Mexican peso (MXN)			
Derivatives	**31.12.2024**	**-**	**-**
	31.12.2023	1.457	-1.457
Other financial instruments	**31.12.2024**	**-24**	**24**
	31.12.2023	-1.738	1.738
Total	**31.12.2024**	**-24**	**24**
	31.12.2023	-281	281

Interest rate risk: The SKion Group is exposed to interest rate fluctuations. A significant proportion of interest-sensitive assets and liabilities relate to securities (money market funds) and liabilities. Insofar as these bear variable interest rates, interest rate fluctuations lead to changes in the expected cash flows and earnings contributions. In the case of fixed-interest assets and liabilities recognized at fair value through profit or loss, these interest rate fluctuations are reflected in the fair value and therefore in the income statement. This does not result in any equity effects.

The following table shows the effects on earnings from interest-bearing assets and liabilities resulting from a change in the market interest rate level of 50 basis points (bp). The sensitivity analysis was calculated on the assumption that the interest rate could also become negative.

in thousands of euros		Impact on earnings + 50 bp	 - 50 bp	Change in other own capital positions + 50 bp	 - 50 bp
Debts	**31.12.2024**	**-175**	**175**	**-**	**-**
	31.12.2023	-484	484	-	-
Other financial instruments	**31.12.2024**	**-788**	**788**	**-**	**-**
	31.12.2023	-627	627	-	-
Total	**31.12.2024**	**-963**	**963**	**-**	**-**
	31.12.2023	-1.111	1.111	-	-

(iv) Safety measures

The SKion Group has established guidelines and procedures for the risk assessment of activities with derivative financial instruments and uses derivative financial instruments economically for hedging purposes.

Forward exchange transactions: Forward exchange contracts are used to hedge foreign currency risks. Currency hedges are used for intra-Group loans and in-house bank accounts as well as receivables and liabilities recognized in the balance sheet.

At ALTANA, foreign currency positions of the Group companies are centralized through the use of in-house bank accounts. The foreign currency positions are determined on a daily basis via the ALTANA Inhouse Bank and hedged by means of foreign currency holdings and forward transactions using natural hedges. The focus here is on the main Group currencies.

Hedging relationships with application of hedge accounting

The development from the previous year's balance sheet date to the current reporting year for other comprehensive income as part of cash flow hedge accounting for foreign currency hedges is shown in the following table:

in thousands of euros	Designated components	Non-designated components
Balance as at 31.12.2023	653	-
Changes in the market value of derivative financial instruments	-421	-
Balance as at 31.12.2024	**232**	**-**

Hedging relationships without the application of hedge accounting

In addition to the hedging instruments designated in cash flow hedges, there are other derivatives that are in an economic hedging relationship but do not qualify for hedge accounting.

Hedging of contracted sales in foreign currencies: As at December 31, 2024, the SKion Group held forward exchange contracts that were not designated in hedge accounting. The fair value as at December 31, 2024 and December 31, 2023 at Ovivo is as follows

			2024			2023
Currencies (bought/sold)	Average course	Nominal value in TEUR	Fair value in TEUR	Average course	Nominal value in TEUR	Fair value in KEUR
Sales contracts						
Short term						
GBP/EUR	0,8354	14.668	132	0,9039	12.324	25
CAD/USD	1,4203	19.251	(267)	1,3312	1.672	(9)
CAD/USD	1,4203	1.679	4	1,3312	9.304	71
EUR/USD	-	-	-	0,9103	41.049	553
EUR/USD	0,9330	64.884	(1.806)	0,9103	8.134	(185)
CHF/USD	-	-	-	0,8455	23.499	358
CHF/USD	0,8435	31.654	(1.653)	-	-	-
GBP/USD	0,7946	238	(1)	-	-	-
EUR/SGD	0,7061	18.835	(27)	0,6870	2.054	(9)
EUR/SGD				0,6870	2.054	13
CAD/SGD				1,0058	3.943	7
CAD/EUR	1,4878	7.231	(43)	1,3830	-	-
CNY/EUR	7,6370	19	0	-	-	-
USD/EUR				1,0965	6.037	(57)
CNY/USD				6,9290	-	-
CAD/DKK	-	-	-	0,1963	926	(1)
CAD/DKK	4,9663	1.293	(9)	-	-	-
USD/TWD				0,0320	-	-
GBP/ZAR				0,0418	415	(10)
GBP/ZAR	0,0432	438	9	-	-	-
CAD/AUD				0,8777	130	(5)
USD/CAD				0,7344	325	(9)
USD/CAD	0,7391	10	1	-	-	-
CAD/CHF				1,5551	1.606	(21)
CAD/EUR	1,4878	645	2	1,4938	3.150	67
CNY/USD				6,9290	58	0
CAD/DKK	0,2004	1.958	6	0,1890	201	0
USD/MYR	0,2260	968	10	-	-	-

			2024			2023
Currencies (bought/sold)	Average course	Nominal value in TEUR	Fair value in TEUR	Average course	Nominal value in TEUR	Fair value in KEUR
Purchase contracts						
Short term						
CAD/GBP	0,8396	6.461	45	1,6996	1.553	2
CAD/EUR	1,4840	3.725	(11)	1,4931	34.700	(700)
GBP/EUR	0,8396	175	0	0,8769	68	0
GBP/EUR	0,8396	4.863	(70)	0,8714	2.591	(12)
USD/EUR				1,1064	1.679	46
USD/EUR	1,1092	235	(16)	1,1064	9.498	(30)
CAD/GBP	1,7948	1.508	(7)	1,6696	10.679	(87)
CAD/USD	1,4183	46.413	648	1,3300	723	4
CAD/USD	1,4183	1.437	(4)	1,3300	8.044	(46)
GBP/USD	-		-	0,7988	870	(16)
GBP/USD	0,7893	1.570	19	-	-	-
CAD/EUR	1,4840	33.671	236	-	-	-
EUR/USD	-	-	-	0,9056	611	(12)
EUR/USD	0,9100	507	28	0,9056	581	10
CNY/EUR	7,6854	28	0	7,8102	1.301	7
CNY/EUR	7,6854	272	(4)	7,8102	465	(2)
CNY/JPY	-	-	-	0,0509	107	1
CNY/JPY	-	-	-	0,0509	43	(3)
USD/JPY	-	-	-	0,0076	994	(69)
USD/JPY	-	-	-	0,0076	86	3
CNY/USD	7,2496	536	(3)	7,1885	2.555	(60)
CNY/USD	7,2496	2.020	13	7,1885	94	0
CAD/CHF	-	-	-	1,5538	17.534	251
CAD/CHF	1,5996	3.142	(28)	-	-	-
CAD/MYR	-	-	-	0,2911	1.471	(15)
SGD/EUR	1,4247	102	0	-	-	-
SGD/EUR	1,4247	101	(2)	-	-	-
SGD/USD	-	-	-	1,3482	1.137	(38)
SGD/USD	1,3187	675	19	-	-	-
CAD/SGD	1,0539	2.118	27	-	-	-
CAD/SGD	1,0539	11.721	(28)	-	-	-
CAD/AED	0,3855	261	4	-	-	-
GBP/AED	0,2147	122	2	-	-	-
DKK/CAD	5,0224	14	(0)	-	-	-
CNY/CHF	8,1100	80	(0)	-	-	-

Hedging of intragroup foreign currency positions Foreign

currency loans

In the 2024 and 2023 financial years, ALTANA AG entered into forward exchange contracts with a nominal volume of USD 721.5 million (2023: USD 213.7 million), JPY 3,000.0 million (2023: JPY 3,000.0 million), MXN 0.0 million (2023: MXN 600.0 million) and MXN 0.0 million (2023: MXN 600.0 million) to hedge intragroup foreign currency loans.
CHF 198.0 million (2023: CHF 2.0 million) were concluded as micro hedges. The changes in the fair values of these forward exchange contracts are recognized in the financial result and are not included in a hedge accounting relationship.

Receivables and liabilities in foreign currency and foreign currency balances of in-house bank accounts

In the 2024 and 2023 financial years, some natural counter-positions in the corresponding currency were created via the ALTANA Inhousebank by means of in-house bank accounts in foreign currency to hedge balance sheet foreign currency positions at subsidiaries.

For balances of balance sheet items, in particular the in-house bank accounts of ALTANA AG, which are not denominated in EUR and covered by natural counterpart positions, ALTANA AG entered into forward exchange transactions with a nominal volume of USD 126.7 million (2023: USD 187.5 million), JPY 17,037.0 million (2022: JPY 8,197.0 million), CNY (2023: USD 187.5 million), JPY 17,037.0 million (2022: JPY 8,197.0 million), CNY 4,878.4 million (2023: CNY 3,602.1 million), MXN 1,133.7 million (2023: MXN 319.0 million) and CHF 133.1 million (2023: CHF 68.5 million) as portfolio hedges. The changes in the fair value of these forward exchange contracts are recognized in the financial result.

(v) Offsetting of financial instruments

Taking into account the German master agreement for financial futures transactions, all derivatives concluded within ALTANA are subject to netting agreements, according to which netting is permitted in the event of a payment default by a contracting party. The amounts stated under trade receivables and trade payables result from credit notes granted and received.

The following table shows the actual offsetting of financial assets and financial liabilities in the balance sheet with their offsetting amounts and the potential offsetting amounts due to global netting and other agreements:

in thousands of euros		Book value gross	Offsetting amounts recognized in netted in the balance sheet become	Book value net	Potential offsetting amounts that are not included in the Balance sheet netted become	Net amount after potential netting
Receivables from Forward exchange transactions	**31.12.2024**	**189**	**-**	**189**	**44**	**145**
	31.12.2023	877	-	877	47	830
Trade receivables	**31.12.2024**	**550.098**	**1.597**	**548.501**	**-**	**548.501**
	31.12.2023	516.454	10.650	505.804	-0	505.805
Total	**31.12.2024**	**550.287**	**1.597**	**548.690**	**44**	**548.646**
	31.12.2023	517.331	10.650	506.681	47	506.635

in thousands of euros		Book value gross	Offsetting amounts recognized in netted in the balance sheet become	Book value net	Potential offsetting -amounts that are not included in the Balance sheet netted become	Net amount after potential netting
Liabilities from forward exchange transactions	**31.12.2024**	**7.431**	**-**	**7.431**	**44**	**7.387**
	31.12.2023	300	-	300	47	253
Liabilities from deliveries and services Services	**31.12.2024**	**257.926**	**302**	**257.624**	**-**	**257.624**
	31.12.2023	216.370	1.818	214.552	0	214.552
Total	**31.12.2024**	**265.357**	**302**	**265.055**	**44**	**265.011**
	31.12.2023	216.670	1.818	214.852	47	214.805

(b) Contingent liabilities and financial obligations

(i) Future payment obligations and contingent liabilities

As at the balance sheet date, the SKion Group had the following main future payment obligations:

in thousands of euros	**31.12.2024**	31.12.2023
Corporate guarantees	108.634	108.042
Purchase commitments Property, plant and equipment	36.162	48.743
Order commitments Inventories	8.491	12.657
Investment commitments for Dorsay Investment Venture (DIV)	602	995
Guarantees for pension obligations from divestments	4.738	5.157
Purchase commitments for intangible assets	5.951	2.089
Other	10.327	52.799
	174.905	**230.482**

The corporate guarantees existing as at December 31, 2024 are almost entirely attributable to Ovivo.

SKion has an investment commitment to a foreign joint arrangement and a foreign subsidiary that invest in real estate in the Greater Toronto Area over the long term totaling CAD 50.0 million, of which a total of CAD 49.1 million (2023: CAD 48.5 million) had been drawn down by these ventures by December 31, 2024. As a result, SKion still has outstanding investment commitments of CAD 0.9 million (EUR 0.6 million) at the end of the year.

The guarantees for pension obligations from divestments are attributable to ALTANA. ALTANA sold the dietetics business in 1995. Under civil law, ALTANA remains liable for the pension commitments to pensioners and former beneficiaries, as it was not the company that was sold, but only the assets and liabilities (asset deal). The company is obliged to make payments on demand by the former employees, but according to the purchase agreement has a claim for reimbursement against the purchaser of the dietetics business, who makes the payments directly. To date, no claims have been made against ALTANA.

Payment obligations of SKion GmbH to affiliated companies

The company has subscribed to limited partnership interests totaling EUR 10.0 million in domestic fund companies. As at December 31, 2024, payments totaling EUR 10.0 million had been made on the limited partnership interests. Liable capital totaling EUR 150,000.00 is attributable to SKion for funds, which has been paid in full by the company in each case. The risk of the liable capital being utilized is considered to be low.

SKion has subscribed to fund units in three foreign investment funds with a total value of EUR 24.0 million. The deposits still outstanding for this amount to around EUR 1.4 million.

SKion has granted a financing line to an associated company. This financing line had not been utilized in the amount of CHF 3.2 million as at the reporting date.

SKion has granted a financing line to an associated company. SGD 1.0 million had not been utilized under this line as of the reporting date. SKion assumes that the loan will be utilized in full.

SKion has agreed internally with an affiliated company in accordance with section 264 (3) sentence 1 no. 2 HGB to guarantee the obligations entered into by this company until December 31, 2024 in the following financial year.

As at the reporting date, SKion Water GmbH had assumed surety guarantees in the amount of EUR 5.0 million. The company does not expect the guarantee to be utilized.

(ii) Contingent receivables

A Group company has filed a coverage claim against insurance companies due to a loss event. The legal proceedings were pending as at the reporting date. A receivable was not recognized as at 31.12.2024 as the inflow of the economic benefit, which depends on the actual outcome of the ongoing proceedings, was not considered virtually certain as at the reporting date.

(c) Relationships with related companies and persons

In accordance with IAS 24, companies and persons are classified as related parties if the party directly or indirectly controls the other party, is controlled by the other party, has significant influence over the other party or is involved in joint management. IAS 24 also applies to persons who hold key positions in the company or its parent company. Close family members and companies controlled by them are also considered related parties. Associated companies, joint ventures and affiliated, non-consolidated subsidiaries must also be taken into account.

SKion's Management Board was composed as follows during the 2024 financial year Susanne

Klatten, Doctor of Science h.c., University of Buckingham

Prof. Dr. Frank Richter

Ms. Susanne Klatten (Doctor of Science h.c., Univ. Buckingham) was the sole shareholder of SKion GmbH until mid-2024. In addition to her role as Deputy Chairwoman of the Supervisory Board of ALTANA AG, she remains a shareholder and member of the Supervisory Board of Bayerische Motoren Werke AG (BMW) and the sole shareholder of SKB. She holds the position of Chairwoman of the Supervisory Board of UnternehmerTUM GmbH. She also holds a position on the Supervisory Board of SPRIN-D GmbH.

Until the end of June 2024, companies of the BMW Group in particular and SKB over the entire financial year were therefore also to be regarded as related parties of SKion.

In mid-2024, Ms. Klatten transferred >99% of the shares in SKion in equal shares to her three adult children and their associated companies SKion Primus, SKion Secundus and SKion Tertia GmbH, Munich, with <1% of the shares remaining with her. As of this date, the children and the companies listed are therefore to be classified as additional related parties of SKion.

Companies with which an investment relationship exists but which are not included in the scope of consolidation are also considered related parties, as are investments accounted for using the equity method. If transactions with these companies result in assets or liabilities, these are recognized under other assets and other liabilities.

(i) Outstanding balances with related companies and persons

in thousands of euros		Claims	Liabilities
Non-consolidated subsidiaries	31.12.2023	4.114	-
	31.12.2024	**707**	**819**
Associated companies	31.12.2023	101.600	63
	31.12.2024	**15.456**	**35**
Other related legal entities	31.12.2023	1.344	692
	31.12.2024	**21**	**269**
Total	31.12.2023	107.072	755
	31.12.2024	**16.184**	**1.123**

Claims

The decrease in receivables from related parties is mainly due to the decrease in receivables from associated companies. This is due to the sale of convertible bonds in an associated company to SKB. See also point 6.(a) i). In addition, a further convertible bond (EUR 25.0 million) of an associated company was also transferred to SKB.

Liabilities

In the 2024 financial year, there were no significant changes in liabilities to related parties compared to t h e previous year.

(ii) Transactions with related companies and persons

in thousands of euros		Other operating earnings	Related ne goods and services	Leasing expenses	Other operating expenses	Interest income	Interest expense
Affiliated, non-consolidated companies	31.12.2023	-	13	-	-	54	-
	31.12.2024	**75**	**7**	**1.444**	**-**	**128**	**-**
Associates The company	31.12.2023	55	23	457	-	6	2.378	-
	31.12.2024	**1.846**	**141**	**1.237**	**40**	**351**	**3.128**	**-**
Other Related legal entities	31.12.2023	1.198	-	4.144	3.259	8.576	1	-
	31.12.2024	**81**	**-**	**2.564**	**1.125**	**3.458**	**55**	**-**
Total	31.12.2023	1.253	36	4.601	3.259	8.582	2.433	-
	31.12.2024	**2.002**	**148**	**5.245**	**1.165**	**3.809**	**3.311**	**-**

There were no material direct transactions between Ms. Susanne Klatten and SKion in the financial year, apart from the regular remuneration for her Supervisory Board mandates. Ms. Susanne Klatten receives the statutory Supervisory Board remuneration from ALTANA.

In addition, convertible bonds from associated companies were sold to SKB at sales prices of EUR 156.1 million in the financial year, the sale of which resulted in a gain of EUR 40.0 million (see also point 6 (a) (i)). Investment funds were also sold to SKB Private Equity GmbH at sales prices of EUR 61.4 million, resulting in gains of EUR 16.6 million and losses of EUR 10.7 million.

In the fiscal years 2024 and 2023, ALTANA purchased or leased vehicles from the BMW Group. The leasing expenses relate to the leasing agreements for company cars with Alphabet Fuhrparkmanagement GmbH (BMW Group). Without exception, the corresponding purchase or lease agreements were concluded at standard market conditions. Further transactions with the BMW Group in the 2023 financial year are included in revenue in the amount of EUR 1.1 million.

The cost of purchased goods and services mainly comprises service and consulting expenses. The leasing expenses within SKion Water also relate to transactions with the BMW Group and Alphabet Fuhrparkmanagement GmbH.

The decrease in other operating expenses results from a one-off impairment of a loan with another related legal entity in the 2023 financial year.

Interest income results primarily from bonds and loans granted to associated companies.

(iii) Remuneration of management in key positions

For the 2024 reporting year, as in the previous year, in accordance with Section 314 para. 3 in conjunction with Section 286 para. § 286 para. 4 HGB, the total remuneration of the members of the executive bodies is not disclosed, as this could be used to derive the remuneration of a member of the Executive Board.

(d) List of shareholdings

2024	Capital share in %
Affiliated companies included in the consolidated financial statements	
ALTANA Aktiengesellschaft, Wesel, Germany	100
0828290 B.C. Ltd, Vancouver, Canada	100
SKion Water GmbH, Bad Homburg v. d. Höhe, Germany	100
SKion Digital Printing GmbH, Bad Homburg v. d. Höhe, Germany	100
Associated companies - valued at equity	
SGL Carbon SE, Wiesbaden, Germany	29
AVISTA OIL AG, Uetze, Germany	50
Geohumus International Research & Development GmbH, Frankfurt am Main, Germany	43
Evodos B.V., Bredan, Netherlands	43
MultiMaterial-Welding AG, Stansstad, Switzerland	48
BMZ Holding GmbH, Karlstein, Germany	26
Joint ventures - valued at equity	
Dorsay Investment Venture 2 Limited Partnership, Toronto, Canada	32

ALTANA

Due to the full consolidation of ALTANA AG, ALTANA's subsidiaries are also included in SKion's consolidated financial statements. The subsidiaries, including the shareholdings, are presented below.

2024	Capital share in %
Affiliated companies included in the consolidated financial statements	
ALTANA Chemie Beteiligungs-GmbH, Hartenstein, Germany	100
ALTANA Management Services, GmbH, Wesel, Germany	100
ALTANA Management Services Inc., Schererville, USA	100
ALTANA Management Services (Shanghai) Co, Ltd, Shanghai, China	100
ALTANA Netherlands B.V., Deventer, Netherlands	100
ALTANA Newco I GmbH, Wesel, Germany	100
ALTANA New Technologies GmbH, Wesel, Germany	100
HELIOSONIC GmbH, Wesel, Germany	100
ALTANA Vermögensverwaltungsgesellschaft mbH, Wesel, Germany	100
Mivera Vermögensanlagen GmbH, Wesel, Germany	100
BYK-Chemie GmbH, Wesel, Germany	100
BYK Japan KK, Tokyo, Japan	100
BYK Tongling Co Ltd, Tongling, China	100
BYK Additives (Shanghai) Co, Ltd, Shanghai, China	100
BYK ADDITIVES LIMITED, Widnes, United Kingdom Great Britain	100
BYK Additives Spain S.L., Almeria, Spain	100
BYK ASIA PACIFIC PTE LTD., Singapore	100
BYK Chemie de México S. de R.L. de C.V., Cuautitlán Izcalli, Mexico	100
BYK Korea LLC, Gyeonggi-do, Korea	100
BYK Netherlands B.V., Deventer, Netherlands	100
BYK USA Inc., Wallingford, USA	100
BYK-Gardner GmbH, Geretsried, Germany	100
BYK India Private Limited, Mumbai, India	100
BYK TRADING (SHANGHAI) CO., LTD., Shanghai, China	100
Weseler Grundstücksverwaltungs B.V. & Co KG, Wesel, Germany	100
ECKART America Corp., Painesville, USA	100
ECKART Asia Ltd, Hong Kong, China	100
Eckart Benelux B.V., Uden, Netherlands	100
Eckart Beteiligungs GmbH, Hartenstein, Germany	100
Eckart Finland Oy, Pori, Finland	100
ECKART France S.A.S, Saint-Ouen, France	100

2024	Capital share in %
Affiliated companies included in the consolidated financial statements	
Eckart GmbH, Hartenstein, Germany	100
ECKART ITALIA S.R.L. SOCIETA' UNIPERSONALE, Rivanazzano, Italy	100
Eckart Pigments Ky, Pori, Finland	100
Eckart Suisse SA, Vétroz, Switzerland	100
Eckart TLS GmbH, Bitterfeld-Wolfen, Germany	100
ECKART Zhuhai Co, Ltd, Zhuhai, China	100
ECKART-WERKE NEGOCIOS LTDA, São Paulo, Brazil	100
Hartensteiner Verwaltungs B.V. & Co KG, Hartenstein, Germany	100
Obron Atlantic Corp., Painesville, USA	100
SILBERLINE BRASIL LTDA, São Paulo, Brazil	100
Silberline Asia Pacific Inc. Tamaqua, Pennsylvania, USA	100
Silberline Asia Pacific Pte, Singapore	100
Silberline Manufacturing Co., Inc. Tamaqua, Pennsylvania, USA	100
Silberline Limited, Edinburgh, Scotland	100
Silberline Holding Co. Tamaqua, Pennsylvania, USA	100
Silberline Mexico LLC Tamaqua, Pennsylvania, USA	100
Silberline Pigmentos S. de R.L de C.V. San Andrés Cholula, Puebla, Mexico	100
Silberline Mauritius Limited, Port Louis, Mauritius	100
Silberline Special Effect Pigments India Private Limited, Mumbai, India	100
Silberline Pigments (Suzhou) Co, Ltd, Suzhou, China	100
Silverline Yasida Pigments (Jinan) Co., Ltd.Zhangqiu City, Shandong Province, China	100
ELANTAS GmbH, Wesel, Germany	100
ELANTAS Tongling Co, Ltd, Tongling, China	100
ELANTAS Zhuhai Co, Ltd, Zhuhai, China	100
ELANTAS Guangdong Hengqin Co. Ltd, Zhuhai, China	100
ELANTAS Beck India Ltd, Pune, India	75
ELANTAS Europe GmbH, Hamburg, Germany	100
ELANTAS EUROPE S.R.L., Collecchio, Italy	100
ELANTAS ISOLANTES ELETRICOS DO BRASIL LTDA, Cerquilho, Brazil	100
ELANTAS Malaysia Sdn Bhd, Kuala Lumpur, Malaysia	100
ELANTAS North America, Inc., St. Louis, USA	100
Von Roll Schweiz AG, Breitenbach, Switzerland	100
Von Roll (India) Pvt. Ltd, Bangalore, India	100
Von Roll Umwelttechnik Holding AG, Breitenbach, Switzerland	98
Von Roll BHU Umwelttechnik GmbH, Augsburg, Germany	100

2024	Capital share in %
Affiliated companies included in the consolidated financial statements	
Von Roll Insulation & Composites Holding AG, Breitenbach, Switzerland	100
Von Roll Deutschland Holding GmbH, Augsburg, Germany	100
Von Roll Deutschland GmbH, Augsburg, Germany	100
Von Roll Automotive GmbH, Augsburg, Germany	100
Von Roll France S.A., Meyzieu, France	100
Von Roll Italia S.r.l., Trofarello, Italy	100
Von Roll USA, Inc., Schenectady, USA	100
John C. Dolph Company, Schenectady, USA	100
Von Roll Hong Kong Holding Ltd, Hong Kong, China	100
Valdoie Mica SAS, Valdoie, France	100
Von Roll UK Ltd, Bradford, United Kingdom Great Britain	100
From Roll do Brasil Ltda, Maracanau, Brazil	100
Von Roll Asia Pte. ltd, Singapore, Singapore	100
Von Roll Shanghai Co. Ltd, Shanghai, China	100
ACTEGA GmbH, Wesel, Germany	100
ACTEGA ARTISTICA SA Unipersonal, Vigo, Spain	100
ACTEGA Canada Inc., Laval, Canada	100
ACTEGA DS GmbH, Wesel, Germany	100
ACTEGA Foshan Co, Ltd, Shunde, China	100
ACTEGA Metal Print GmbH, Lehrte, Germany	100
ACTEGA North America Inc., Cinnaminson, USA	100
ACTEGA North America Technologies Inc., East Providence, USA	100
ACTEGA do Brasil Tintas e Vernizes Ltda, Araçariguama, Brazil	100
ACTEGA RHENACOAT SAS, Sedan, France	100
ACTEGA Rhenania GmbH, Wesel, Germany	100
ACTEGA Schmid Rhyner AG, Adliswil, Switzerland	100
Schmid Rhyner Sales AG, Adliswil, Switzerland	100
ACTEGA Terra Chile Ltda, Santiago de Chile, Chile	100
ACTEGA Terra GmbH, Wesel, Germany	100

2024	Capital share in %
Affiliated companies that are not included in the consolidated financial statements	
ALTANA Future GmbH, Wesel, Germany	100
ELANTAS New York Inc., Olean, USA	100
Epoxylite Corporation, St. Louis, USA	100
BHU Tehnologii Pentru Mediu SRL Piatra Neamt, Bucharest, Romania	100
Von Roll USA Holding, Inc., Schenectady, USA	100
Silberline GmbH, Berlin, Germany	100
New Jadwson Electrical Material Shenzhen Co, Ltd, Shenzhen, China	100
ACTEGA India Private Limited, Pune, India	100
ACTEGA EcoPaint South East Asia Ltd.	100
Associated companies - valued at equity	
Aldoro Industria de pos e Pigmentos Metálicos Ltda, São Paulo, Brazil	39
Landa Corporation Ltd., Rehovot, Israel; (of which 16.51% held by SKion Digital Printing)	46
Other companies - recognized as financial assets	
Metapol S.A. de C.V., San Cosme Xalostoc, Mexico	49
Seedamm-Versicherungs-Vermittlungs GmbH, Bad Homburg v. d. Höhe, Germany	50
Taunus Treuhandgesellschaft m.b.H. Steuerberatungsgesellschaft, Bad Homburg v. d. Höhe, Germany	45
"Transalpina" Unternehmung für Industriebedarf Gesellschaft m.b.H., Vienna, Austria	20

SKion Water

Due to the full consolidation of SKion Water GmbH, Bad Homburg v. d. Höhe, the subsidiaries of SKion Water are also included in SKion's consolidated financial statements. The subsidiaries, including the shareholdings, are presented below.

2024	Capital share in %
Affiliated companies included in the consolidated financial statements	
SKion Water International GmbH, Bad Homburg v. d. Höhe, Germany	100
ADASA Sistemas S.A.U., Barcelona, Spain	100
SKion Water USA Inc, Wilmington, USA	100
SKion Water Chile SpA, Santiago de Chile, Chile	100
Ecopreneur Chile S.A., Las Condes, Chile	92
Ecopreneur Peru S.A.C., Lima, Peru	73
inCTRL Solutions Inc., Dundas, Ontario, Canada	94
inCTRL Solutions Corp., Cottonwoods Heights, USA	94
inCTRL Solutions Corp., Birmingham, United Kingdom Great Britain	94
Enpure Ltd, Birmingham, United Kingdom Great Britain	100
SKion Water MENA GmbH, Bad Homburg v. d. Höhe, Germany	100
SouthWestSensor Ltd, Southampton, United Kingdom Great Britain	75
VIGAflow S.A., Colina, Chile	87
Ecopreneur S.A.S, Bogota, Colombia	78
DLK Technologies SA, Le Locle, Switzerland	100
EnviroChemie GmbH, Roßdorf, Germany	100
EnviroChemie AG, Eschenbach, Switzerland	100
ENVIRO-CHEMIE B.V., Haarlem, Netherlands	100
ENVIRO-CHEMIE Ges.m.b.H., Villach, Austria	100
EnviroChemie Polska SP.z.o.o., Warsaw, Poland	100
OOO ENVIRO-CHEMIE GmbH, Ekaterinburg, Russia	100
EnviroDTS GmbH, Friedberg, Germany	100
EnviroFALK GmbH, Westerburg, Germany	100
EnviroChemie Bulgaria EOOD, Sofia, Bulgaria	100
EnviroFALK AG, Cham, Switzerland	100

2024	Capital share in %
Affiliated companies included in the consolidated financial statements	
EnviroFALK PharmaWaterSystems GmbH, Leverkusen, Germany	100
EnviroFALK Wassertechnologie GmbH, Seevetal, Germany	100
EnviroChemie Maghreb S.A.R.L., Kenitra, Morocco	100
EnviroChemie UK Ltd, Bracknell Berkshire, United Kingdom Great Britain	100
EnviroWater Nordic AB, Kungsbacka, Sweden (previously: Processing Gruppen AB)	100
EnviroProcess Sweden AB, Kungsbacka, Sweden	100
EnviroProcess Norway AS, Billingstad, Norway	100
EnviroProcess Denmark AS, Odder, Denmark	100
EnviroProcess Finland OY, Kerava, Finland	90
Hauser+ Walz GmbH, Flaach, Switzerland	100
ProWaTech AG, Flaach, Switzerland	100
Schweitzer-Chemie GmbH, Freiberg am Neckar, Germany	100
TS Wassertechnik Tempel & Scholz GmbH, Gifhorn, Germany	76
Industrial Water Management Limited, Dublin, Ireland	100
Innowac GmbH Innovative Wasser Chemie, Ratingen, Germany	100
OSIRIS Water Management Ltd, Lingfield, United Kingdom Great Britain	100
OZONE.CH Sàrl, Le Locle, Switzerland	100
OZONE.CH France Sàrl, Annemasse, France	100
Greencastle Technology Ltd, Dublin, Ireland	100
ENWA Water Technology AB, Hisings Backa, Sweden	100
ENWA Water Technology AS, Sandefjord, Norway	100
Pahlén International AS, Skien, Norway	100
Eliquo Water Group GmbH, Bad Homburg v. d. Höhe, Germany	100
Eliquo Water Deutschland GmbH, Bad Homburg v. d. Höhe, Germany	100
Eliquo KGStulz GmbH (previously: Eliquo Stulz GmbH), Grafenhausen, Germany	100
Eliquo Technologies GmbH, Grafenhausen, Germany	100
Eliquo Water & Energy B.V., Barneveld, Netherlands	100
Eliquo Stulz Luxembourg Sàrl, Biwer, Luxembourg	100

2024	Capital share in %
Affiliated companies included in the consolidated financial statements	
Eliquo PMI AS, Norway	100
ENWA AS, Sandefjord, Norway	100
ENWA AB, Sweden	100
Malmberg Water AB, Åhus, Sweden	100
Malmberg AS, Drammen, Norway	100
Oswald Schulze Umwelttechnik GmbH, Gladbeck, Germany	100
Edelstahlbeizbetrieb Alb GmbH, Nellingen, Germany	100
Eliquo KGN GmbH & Co KG, Nellingen, Germany	100
KGN Verwaltungsgesellschaft mbH, Nellingen, Germany	100
Hydra Holdings 2015 Limited, Indian Queens, United Kingdom Great Britain	100
Eliquo Hydrok Limited, St. Columb, United Kingdom Great Britain	100
Hydra (South West) Limited, St. Columb, United Kingdom Great Britain	100
Ovivo Inc., Montreal, Canada	100
Ovivo US Holding Inc., Salt Lake City, USA	100
Ovivo USA, LLC, Salt Lake City, USA	100
Ovivo Europe Holding AB, Stockholm, Sweden	100
Ovivo UK Limited, Colchester, United Kingdom Great Britain	100
Ovivo India Private Ltd, Pune, India	100
Ovivo Singapore Pte Ltd, Singapore	100
Aqua Holding Technical Materials GmbH, Tobelbad, Austria	100
Christ Water Technology GmbH, Tobelbad, Austria	100
E2metrix Inc., Sherbrooke, Canada	100
Ovivo Aqua Africa (Pty.) Limited, Johannesburg, South Africa	100
Ovivo Aqua Austria GmbH, Tobelbad, Austria	100
Ovivo France SAS, Bernin, France	100
Ovivo Deutschland GmbH, Ditzingen, Germany	100
Ovivo Holland B.V., Zoeterwoude, Netherlands	100
Aqua Asia Limited, Hong Kong (previously: Ovivo Hong Kong Ltd.)	100

2024	Capital share in %
Affiliated companies included in the consolidated financial statements	
Ovivo Switzerland AG, Witterswil, Switzerland	100
Ovivo Taiwan Co. Ltd, Hsin Chu City, Taiwan	75
Ovivo Hungary Kft, Tamási, Hungary	100
Ovivo China Co, Ltd, Shanghai, China	100
Ovivo Chengdu Co. Ltd, Chengdu, Sichuan, China	100
Ovivo Shenzhen Co. Ltd, Shenzhen, China	100
Ovivo Dalian Co. Ltd, Dalian, China	100
Christ Kennicott Water Technology Ltd, Wolverhampton, United Kingdom Great Britain	100
Ovivo Middle East LLC, Dubai, United Arab Emirates	49
Ovivo Malaysia Sdn Bhd, Perai, Malaysia	100
Ovivo Portugal Unipessoal Lda, Lisbon, Portugal	100
Ovivo Israel Ltd, Tel Aviv-Yafo, Israel	100
Ovivo Canada Inc. Canada, Calgary, Canada (previously: FilterBoxx Inc. Canada)	100
Norcan Insurance Inc., Calgary, Canada	100
Cembrane USA LLC, Round Rock, USA	100
Aqua Technical Materials Shanghai Co. Ltd, Shanghai, China	100
Wastech Systems LLC, Chatsworth, USA	100
Cembrane A/S, Lynge, Denmark	100
Ovivo HK Limited, Hong Kong, China	100
Paques Holding B.V., Balk, Netherlands	100
Paques Verre Oosten B.V., Balk, Netherlands	100
Paques Asia Ltd, Hong Kong, China	100
Paques Environmental Technology (Shanghai) Co. Ltd, Shanghai, China	100
Paques Environmental Engineering Technology (Shanghai) Co. Ltd, Shanghai, China	100
Paques Environmental Equipment Trading (Shanghai) Co. Ltd, Shanghai, China	100
Paques Environmental Technology (Changzhou) Co. Ltd, Changzhou, China	100
Paques Asia Pacific SDN BHD, Kuala Lumpur, Malaysia	100
Paques (Thailand) Co Ltd, Nonthaburi, Thailand	49

2024	Capital share in %
Affiliated companies included in the consolidated financial statements	
Paques Zuid Amerika B.V., Balk, Netherlands	100
Paques Brasil Sistemas para Tratamento de Efluentes Ltda, Piracicaba, Brazil	100
Paques Colombia S.A.S., Bogota, Colombia	100
Paques India B.V., Balk, Netherlands	100
Paques Middle East FZCO, Dubai, United Arab Emirates	100
Paques Environmental Technology India Private Limited, Chennai, India	100
Paques Noord Amerika B.V., Balk, Netherlands	100
Paques Canada Inc., Vancouver, Canada	100
Paques Environmental Technologies Inc., Salem, USA	100
Paques Technology B.V., Balk, Netherlands	100
Paques Services GmbH, Rödermark, Germany	100
Paques Europe B.V., Balk, Netherlands	100
Paques IP B.V., Balk, Netherlands	100
Fertipaq B.V., Balk, Netherlands	100
Paqell B.V., Leeuwarden, Netherlands	50
Paques Global B.V., Balk, Netherlands	100
Sanpure Systems Private Limited, Hyderabad, India	51
Faxon Química Ltda, Campo Bom, Brazil	80
Associated companies - valued at equity	
MattenPlant Pte. Ltd, Singapore	29
up2e! GmbH, Rain am Lech, Germany	49
QWAIR GmbH, Heilbronn, Germany	25

Affiliated companies that are not included in the consolidated financial statements	
EnviroProcess Urakointi Oy, Kalajoki, Finland	68
EnviroChemie s.r.o., Bratislava, Slovakia	100
ENWA Badanläggningar AB, Hisings Backa, Sweden	100
ENWA Pool AB, Hisings Backa, Sweden	100
Enpure India Private Ltd, Pune, India	100
Joint ventures included in the consolidated financial statements	
Xi'An Purovo Material Co, Ltd, Xi'an, China	60
Other companies - recognized as financial assets	
Nya Swimtec AB, Kungsbacka, Sweden	35
FIDO AI Ltd, Bicester, UK	13
Fido Tech Ltd, Bicester, UK	13
SafeWater Scandinavia AB, Kungsbacka, Sweden	10
SENTRY: Water Monitoring & Control Inc., Canada	10

(e) Auditor's fee

The auditor's fee to be disclosed in accordance with Section 314 (1) no. 9 HGB amounts to EUR 0.8 million in total for 2024 (2023: EUR 0.3 million), of which EUR 0.7 million relates to auditing services and EUR 0.1 million to other services.

(f) Disclosure exemptions

The following companies have made use of the exemption options in accordance with Section 264 (3) HGB:

- Enviro Chemie GmbH, Roßdorf
- EnviroFALK GmbH, Westerburg
- EnviroFALK PharmaWaterSystems GmbH, Leverkusen
- EnviroDTS GmbH, Friedberg (Hesse)
- Innowac GmbH Innovative Wasser Chemie, Ratingen
- AEW Wassertechnologie GmbH, Seevetal

(g) Events after the end of the financial year

One Group company received around EUR 25 million from insurance companies in the first half of the 2025 financial year.

In addition, secured convertible bonds in the mid double-digit million euro range were subscribed for at an associated company whose continuation as a going concern is subject to uncertainty.

Bad Homburg v. d. Höhe, June 23, 2025

SKion GmbH

The management

Susanne Klatten
Doctor of Science h.c., Univ. Buckingham

Prof. Dr. Frank Richter

Group management report of SKion GmbH, Bad Homburg v. d. Höhe for the 2024 financial year

Business model

Organization and legal structure

SKion GmbH ("SKion" or Holding) is an investment company founded by Ms. Susanne Klatten. Based in Bad Homburg v. d. Höhe, the company had an average of 12 employees in 2024, whose main task is to manage the investment portfolio and find new investment opportunities. SKion develops industrial assets in a return-oriented and value-based manner across economic, industrial and technology cycles.

The holding company prepares the consolidated financial statements of SKion as the parent company in accordance with Section 290 HGB in conjunction with Section 315e HGB. ALTANA AG, We- sel (ALTANA) is included as the most significant investment. Furthermore, in 2024 via SKion Water GmbH, Bad Homburg
v. d. Höhe (SKion Water), in particular the investments in EnviroChemie GmbH, Roß- dorf (Enviro), Eliquo Water Group GmbH, Bad Homburg v. d. Höhe (Eliquo) and Ovivo Inc., Montreal, Canada (Ovivo) as well as Paques Holding B.V., Netherlands, (Paques) are consolidated in the consolidated financial statements.

In addition, other investments held via SKion - in particular SGL Carbon SE, Wiesbaden (SGL), AVISTA OIL AG, Uetze (AVISTA), BMZ Holding GmbH, Karlstein a. M. (BMZ) and Landa Corp., Israel (Landa), which is largely held via ALTANA and also in part via SKion Digital Printing GmbH - are accounted for using the equity method and are therefore included in the SKion Group's net assets and results of operations to a limited extent.

Business activities and divisions

SKion invests with a long-term and entrepreneurial investment horizon. Sustainability, continuity and integrity are core elements of the investment philosophy. The investments focus on companies with future technologies and innovative business models in the industrial and service sectors. Companies with above-average growth or corresponding potential are of particular interest.

SKion invests both in fully consolidated majority shareholdings and in shareholdings that are accounted for using the equity method due to the shareholding ratio of 20-50%. In addition, there are purely financial investments (with an equity interest of less than 20%) in companies. There are also minor investments in selected private equity and venture capital funds as well as investments in fixed-income securities.

The net assets, financial position and results of operations of the SKion consolidated financial statements are determined by the fully consolidated companies, in particular ALTANA. This investment continues to be decisive for the net assets and results of operations in the operating business and for the SKion Group's key performance indicators, in particular EAT. Compared to the fully consolidated companies, the companies accounted for using the equity method are of less significance for the consolidated financial statements. Nevertheless, the at equity investment in Landa in particular, as well as BMZ, SGL Carbon and AVISTA, are once again relevant for the SKion Group's earnings position in the reporting year. There are also effects on the Group's earnings position from disposal results or write-ups and write-downs from investments that are not fully consolidated.

ALTANA's companies focus on the development, production and distribution of specialized chemical products and related services. Important product groups for ALTANA include additives and pigments for the coatings, printing inks and plastics industries, printing inks, coatings and sealants for packaging, and insulating resins for the electrical and electronics industries.

SKion Water (essentially consisting of the companies Enviro, Eliquo, Ovivo and Paques) is active in the development, construction and operation of water and wastewater treatment solutions for commercial and public customers. They also sell spare parts, consumables and services to these customers.

SGL Carbon, in which an at equity investment (29%) is held, is one of the world's leading companies in the development and production of materials and products made of specialty graphite, carbon fibers and fiber composites and was still active in the Carbon Fibers (CF), Composite Solutions (CS), Graphite Solutions (GS) and Process Technology (PT) business units in 2024. SGL Group's solutions are used in the mobility (especially electromobility), semiconductor technology, LED, solar and wind energy and fuel cell industries, among others.

Of the companies accounted for using the equity method, Landa Corp. in particular will have a relevant effect on the SKion Group's earnings position in the 2024 financial year.

The at equity investment Landa Corp. offers new production options and solutions in the field of digital printing for customers in the retail, packaging and publishing industries. SKion Digital Printing holds just under 17% of the shares in the company. Further shares in Landa are held by ALTANA, so that the Group-wide stake amounted to around 46% as at December 31, 2024.

SKion also holds a 50% stake in AVISTA as at December 31, 2024. AVISTA is internationally active in the collection of used oils and other oily liquids, the re-refining of used oils into base oils, flux oils and heating oils and the production of lubricants.

In December 2024, SKion also holds a stake of around 26% in BMZ Holding GmbH. The BMZ Group manufactures battery systems for automotive, e-mobility, storage, medical and industrial applications as well as power and garden tools, among other things.

Goals and strategies

SKion pursues a long-term, value-enhancing investment approach. The investments operate independently within the framework of the adopted long-term strategies. The investment focus is on sustainably operating, innovative industrial companies and service providers. SKion follows a mission: to strengthen German and European companies as drivers of innovation and increase their enterprise value. They should also contribute to social progress, which also includes sustainability aspects.

As a strategic sparring partner, SKion operates on the values of family-run entrepreneurship and offers access to industrial networks and capital.

SKion is always careful not to take any unmanageable risks.

The key performance indicators from a Group perspective are the consolidated net income for the year (EAT) and the equity ratio.

Economic report

General economic conditions

Against the backdrop of ongoing geopolitical crises, global economic growth reached a below-average but stable level overall in 2024. Following global growth of 3.2% in the previous year, the International Monetary Fund (IMF) predicted an increase in global economic output of 3.3% in 2024. As in previous years, however, developments in the regions and economies varied. Inflation rates continued to fall overall and as a result, monetary policy was slowly eased. However, the measures did not have the same positive effect on stabilizing private consumption and investment activity everywhere. The availability of raw materials and energy stabilized, but the price level remained high.

The economy in the eurozone remained weak in 2024. After growth of 0.4% in the previous year, the increase in economic output was only slightly higher at 0.9%. As in the previous year, economic output in Germany was slightly negative at -0.2%. Although the economy stabilized over the course of the year due to the increase in real incomes, persistent weakness in the manufacturing industry and in exports led to this downward trend.

According to the IMF, growth in other eurozone markets was also low but slightly positive, for example in Italy at 0.7% and in France at 1.1%. With growth of 3.2%, Spain once again achieved above-average development for the eurozone.

The economy in the Americas stabilized at a slightly positive level overall in 2024 against the backdrop of continued high inflation. According to the IMF, the USA achieved growth in gross value added of 2.8 %, Canada 1.5 %. Growth in the Latin American countries was only marginally higher than in the previous year at 2.4% overall. Brazil showed a positive trend compared to the previous year with growth of 3.4 %, whereas Mexico's growth of 1.5 % was well below the previous year's figure of 3.2 %. For Argentina, which already recorded a decline in economic output of -1.6% in the previous year, the IMF again calculated a decline of -1.7%.

According to the IMF, Asia remained the region with the most dynamic economic development in 2024, even if the leading economies of China and India were not quite able to match the previous year's growth rates. China, which achieved growth of 5.2% in the previous year, recorded a marginal decline in 2024 with growth of 5.0%. The still unresolved crisis in the real estate sector and the lack of confidence in the domestic consumer weighed on economic development. In India, which grew by 7.8 % in the previous year, the IMF reports an increase in gross value added of 6.5 % - still clearly above-average economic growth. The countries of the ASEAN-5 group are recording growth of 4.6% for 2024 (previous year: 4.1%). Following growth of 1.9% (previous year), Japan recorded a decline in growth to 0.1%.

Business performance

Business development in 2024 was positive despite geopolitical crises. This is reflected, among other things, in an increase in sales at ALTANA and SKion Water. The gross margin is slightly above the previous year's level. Other operating costs also increased in line with sales. The SKion Group's operating economic result is 81 million€ above the previous year's level due to the constant gross margin with a significant increase in sales. At € -18 million, the consolidated net loss for the year was € 139 million lower than in the previous year, whereby this was due in particular to the change in earnings from associated companies.

At € 4,609 million, the SKion Group's sales in 2024 were significantly higher than in 2023 by € 521 million (13%). ALTANA's sales increased significantly by a total of € 427 million€ (including € 174 million€ increase in sales from acquisitions), which corresponds to an overall increase of 16%. Negative exchange rate effects were outweighed by positive acquisition effects. At SKion Water, sales increased by € 94 million. This increase in revenue from € 1,345 million in 2023 to
1,439 million€ is due in particular to organic sales growth.
The forecast for 2024 for the SKion Group envisaged sales significantly above the previous year's level and was therefore achieved.

Overall, the EAT key performance indicator relevant to the SKion Group was 139 million€ below the previous year. A significant increase was planned, which was therefore not achieved.

This development is due in particular to the further decline in earnings contributions from associates by € 141 million€ as well as the € 38 million decrease in the financial result€ and a € 38 million increase in the tax burden. This was offset by an increase in the operating result (EBIT) of € 81 million.

In 2024, the equity ratio fell slightly from 68% to 66% compared to the previous year due to the disproportionate increase in total assets compared to equity. The forecast of an almost constant equity ratio was therefore met. The increase in equity by € 54 million€ is mainly due to positive effects from currency translation (€ 64 million) and changes from at equity accounting (€ 25 million) that do not affect profit or loss. This is offset by the consolidated net loss for the year of € 18 million.

➢ ALTANA

ALTANA achieved total sales of € 3,169 million in 2024, an increase of 16% or € 427 million compared to the previous year (€ 2,742 million). Negative exchange rate effects of € 21 million were outweighed by positive acquisition effects of € 245 million, so that adjusted sales were 7% higher than in the previous year. The acquisition effects were mainly due to the acquisition of the Von Roll Group (€ 174 million) in September 2023.

An increase in demand at the beginning of 2024 boosted sales. This trend continued over the remainder of the year and led to nominal sales growth of 11%, adjusted for non-operating effects from acquisitions of 9%. The slightly lower raw material prices in 2024 compared to the previous year led to reductions in sales prices in individual product segments, which had a slightly negative impact on the operating sales trend in addition to the change in the product mix. Overall, a significant increase in sales and turnover was achieved compared to the previous year. The positive sales trend was evident in all regions, albeit with varying intensity due to the specific conditions in each sales region. As a result, there were slight shifts in the regional sales and turnover structure.

With a 37 % share of total ALTANA sales (previous year: 38 %), Europe continued to be the most important region for ALTANA. It recorded sales growth of 13 %, adjusted for acquisitions and exchange rate effects of 2 %. Germany, the market with the highest sales, grew by 3% compared to the previous year, adjusted for non-operational effects. Other countries in the eurozone also recorded growth. Only some Western European countries and Poland recorded a decline in operating sales.

Sales in the Americas region exceeded the previous year's figure by 12% in 2024, adjusted for exchange rate and acquisition effects by 4%. Sales in the USA remained at the previous year's level in operational terms. The country's share of ALTANA's total sales declined slightly to 18% in 2024 (previous year: 19%). However, as in the previous year, the USA remained ALTANA's strongest single market in terms of sales. Sales also increased in all other countries in the region, in some cases in the double-digit range. Brazil gained 14 % operationally, followed by Mexico with 7 % operationally and Canada with 4 % operationally. The Americas' share of ALTANA sales fell slightly to 28% in 2024 (previous year: 29%).

The Asia region was able to increase its share of ALTANA sales again from 31% to 33% in the past fiscal year. The region recorded the strongest nominal and operating sales growth in the Group. Nominally, growth amounted to 22%; operationally, adjusted for negative exchange rate and acquisition effects, growth amounted to 17%. The main drivers of this development were China and India, the most important markets in the region. With operating growth of 15 %, China compensated for the previous year's decline in sales and also grew. The share of ALTANA's total sales rose again from 17 % to 18 %. India even surpassed the extraordinary momentum of the previous year and showed operating growth of 13 %. The Southeast Asia region, South Korea and the countries of the Middle East also recorded significantly higher sales figures.

The earnings situation in 2024 improved significantly compared to the previous year, primarily due to the significant increase in demand for ALTANA's products. Measured against sales, the cost of materials continued to decline slightly compared to the previous year and, in conjunction with the increased sales volume, led to a clearly positive development of contribution margins compared to 2023. In addition to tariff increases and higher variable selling costs, operating costs were influenced by significant one-time effects, including costs for the integration of acquired companies. Influenced by the positive contribution margin development, absolute earnings before interest, taxes, depreciation and amortization (EBITDA) increased by 27% or 105 million€ and amounted to 490 million
€ significantly above the previous year's result of € 385 million. Adjusted for acquisition and exchange rate effects, operating earnings growth amounted to 25 % . At 15.5%, the EBITDA margin was above the previous year's figure of 14.0%, but - as expected - below ALTANA's strategic target corridor of 18% to 20%.

Earnings before taxes (EBT) rose to 239 million€ (previous year: € 166 million) and earnings after taxes (EAT) to 164 million€ (previous year: € 110 million). At 27.6%, the effective tax rate adjusted for earnings from companies accounted for using the equity method was higher than the previous year's figure (26.8%).

➢ SKion Water

SKion holds 100% of the shares in SKion Water GmbH. As a wholly owned subsidiary of SKion Water GmbH, SKion Water International GmbH rounds off SKion Water's business model with its other non-European foreign investments. In 2024, SKion Water's revenue amounted to € 1,439 million (previous year: € 1,345 million). SKion Water reported earnings after taxes (EAT) of € 17 million (previous year: € 16 million). SKion Water has around 142 companies based in more than 38 countries worldwide and around 4,500 employees.

Within SKion Water, the Ovivo Group is the largest holding. It is a global provider of process and wastewater technology for the energy and electronics sectors as well as a provider of solutions for municipal wastewater in the North American market. €In the 2024 financial year, Ovivo contributed € 644 million (previous year: € 703 million) to Group sales and € 27 million (previous year: € 28 million) to Group earnings. The decline in sales at Ovivo is mainly due to the usual fluctuations in the project business, which have a particularly strong impact on the Electronics division due to the size of the projects.

As a result, the lower turnover due to the successful completion of projects with good margins and a higher level of turnover in an above-average profitable division did not have a negative impact and demand remains high.

Enviro is a manufacturer and service provider in the field of water and wastewater technology. At € 285 million (previous year: € 242 million), Enviro's sales were € 43 million higher than in the previous year. Despite an increase in incoming orders, Enviro was only able to partially compensate for the complete loss of the Russian business, which was characterized by projects with very high profitability before the Russia-Ukraine conflict, with orders from the European region. A result of € 5 million was generated in the past financial year (previous year: € -2 million). The result was negatively impacted in particular by loss-making projects.

SKion Water GmbH also holds 100% of the shares in Eliquo, which is primarily active in the field of municipal wastewater treatment. In 2024, Eliquo generated revenue of € 194 million (previous year: € 142 million) a t € and net income of € 8 million (previous year: € 7 million). Eliquo thus shows stable revenue and earnings growth.

In the 2024 financial year, Paques contributed € 136 million (previous year: € 116 million) to SKion Water's revenue. Paques is a specialist provider of solutions for industrial biological wastewater treatment, industrial anaerobic wastewater treatment, gas desulphurization, nutrient removal and metal recovery. In the 2024 financial year, Paques realized a loss of € -6 million€ (previous year: € -3 million) as a result for the year. The below-average earnings situation is due to delays in incoming orders and project development.

➢ Associated companies (at equity investments)

More detailed descriptions of the main investments can be found in the chapter *Business activities and divisions*.

The associates accounted for using the equity method had a total carrying amount of € 325 million as at December 31, 2024 (previous year: € 508 million). In the 2024 financial year, they made a negative contribution of € -213 million (previous year: € -72 million) to the Group result. The negative change in the earnings contribution compared to the previous year is due in particular to the negative earnings contribution of Landa Corp. and BMZ Holding GmbH as well as SGL Carbon due to a deterioration in the operating situation.

Results of operations, financial position and net assets

➢ Sales development

At 4,609 million€ , the SKion Group's sales in 2024 were 521 million€ (13%) higher than in 2023. ALTANA recorded an increase in sales of € 427 million. An increase in demand had a positive effect on ALTANA's sales. The SKion Water companies also recorded an increase in sales of € 94 million.

The increase in sales in the SKion Water segment is the result of both organic growth and the effect of the acquisitions of Enviro and Eliquo.

Regional sales growth varied slightly. The Europe region recorded sales growth of 17% compared to the previous year, slightly increasing its share of sales to 41% (previous year: 40%). The Asia region showed a similar trend: with sales increasing by 16% compared to the previous year, the share of sales also rose to 31% (previous year: 29%). In the North and South America region, on the other hand, sales revenue grew at a slower rate than Group sales by 5%. As a result, the share of sales fell slightly to 27% (previous year: 29%). The other regions' share of sales also declined slightly from 2% in 2023 to 1% in 2024.

➢ Operating earnings performance

EBIT increased by € 81 million to € 323 million in 2024 compared to the previous year. The main driver of this change is the positive earnings performance of ALTANA (EBIT increase of € 73 million compared to the previous year). SKion Water was also able to slightly improve its EBIT by € 8 million. The increase in EBIT is mainly due to the disproportionately high increase in sales in relation to costs.

The cost of sales increased by around 10% and therefore slightly less than revenue (13%). As a result, the cost of sales ratio is below the previous year's level and is 69% in 2024 (previous year: 71%).

The SKion Group's selling, administrative and research and development costs rose slightly faster than sales revenues by a cumulative 14%. Selling expenses increased by 16%. Research and development costs increased by 10% compared to the previous year and amounted to 5% in relation to sales. Administrative costs rose by 13%.

Other operating income increased from€ million to€ million. 68 million of this is attributable to ALTANA (€). Insurance reimbursements in connection with a major loss at ALTANA made a significant contribution to ALTANA's other operating income (€ 37 million). Positive exchange rate effects totaling € 17 million are also included.

At € 88 million, other operating expenses were significantly higher than the previous year's level of € 32 million. The main part results from ALTANA (€ 61 million). In 2024, ALTANA incurred an expense for real estate transfer tax as a result of the transfer of shares in SKion GmbH (€ 21 million) and extraordinary write-downs on assets held for sale (€ 19 million).

The financial result includes interest and dividend income from liquidity, the financial investments of SKion and ALTANA as well as interest expenses from the external financing of Group companies. Income and expenses from the write-up and write-down of investments that are not fully consolidated are also reported. Earnings effects from the distribution or sale of investment funds are also reported.

The financial result at SKion is often influenced by one-off effects, in particular valuation effects of financial instruments in accordance with IFRS 9 and currency effects. Financial expenses due to liabilities only play a minor role due to the very low level of Group debt and the current interest rate level. The financial result deteriorated compared to the previous year to € -23 million (previous year: € 15 million). This was mainly due to the annual change in the fair value of investments and other financial instruments. The termination of the ALTANA award proceedings in 2023 and the associated interest continued to have a negative impact on the result. In contrast, financial income was mainly characterized by the sale of a convertible bond.

SKion 2024 generated a negative earnings contribution of € -213 million (previous year: € -72 million) from investments in associates. The negative result is mainly attributable to the shares in Landa (€ -119 million), BMZ (€ -74 million) and SGL Carbon (€ -23 million). Negative earnings contributions from LANDA are expected to be recognized for the last time, as the Group-wide at equity carrying amount is now € 0. This is offset by a slightly positive earnings contribution from AVISTA (€ 2 million).

Consolidated earnings before taxes (EBT) amounted to € 87 million in the past financial year (previous year: € 185 million) due to the effects described above. Since the result from the at equity valuation in particular does not lead to any tax effect and ALTANA achieved a significantly higher result, the tax expense of € 103 million (€) results in an extraordinary tax rate of 118 % in relation to consolidated earnings before taxes. €At € -18 million, consolidated earnings after taxes (EAT) in 2024 were € 139 million€ lower than in the previous year (€ 121 million).

➢ Net assets and financial position

The consolidated balance sheet total increased by 3% from 6,663 million€ to 6,888 million€ .

On the assets side, the change of € 225 million€ is due to an increase in current assets of € 604 million€ . Non-current assets, on the other hand, decreased by € 380 million. Declining financial assets (€ -293 million) were the main reason for this. The increase in current assets is mainly due to a sharp rise in cash and cash equivalents (by € 377 million), trade receivables (by € 108 million) and inventories (by € 76 million).

Intangible assets increased slightly, mainly due to two smaller acquisitions at SKion Water. Property, plant and equipment increased by € 92 million, particularly in the area of assets under construction and technical equipment and machinery. At ALTANA, 159 million€ (previous year: € 123 million) was invested in property, plant and equipment. For several years, ALTANA has continuously initiated and further developed major strategic projects, which include the expansion of production and laboratory capacities and have significantly influenced the increase in property, plant and equipment.

Investments in associates were down on the previous year and amounted to € 325 million (previous year: € 508 million). This effect is mainly due to earnings and valuation effects from the equity-accounted investments in Landa and BMZ.

There was an increase in current assets in the amount of € 3,410 million (previous year: € 2,806 million) at€ . This increase is mainly due to the changes in cash and cash equivalents (increase from € 757 million to € 1,134 million) and trade receivables (increase from € 1,001 million to € 1,109 million).

On the equity and liabilities side of the balance sheet, equity increased by € 54 million. This increase is mainly due to the currency translation effects recognized in equity in the amount of € 64 million€ . Overall, equity increased from € 4,516 million€ to € 4,570 million. € increased. Due to the disproportionately high increase in total assets, the equity ratio in 2024 is slightly lower than in the previous year at 66% (previous year: 68%).

Non-current liabilities fell slightly compared to the previous year to
€ (previous year: € 1,040 million). This is mainly due to a € 26 million decrease in non-current financial liabilities as a result of repayments.

Current liabilities increased from € 1,107 million to € 1,317 million. This increase is mainly due to trade payables, other current liabilities and provisions as a result of the increased sales volume.

➢ **Investments**

The area of investments in intangible assets and property, plant and equipment in the SKion Group continues to be dominated by ALTANA. At € 267 million (€), the SKion Group's investments in intangible assets and property, plant and equipment were above the previous year's figure of € 248 million. €Of this amount, € 238 million (previous year: € 215 million) was invested in property, plant and equipment and around € 29 million (previous year: € 33 million) in intangible assets. In the reporting year, the focus was again on investments in property, plant and equipment, particularly at ALTANA. In addition, payments for acquisitions (less cash received) amounted to € 74 million (previous year: € 334 million). In the area of financial assets, a mid double-digit million euro amount was invested in (convertible) bonds and securities of associated companies in the reporting year.

In the past fiscal year, ALTANA invested a total of € 180 million in intangible assets and property, plant and equipment. Investments were thus higher than in the previous year (€ 138 million). At 5.7%, the investment ratio, i.e. the ratio of investments to sales, was within the long-term target corridor of 5% to 6%.

In total, ALTANA invested 159 million€ (previous year: € 123 million) in original investments in property, plant and equipment. Major projects for the strategic expansion of global production and laboratory capacities have been carried out for several years. Original investments in intangible assets amounted to € 21 million in the past fiscal year, compared to € 16 million in 2023. The focus of investments here was on the further expansion of digitalization and ERP systems.

There were project-related shifts in the regional distribution of ALTANA's investments compared to the previous year. Europe's share rose from 50% in 2023 to 54% in the reporting year. Asia's share remained at the previous year's level of 16%. The Americas' share fell significantly from 32% in 2023 to 29% of the total volume.

➢ Financial strategy

SKion GmbH is mainly financed from its own funds. In addition, there are financial assets that can be liquidated in the short and medium term, which provide the opportunity for new future corporate investments.

ALTANA's corporate activities are primarily financed from current operating cash inflows. Excess financing requirements are covered by ALTANA AG borrowing funds. In June 2021, ALTANA restructured its long-term financing: Since June 2021, ALTANA has had € 250 million at its disposal from an international banking consortium in the form of a revolving credit line. This credit line has a minimum term until 2026. In 2023, the term was extended until June 2028. This credit line had not been utilized as of December 31, 2024. In addition, since the end of June 2021, ALTANA has had access to loans from the European Investment Bank (EIB) of up to € 200 million for the development of climate-friendly, digital and sustainable products. In the 2022 financial year, the EIB loan commitment was increased by € 50 million to a total of € 250 million and the drawdown period was extended by one year to December 21, 2023. The EIB loans were utilized in the amount of € 210 million by the end of the drawdown period, and repayments of € 5 million were made in 2024. In November 2023, ALTANA issued a promissory note loan with a sustainability component for € 180 million with a minimum term until 2026. The promissory bill is divided into tranches with different terms of between 3 and 7 years, which have both variable and fixed interest rates.

The Ovivo Group also has credit lines of around € 261 million at SKion Water. The largest lines in terms of value have a minimum term until 2026. 191 million of the credit lines are unused.
Enviro and Eliquo have additional credit lines totaling € 22 million. Of this amount, € 15.4 million is unused.

➢ Financing analysis

At the end of the 2024 financial year, the equity ratio in the SKion Group was 66 % (previous year: 68%). Non-current liabilities accounted for 15% of total liabilities as at the reporting date (previous year: 16%). The share of current liabilities increased compared to the previous year and amounted to 19% compared to 17% in the previous year. The balance sheet can therefore be described as stable.

Off-balance sheet financial obligations usually play a subordinate role in the SKion Group in relation to total assets. They mainly comprise purchasing obligations (purchase commitments), bank guarantees and guarantees for pension obligations. Further information on off-balance sheet obligations can be found in the notes to the consolidated financial statements (note 6b).

➢ **Liquidity analysis**

At € 520 million, cash flow from operating activities in 2024 was up on the previous year (€ 499 million) at€ . This development is mainly characterized by the balance of consolidated net income, depreciation, amortization and impairments as well as the reversal of the result from companies accounted for using the equity method. This balance showed a slight decline from € 423 million in 2023 to € 458 million in 2024. In the previous year and in the reporting year, funds were tied up in net working capital (inventories and receivables as well as trade payables). The cash flow associated with net working capital increased by € 27 million in the reporting year, following an increase of € 24 million in the previous year.

The (negative) cash flow from investing activities amounted to € -15 million in the past financial year after € -568 million in the previous year. At € 74 million, acquisitions were significantly below the previous year's level (€ 334 million). Payments for investments in intangible assets and property, plant and equipment increased from € 248 million in the previous year to € 249 million. The balance from the acquisition and disposal of (current) financial assets, securities and incl. companies accounted for using the equity method increased from € -21 million€ in the previous year to € 257 million in the reporting year.

Cash flow from financing activities amounted to € -94 million (previous year: € 163 million), which resulted in particular from the repayment of non-current financial liabilities.

As a result of the above effects, cash and cash equivalents increased from € 757 million at the beginning of the year to € 1,134 million in the 2024 financial year.

Research and development

Research and development activities in the SKion Group are mainly carried out by ALTANA.

SKion GmbH itself does not carry out any research and development and the companies in the Water division are application-oriented, although they are not predominantly research-intensive.

As a specialty chemicals company, innovations are a key factor for ALTANA in offering customers new, competitive solutions and meeting current requirements in terms of performance profile, costs, environmental protection, and sustainability. Thanks to close cooperation with its customers, ALTANA is able to recognize global technology trends at an early stage and immediately become involved in new fields of development.

This means that customized solutions can be developed quickly and reliably. This involves building on existing expertise and applying new skills in order to continuously adapt the product portfolio to market and customer requirements. There is also great potential in combining competencies across divisions in order to establish innovative solutions on the market more quickly and efficiently. ALTANA's research and development teams have access to the latest analytical methods and application testing laboratories in the chemical laboratories. Numerous awards from ALTANA's customers underscore the company's success as an innovative solution provider. In addition to the development activities in the divisions, selected innovations are initiated and coordinated at the ALTANA level in order to open up new business areas and pick up on technological and market trends. The basis for these innovations are the strong competencies of the divisions along the entire ALTANA value chain as well as the synergies that arise between the divisions. This is achieved through different approaches, the ALTANA Institute, the central management of technology platforms, corporate venturing investments, and additional innovative growth fields.

ALTANA employed 1,294 people in research and development in 2024 (previous year: 1,265). Expenditures for research and development activities at ALTANA 2024 were at a further increased, still high level of € 213 million (previous year: € 197 million). A total of € 223 million was invested in research and development at SKion Group level, which corresponds to an increase of € 19 million or 9% compared to the previous year (€ 204 million)

Employees

In the 2024 financial year, SKion employed an average of 12,867 people (previous year: 11,648) across the Group, including 8,371 (previous year: 7,191) at ALTANA, 4,484 (previous year: 4,439) at SKion Water and 12 (previous year: 18) at SKion.

Anticipated development

Future direction of the Group

In the coming years, SKion will continue to pursue its existing business model, actively examine acquisition opportunities and add to its investment portfolio as opportunities arise. SKion prefers to invest via significant minority interests (more than 25% of voting rights) with a corresponding governance structure. The focus is on growth financing and succession solutions. Investment opportunities with like-minded entrepreneurial families and investors are a particular focus.

Nevertheless, company valuations in the investment market remain high by historical standards - albeit somewhat lower than in previous years - which continues to reduce the number of attractive investment opportunities.

SKion's portfolio companies continue to pursue their business policies on the basis of their respective growth strategies. No fundamental change in the strategic orientation of the existing investments is planned for the coming years.

Economic and sector outlook

Global macroeconomic growth will continue to be shaped by ongoing geopolitical conflicts and emerging trade disputes. By contrast, inflation rates have continued to stabilize and inflationary pressure is generally expected to fall further. In April 2025, the International Monetary Fund (IMF) forecast an increase in global economic output of 2.8% in 2025. This would mean growth would be below the 2024 level of 3.3%.

The following figures compare the actual value from 2024 and the expectation for 2025, based on the IMF forecast from April 2025. According to this, growth in the USA will decline from 2.8% in 2024 to 1.8% in 2025. The IMF is also forecasting a decline in the eurozone economy, albeit only slightly (from 0.9% in 2024 to 0.8% in 2025). For Germany, the IMF expects economic output to stagnate at 0.0% growth compared to 2024 (2024: -0.2%).

According to the IMF forecast, growth in the emerging markets should be 3.7% in 2025 and therefore below the previous year's level (4.3%).

In India, the growth forecast for 2025 is 6.2% (6.5% in 2024). The forecast for China is 4.0% in 2025 (5.0% in 2024). The Latin America region should record growth of 2.0% in 2025 compared to the previous year (2.4% in 2024) and thus be at a lower level than the growth of 4.0% (4.6% in 2024) forecast for the emerging economies in Asia (ASEAN-5).

Global growth in the general chemical sector is expected to be slightly lower in 2025 than the forecast overall economic development. The industry association American Chemistry Council (ACC) expects global chemical production to increase by 3.1% in 2025, following growth of just 3.5% in the previous financial year.

As in previous years, exchange rate relations, which are particularly important for ALTANA, may show pronounced volatility in 2025. In addition to the development of regional interest rates and economic performance, political influence can also be decisive for exchange rate movements. Specific risks, but also opportunities, can arise from a deviation of the actual exchange rate development from the planning assumptions.

Expected earnings situation

The plans of the SKion Group companies for the 2025 financial year were prepared on the basis of the forecast economic assumptions.

In 2024, the global economy was shaped in particular by the ongoing and emerging geopolitical conflicts, which created a very difficult economic environment overall. The war waged by Russia against Ukraine since February 2022, the intensified conflicts in the Middle East and the US trade negotiations are key drivers of the ongoing uncertainty regarding the availability and price of raw materials and goods as well as global supply chains. Global economic growth remains average and below average in the developed economies. At the same time, the economy has proved resilient so far, although the probability of a recession in April 2025 has increased significantly compared to October 2024 according to the International Monetary Fund (IMF). As a result, the IMF slightly lowered its forecast for global development in 2025 in April compared to its assessment in January 2025.

However, ongoing geopolitical conflicts will continue to affect economic development and an increase in uncertainties cannot be ruled out at present. In conjunction with the global economic development, which remains difficult to forecast, the SKion Group's further business development in the 2025 financial year can also only be predicted with certain uncertainties. The following statements relate to the derived planning status, taking into account the geopolitical crises and other continuing uncertainty factors. ALTANA, for example, assumes that the development of crude oil prices, for example, can hardly be reliably estimated and that availability, pricing, and consumption volumes with regard to the future development of the oil price will also cause significant changes in warehousing along the entire value chain. Within the SKion Group, rising energy prices could have a negative impact on earnings. Overall, there are still medium risks for the remainder of the year with regard to sales volumes, sales prices and raw material prices.

Due to the expected moderate growth of the global economy, ALTANA anticipates a positive development of demand for its products and services in the 2025 fiscal year. Operating sales growth, i.e., adjusted for exchange rate and acquisition effects, is expected to be in the mid-single-digit percentage range. The main driver of growth should be an increase in sales volumes. The acquisitions already made in 2023 and early 2024 and potential further acquisitions may also have a positive effect on the growth rate of the SKion Group as a whole.

The sales revenues of the SKion Group as a whole are expected to be significantly higher in 2025 than in the previous year. This will be largely due to the planned development of ALTANA with operating sales growth in the mid-single-digit percentage range The acquisitions will lead to additional growth. A slight improvement in earnings profitability should be achieved. At the level of the other Group companies, including SKion, a contribution to earnings slightly above the previous year's level is expected with an anticipated increase in sales.

As recent years have shown, SKion's consolidated net income for the year is also heavily dependent on possible special effects such as write-ups and write-downs on financial assets and disposal results. The application of the IFRS 9 accounting standard in particular may result in increased earnings volatility depending on the development of stock market prices and valuations of assets measured at fair value. By their very nature, these effects on earnings cannot be planned at the beginning of the year, as they depend on stock market prices and valuation results, and are therefore not included in the planning.

A significant improvement in the contribution to earnings is expected for the companies accounted for using the equity method. Overall, a negative contribution to earnings in the low single-digit million range is expected.

Overall, the SKion Group's consolidated net income (EAT) is therefore expected to be significantly higher than in 2024.
This forecast was based on the assumption of relatively constant stock market prices. However, as the stock market price trend due to IFRS 9, among other things, has a direct effect on the earnings of investments measured at fair value, consolidated net income for the year may be higher or lower.

Expected net assets and financial position

Overall, there should be no significant shifts in the balance sheet structure in 2025. The level of investment in property, plant and equipment and intangible assets should remain within the long-term target corridor of 5% to 6% of sales over the next two years. The absolute values of net working capital should develop in line with the general course of business.

Based on the expected business development, a clearly positive cash flow will also be generated from operating activities in the coming years. We will use the cash inflow primarily to finance investments and further acquisitions that are conducive to the development of the SKion Group.

SKion will invest its liquid funds primarily in the short term with a view to investment opportunities and, as before, pay particular attention to counterparty and issuer risk. Assuming constant exchange rates and stock market prices, equity will at least remain constant in 2025. The Group's equity ratio should therefore remain at least roughly stable compared to 2024.

Risk report

SKion has risk management systems at various levels of the Group. Depending on the individual companies, the respective systems include key figures on business performance, deviations from plan and the continuous monitoring of risks. Responsibility for the appropriateness and effectiveness of the processes is clearly defined and lies with the respective managers and process owners. The prioritization resulting from the respective analyses determines the focus for the development and introduction of countermeasures to prevent or reduce potential risk effects. A key component of Group-wide risk management is the definition of risk areas and the identification and analysis of potential risks.

SKion's business activities are exposed to various qualitative and quantitative risks, which are divided into five categories and explained in more detail below. Within the categories, the risks are arranged according to the risk potential assessed for the Group. Risks listed first are considered to be more significant. If there has been a change in the risk assessment of the individual risks compared to the previous year, this is explained in each case. If no explanation of a change in the assessment is provided, the risk assessment is essentially unchanged from the previous year. The following comments cover risks in the entire Group and thus risks from ALTANA, SKion Water and the investment business at SKion level. Due to ALTANA's importance for the Group in terms of size, risks arising from ALTANA are the most significant for the Group as a whole. If the risks arising from one area are more significant for the Group, this is explained in each case.

In the reporting year, as in the previous year, additional specific corporate risks due to the Ukraine crisis that emerged in 2022 or the Middle East conflict that resurfaced in 2023 are taken into account in the respective risk categories, such as rising energy prices, challenges in logistics and supply chains, energy shortages, availability of raw materials, inflation or an expansion of war.

(1) Environmental risks

- **Macroeconomic risks/economic risks**

A possible negative development of the economic environment may result in noticeable risks for the business development of SKion's investments and thus also for the development of the SKion Group's consolidated net income for the year.

The development of global economic conditions plays an important role in the business development of SKion's investments.

At ALTANA, economic developments in the particularly important economic nations of the USA, China, and Germany are particularly decisive, as they determine the direction and intensity of demand for ALTANA's products. Meanwhile, the business of the other Group companies, especially those related to SKion Water, is less sensitive to economic trends.

A global economic crisis with a slump in economic development can lead to a significant decline in sales in the SKion Group with a corresponding impact on earnings. However, regionally limited recessions in key sales markets for ALTANA and the water companies can also have a significant impact on business development. The effects of the geopolitical situation and persistent, albeit slightly declining, inflation will be slightly reflected in the otherwise very resilient operating business in 2024. With the global orientation of sales activities, we are attempting to reduce our dependence on individual regional or national markets in such a way that the effects of geographically limited economic crises, especially on ALTANA, are limited. For example, China and the USA, currently the two largest individual countries, each account for less than 20 % of ALTANA's total sales. The regional distribution of business activities between the core regions of Europe, Asia and America also shows a relatively balanced structure. At the same time, the assessment of regional economic developments is continuously updated as part of the internal reporting system in order to be able to react to foreseeable effects by controlling procurement, production and sales activities. The effects of the Ukraine crisis or the Middle East conflict on operating processes were taken into account by introducing general control measures.

The occurrence of a global economic crisis and the emergence of regional economic crises continue to represent two significant economic risks. These risks are estimated to remain relevant in the 2024 reporting year. A further escalation of customs disputes or trade restrictions, for example between the USA and China, as well as the renewed intensification of the Middle East conflict and the conflict over Taiwan could have a negative impact on global trade and thus on global economic growth. This could have a significant impact on sales and earnings. The impact on SKion and its investments from macroeconomic risks is therefore significant, even if the business models and demand for the services offered have proven to be resilient. Compared to the previous year, these risks are classified as increased, as the risk of a global economic crisis is considered to be higher. This assessment is based on the IMF's forecast.

Ovivo, as the main company of SKion Water, is active in the five business divisions "Municipal water management, industrial water management, water technology for energy generation, water technology in the field of electronics/semiconductors and ceramic membrane technology". The focus of Ovivo's municipal water business is in the USA. Like the European market, the market is currently growing faster than the gross national product. This is due to new environmental regulations (4th purification stage, PFAS removal) as well as the massive impact of climate change on the water cycle. SKion Water therefore tends to be less cyclical than the chemicals business.

The risk potential for SKion Water has not changed significantly compared to the previous year. While the macroeconomic environment is only of limited relevance for the water sector, geopolitical risks can have a relevant impact on SKion Water. Water technology for the semiconductor industry is the Group's largest business segment. This segment is currently benefiting from the fact that many countries want to establish their own semiconductor industry. Should these countries reduce the subsidies for the construction of chip factories associated with this strategy, this could have a negative impact on SKion Water's business. A conflict between China and Taiwan could also have a significant negative impact on business.

➢ **Political risks**

Changes in political and regulatory conditions can lead to restrictions on the movement of goods or foreign exchange. Political unrest can also make it more difficult or even impossible to access the Group's assets in affected countries. Regulatory adjustments, on the other hand, may mean that certain products, materials or ingredients may no longer be processed or distributed, or only with severe restrictions. This increases business complexity and management costs. Due to the current global political situation, it can be assumed that political risks (e.g. for the introduction or increase of customs duties and trade restrictions of various kinds, intensification of armed conflicts) could increase significantly or that there could be planning uncertainties as a result of the Ukraine crisis, among other things. In the Russian, Belarus and Ukrainian markets, the SKion Group is only directly affected to a very limited extent. These are therefore - if at all - essentially indirect effects. At ALTANA, the risk group in the area of political risks had to be raised from medium to high. Both the probability of occurrence and the potential amount of damage increased compared to the previous year. Possible intensification of the trade conflicts between the USA, China and the EU led to an increase in risk.

For SKion Water, the main political risk is political influence in the semiconductor market. This could be the loss of subsidies for the construction of new chip factories or sanctions imposed by the USA on Chinese manufacturers. SKion Water currently expects that the new political guidelines on environmental protection in the USA will have no impact on the water sector. The extent to which possible import tariffs on water technology products could affect business or profitability is not currently foreseeable.

(2) Industry risks

➢ **Market-related and sector-specific sales risks**

A possible negative development of the industry-specific environment can result in noticeable risks for the business development of SKion's investments and thus also for the development of the SKion Group's consolidated net income for the year. In addition to general economic risks, there are market-related sales risks that affect individual product groups or application areas. In particular, medium to long-term trends that structurally trigger a decline in demand in target markets can lead to growth and profitability targets not being achieved.

ALTANA in particular can manage industry-related sales risks with a broad diversification of its product range. ALTANA supplies many different industries, which in turn sell their end products in various markets. The analysis of industry- and application-related sales is part of the annual planning process at ALTANA.

At SKion Water, it is not possible to fundamentally avoid the usual industry risks that arise from the planning, construction, maintenance and operation of water and wastewater systems. As a measure against these risks, various sales sectors, product areas and regions are served.

The risk potential from this area will continue to exist in 2025 and will be material in particular due to the effects of geopolitical crises (US trade conflict, Ukraine war, Middle East conflict, tensions between China and Taiwan).

➢ **General sales risks**

Sales risks result primarily from changes in the market and customer structure and the associated increase in competitive intensity. These also include marketing and sales risks for individual products or product groups due to specific demand trends or technological changes. This can result in falling sales revenues, which can be caused by both declining sales volumes and falling prices. As it may not be possible to adjust the cost structure in the short term in many cases, this can lead to a decline in profitability.

ALTANA counters sales risks by continuously optimizing its product and service portfolio, primarily on the basis of innovative strength. It is crucial that close coordination with customers is sought early on in development work in order to align with current market needs. Significant changes within the customer structure can result from the loss, merger or backward integration of customers. However, these risks are limited due to the highly diversified customer structure. In addition, a cooperative partnership is maintained with core customers as part of key account management. In the group of sales risks in the Market and Technology segment, the assessment of the potential amount of loss and the probability of occurrence is classified as slightly reduced compared to the previous year. Overall, however, the magnitude of the assessed risk is still classified as high. In the sales and distribution risk group, the potential probability of occurrence fell slightly, partly due to a reduced probability of occurrence in connection with the integration of the Von Roll Group. By contrast, the potential loss amount increased slightly due to changes in the customer structure and the integration of the Silberline Group. As in the previous year, this sub-segment of the Group is allocated to the medium risks.

At SKion Water, demand is currently very high in almost all areas and regions, meaning that incoming orders and the order backlog will ensure very good capacity utilization into 2026. In the semiconductor industry, there are currently signs of a soft landing at a very high level, which will not have a negative impact on Ovivo's sales and earnings. However, a downturn in the economy in key target sectors such as food & beverage or the semiconductor industry could lead to pressure on margins and therefore a decline in earnings.

Since around 2020, the coronavirus pandemic and the subsequent geopolitical crises (US trade conflict, Ukraine war, Middle East conflict, tensions between China and Taiwan) have meant that the general sales risks can generally be classified as high. Compared to 2024, the assessment for 2025 is unchanged.

(3) Performance risks

➢ Procurement market risks

The SKion Group uses a large number of different input materials, which are procured from a large number of suppliers. The prices for many raw materials and energy, but also for other semi-finished and intermediate products, are subject to strong fluctuations in some cases.

A restriction in the availability of individual raw materials, transportation services, logistics or significant price increases for raw materials that cannot be passed on to the markets in the short term or only in part represent the main procurement risks. These can have a negative impact on the Group's earnings situation, particularly at ALTANA.

The market situation in the raw materials and logistics markets relevant to ALTANA is constantly analyzed. This allows both price trends and structural shifts on the supplier side to be identified at an early stage and measures to be prepared. These findings are incorporated into the design of supply contracts. At the same time, attempts are also made to take account of commodity price volatility by means of regulations within the framework of customer relationships. The flexibility of price mechanisms and fixed price periods is used to pass on price increases to the markets at short notice.

ALTANA's assessment of procurement risks was maintained at high in 2024.

Procurement and price risks have decreased at SKion Water. Due to the contractual arrangements with customers and suppliers, the financial impact of price and procurement risks was less pronounced at SKion Water than at ALTANA. However, there are still serious procurement bottlenecks in individual areas. In the worst case, these can lead to delays in the completion of customer projects and thus to contractual penalties. The effects of the current customs policy in the USA are still unclear. However, SKion Water does not expect any serious impact on its own business.

➢ Investment and acquisition risks

To realize its strategic goals, ALTANA is constantly expanding and modernizing its own development, production, and other facilities. The projects, some of which are very complex, are always subject to certain risks with regard to adherence to schedules, budgeted costs, and the realization of expected goals. The projects regularly undergo extensive approval and monitoring routines. The total potential losses have increased significantly compared to the previous year (partly due to newly launched projects in individual divisions). However, the probability of occurrence has fallen significantly compared to the previous year. Risks from investments continue to be classified as medium risks.

Investments in buildings, technical equipment and machinery are subject to risks due to incorrect demand analyses, which can lead to inadequate capacity utilization.

Inflation-induced changes in demand in particular can result in significant shifts in utilization.

Acquisitions are complex and high-risk transactions. If an acquisition project fails to achieve the expected objectives or synergy effects, or if the integration cannot be carried out successfully, this can lead to a restriction of the company's further financial scope and to write-downs on goodwill and other acquired assets. The Group companies reduce these risks by conducting extensive due diligence on the acquisition target, transferring certain risks to the seller and carrying out a multi-stage analysis and approval process. Higher risks cannot be ruled out, particularly in the case of investments in companies at an early stage ("start-ups", such as Landa Corp. and MMW in the SKion Group). In 2021, the risk was already classified as increased due to the additions in the reporting year. This assessment remains unchanged for 2024. A significant acquisition was made at the end of September with the takeover of the Von Roll Group by ALTANA. In addition, the restructuring of business activities or the implementation of long-term efficiency measures may result in impairment losses on assets.

➢ **Production risks**

Production risks relate to technical faults or human error in the production area, which can lead to personal injury or environmental damage. These risks can never be completely ruled out. Overall, this risk group showed a slight decrease in the potential loss amount, with the probability of occurrence increasing marginally. The risk group is still classified as a medium risk.

➢ **Defective products**

The delivery of defective products can cause personal injury, property damage or environmental damage and thus trigger liability risks. This can have a significant impact on the Group's financial position. ALTANA in particular minimizes this risk through a high level of process standardization in production and comprehensive quality control measures. In addition, insurance policies are taken out.

(4) Financial risks

The investments held by SKion are subject to the risk of fluctuations in value. With regard to exchange-traded securities, fluctuations in value can result from changing market prices due to a general trend on the stock markets. These can be caused by economic factors, for example. In addition, market psychological circumstances can also lead to price fluctuations and thus market price changes in listed instruments. The change in the yield curve also has an impact on the valuation of assets, particularly interest-bearing instruments.

However, regular monitoring of data as well as company and stock market news makes it possible to identify market price-relevant events and take possible measures to minimize damage in the specific situation. After a significant price slide on the international stock markets in 2022 due to the Ukraine crisis, 2023 and 2024 proved to be resilient and above-average stock market years. However, the outlook for 2025 is mixed, with the ongoing crisis in the real estate sector and global geopolitical tensions in particular suggesting a volatile and challenging year on the stock markets.

A large proportion of the SKion Group's sales are generated outside the eurozone, which means that exchange rate fluctuations affect the level of sales and earnings, but above all the Group's equity. To limit transaction risks, individual companies in the Group, but not SKion GmbH, use currency hedging transactions and optimize the flow of goods and cash by purchasing goods in foreign currencies. Forward exchange transactions are used as derivative financial instruments to manage currency risk. The underlying and hedging transactions can be both micro-hedge relationships and portfolio hedges. Other forward exchange contracts, particularly in the context of ALTANA's "Inhouse Bank", are also recognized outside of hedge accounting. The contracts are processed via banks with the highest credit ratings. With regard to the portfolio of derivative balance sheet positions as of the balance sheet date, please refer to the corresponding disclosures in the notes to the consolidated financial statements.

Liquidity and debt management is carried out by the respective Group companies. To minimize credit default risks, ALTANA, for example, carries out systematic checks on the creditworthiness and payment behavior of counterparties. This applies to customers as well as commercial banks and other business partners where payment defaults can have an impact on the financial situation.

SKion is financed almost entirely from its own funds and makes its investments and acquisitions primarily from its own liquidity. Free cash and cash equivalents are mainly held as investments in time deposits and in money market-related investment funds with bonds with a maximum term of two years. When investing funds, the counterparty and issuer risk is subject to constant monitoring.

(5) Other risks

➢ **Information technology risks**

Information technologies form the basis of almost all business and communication processes. Failures or disruptions to IT systems can have far-reaching effects on all stages of the Group's value chain, which can have a significant impact on business development (IT risks). There are also potential risks from the loss of data or the theft of business secrets. Great importance is attached to the smooth availability of IT applications and IT services. Appropriate processes and organizational structures have been established to ensure this.

These are continuously adapted to the changing risk situation and new technological possibilities. Emergency plans are in place in the event of significant disruptions or data loss. In the coming years, ALTANA and SKion Water will continue to focus on security and protective measures, which will be further developed in line with the threat profile. SKion Water was affected by a cyberattack in 2023. Thanks to good data protection strategies, the damage from this attack was manageable. However, the incident also showed that efforts to protect against similar incidents must be further intensified. In the worst-case scenario, cyberattacks can lead to a significant interruption of business operations and damage from project delays. No further incidents were recorded in 2024 and the further strengthening of security measures is serving its purpose.

➢ **Personnel risks**

Competition for specialized specialists and managers will continue to increase in the coming years. There is therefore a risk that we may not be able to draw on the necessary number of qualified personnel in the future. In order to retain employees at SKion Group companies in the long term and to attract new employees, attractive remuneration, training and development systems are offered at the Group companies. The need for flexible working time models resulting from the corona pandemic and restrictions on the mobility or availability of employees have normalized.

For SKion Water, recruiting staff who can carry out installation work at the customer's site is a particular challenge. Young employees in particular have become less willing to travel. So far, the company has succeeded in recruiting enough new employees. At the same time, SKion Water is working on expanding the scope of off-site installation and thus reducing the capacity required on site at the customer's premises to implement a project.

➢ **Technology risks/innovation risks**

The know-how for the manufacture and proper use of the products is partly protected by patents and other industrial property rights. The protection of this know-how is essential for the success of the SKion Group. Know-how that cannot be patented or is not patented is also extremely important for success. If competitors succeed in catching up on the know-how lead or patenting technologies that are already being used without registering a patent, this is likely to have a negative impact on the development of business success.

For ALTANA in particular, innovation and technology leadership is a key success factor. As a supplier of chemical products, some of which are highly specialized, it is important to be continuously present on the market with new products and to be perceived by customers as a competent and innovative partner. If this were no longer possible in the future, risks could arise for sustainable growth, the achievement of profitability targets and ALTANA's positioning in the relevant markets.

With a culture of innovation practiced at all organizational levels, ALTANA emphasizes the importance of innovation and thus ensures its significance. Research and development activities are continuously evaluated and managed both decentrally and at Group level on the basis of financial and non-financial criteria. By investing above average in research and development, with a focus on product adaptations and new developments, products that are individually tailored to current customer needs can be continuously introduced to the market.

The protection of acquired know-how through patents is important in order to convert a knowledge advantage into economic success. This also includes protecting currently used technologies or process and product features in such a way that they cannot be patented by other companies.

Both the potential amount of damage and the probability of occurrence of this risk group are significantly higher than in the previous year. The increase is mainly due to an increase in risks in the context of the investment in Landa Corporation Ltd. Overall, ALTANA continues to assign the group of innovation risks to the medium risk group.

➢ **Legal and compliance risks**

SKion, its Group companies and its associated companies are occasionally party to legal disputes or may be threatened with legal action in the normal course of business. If it is probable that an obligation will arise and an adequate estimate of the amount can be made, a provision is recognized. The provisions recognized may prove to be insufficient and adversely affect the net assets, financial position and results of operations of the companies. There are currently no third-party claims against SKion that could be expected to have a material impact on the net assets, financial position and results of operations. The risk of the ALTANA squeeze-out procedure mentioned in previous years has been concluded. The proceedings resulted in a payment to be made by SKion, which does not materially affect the net assets, financial position and results of operations.

In international plant engineering in particular, compliance risks are also considered to be medium to high in the industrial sector. Risks arising from violations of applicable standards are countered preventively in relevant subsidiaries through compliance management systems. These include preventive measures such as whistleblower systems as well as the control of payment flows, etc. SKion pursues a zero-tolerance policy with regard to compliance violations.

Overall risk assessment

Short-term macroeconomic risks/cyclical risks and the associated effects on the Group's sales situation are still considered to be the main risks. These can be triggered by a renewed economic crisis, regional economic downturns or changes in consumer behavior, as well as by intensified competition or new technological developments. The relevant risks identified also include procurement market risks, in particular price increases for raw materials, as well as risks from company acquisitions (in particular impairments of intangible assets taken over as part of acquisitions) and major investments. Several risks have materialized as a result of the events of recent years and the risk assessment has increased in several areas. Some effects can be considered to have materialized, meaning that these areas have decreased in the risk classification compared to the previous year. Ongoing and emerging geopolitical crises, such as the US trade conflict, the Middle East conflict and the tensions between China and Taiwan, have in turn led to a persistently high level of risk. Nevertheless, the stock market performance in 2024 also showed that these risks can be countered with appropriate countermeasures and the resilience provided by SKion.

SKion manages individual risks in the area of plant construction at SKion Water via a diversified business model, structured processes for deciding whether to accept or reject customer projects and a focus of the business model on market segments where the risk/return ratio is appropriate.

Nevertheless, SKion has not identified any risks that could jeopardize the continued existence of the company and therefore the Group. This assessment is supported in particular by the Group's financial and economic risk-bearing capacity due to its high equity ratio and low level of debt as well as its clearly positive net liquidity.

Opportunities report

As part of strategic planning, the companies in the SKion Group analyze demand trends as well as market and technology developments with regard to value-creating options for action. In addition, the companies are constantly looking at opportunities to develop new sales markets. During the financial planning processes, the effects of options for action are evaluated and discussed in order to make the best possible use of future opportunities. Finally, potential opportunities for short-term business development are dealt with in detail at all management levels together with the existing risks.

The main opportunities that could lead to ALTANA in particular exceeding its short-, medium- or long-term targets are described below.

If the economic environment in the established and emerging industrial regions, particularly in Asia, America and Europe, develops better than forecast, this may lead to unexpected growth impetus.

As a result, demand for products and services may also develop more positively and exceed forecasts. The same applies to growth in the important emerging markets of Asia and South America. If growth here accelerates beyond the expected levels, ALTANA could benefit from this due to its market positions. In addition to the regional characteristics, growth impulses can also result from individual sectors. In particular, a positive development of the automotive sector, the construction sector and the use of silver and gray shades in the consumer sector can open up additional potential.

The stronger growth in the market for water and wastewater technology compared to general economic growth creates opportunities for SKion Water. This is due to increased quality requirements, particularly in wastewater treatment, the need to catch up on maintenance and expansion investments and the effects of climate change on the water cycle.

The continuous further development of the product and service portfolio is an important prerequisite for continuing a strategy of profitable growth in the long term. If, among other things, ALTANA succeeds in expanding its innovative strength more quickly and increasing the share of new products with a high demand potential above the target level, this would result in even stronger growth prospects. The same applies to entering new markets and opening up new areas of application for existing products. In SKion Water, for example, there are innovations for the reduction of greenhouse gas emissions in wastewater treatment and the reduction of water losses in drinking water networks.

Acquisitions play a central role in the long-term value creation of the entire SKion Group. In recent years, both ALTANA and SKion Water have continuously developed the Group strategically through acquisitions. At ALTANA, the acquisition of the Silberline Group in 2024 will strengthen the regional presence in the product area of effect pigments, especially in North America and Asia, which also offers growth opportunities for the coming years. At the same time, the portfolio was also adjusted to remove those activities that did not meet the strategic criteria and for which there were no long-term value creation prospects within the Group. Previously unforeseeable acquisition opportunities could arise at any time.

The risks presented are therefore offset by numerous opportunities that could lead to sales and earnings growth above the forecasts outlined.

Overall management analysis of the expected development of the Group

SKion's management assumes that the portfolio companies will also be able to successfully implement their strategy of sustainable profitable growth in the coming years, provided that there are no serious repercussions from the Ukraine crisis or the customs and trade conflicts.

The economic environment and the international economy will see slightly lower growth in 2025 than in the previous year, with an increased degree of uncertainty due to the US trade conflicts and the Ukraine crisis, etc.

Sales revenue for the SKion Group as a whole is forecast to be slightly higher in 2025 than in the previous year.

Overall, the SKion Group's consolidated net income for the year is expected to be significantly higher than the level of consolidated net income for 2024. This expectation is due in particular to an improved result of the ALTANA Group and an improved earnings contribution from associates. With regard to the equity ratio, at least an approximately constant ratio can be assumed.

Bad Homburg v. d. Höhe, June 23,
2025 SKion GmbH

The management

Susanne Klatten
Doctor of Science h.c., Univ. Buckingham

Prof. Dr. Frank Richter

Independent auditor's report

To SKion GmbH, Bad Homburg v. d. Höhe

Audit assessments

We have audited the consolidated financial statements of **SKion GmbH, Bad Homburg v. d. Höhe,** and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from January 1 to December 31, 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of SKion GmbH, Bad Homburg v. d. Höhe, for the financial year from January 1 to December 31, 2024.

In our opinion, based on the findings of our audit

- the accompanying consolidated financial statements comply in all material respects with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards"), as adopted by the EU, and the additional requirements of German law pursuant to Section 315e (1) HGB and give a true and fair view of the net assets and financial position of the Group as at December 31, 2024 and of its results of operations for the financial year from January 1 to December 31, 2024 in accordance with these requirements, and
- the accompanying Group management report as a whole provides a suitable view of the Group's position. In all material respects, this Group management report is consistent with the consolidated financial statements.

  The consolidated financial statements are consistent with the consolidated financial statements, comply with German legal requirements and suitably present the opportunities and risks of future development.

Pursuant to § 322 Abs. 3 Satz 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the Group companies in accordance with the requirements of 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.

Management's Responsibility for the Consolidated Financial Statements and the Group Management Report

The legal representatives are responsible for the preparation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law.
§ HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany), and that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. accounting misstatement or error) or error.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. Furthermore, they are responsible for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with section 317 HGB and German generally accepted standards for the audit of financial statements 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 group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. In addition

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions.
  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 control.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report.
  The purpose of the audit is to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls or on these arrangements and measures.
- we assess the appropriateness of the accounting policies used by the legal representatives and the reasonableness of the accounting estimates made by the legal representatives.
  The estimated values and related disclosures are presented below.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to the entity's ability to continue as a going concern.
  We conclude that 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 opinions. We draw our conclusions on the basis of the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  and events in such a way that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with IFRS Ac- counting Standards as adopted by the EU and the additional requirements of German law pursuant to Section 315e (1) HGB.
- We plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units to express an opinion on the consolidated financial statements.
  We are responsible for the direction, supervision and review of the audit activities performed for the purpose of the audit of the consolidated financial statements and of the group management report. We are responsible for the direction, supervision and review of the audit activities performed for the purpose of the audit of the consolidated financial statements. We bear sole responsibility for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the legal representatives in the group management report. On the basis of sufficient appropriate
  In forming our audit opinion, we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the forward-looking statements or on the underlying assumptions. There is a significant unavoidable risk that future events will differ materially from the forward-looking statements.

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

Stuttgart, June 23, 2025

RSM Ebner Stolz GmbH & Co. KG
Auditing company Tax consulting company

Signiert von:
5ABACA08E0E84E1...
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Certified Public Accountant

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