STABILUS

# 2024

ANNUAL REPORT

INDUSTRIAL MOTION CONTROL AND AUTOMATION

# A

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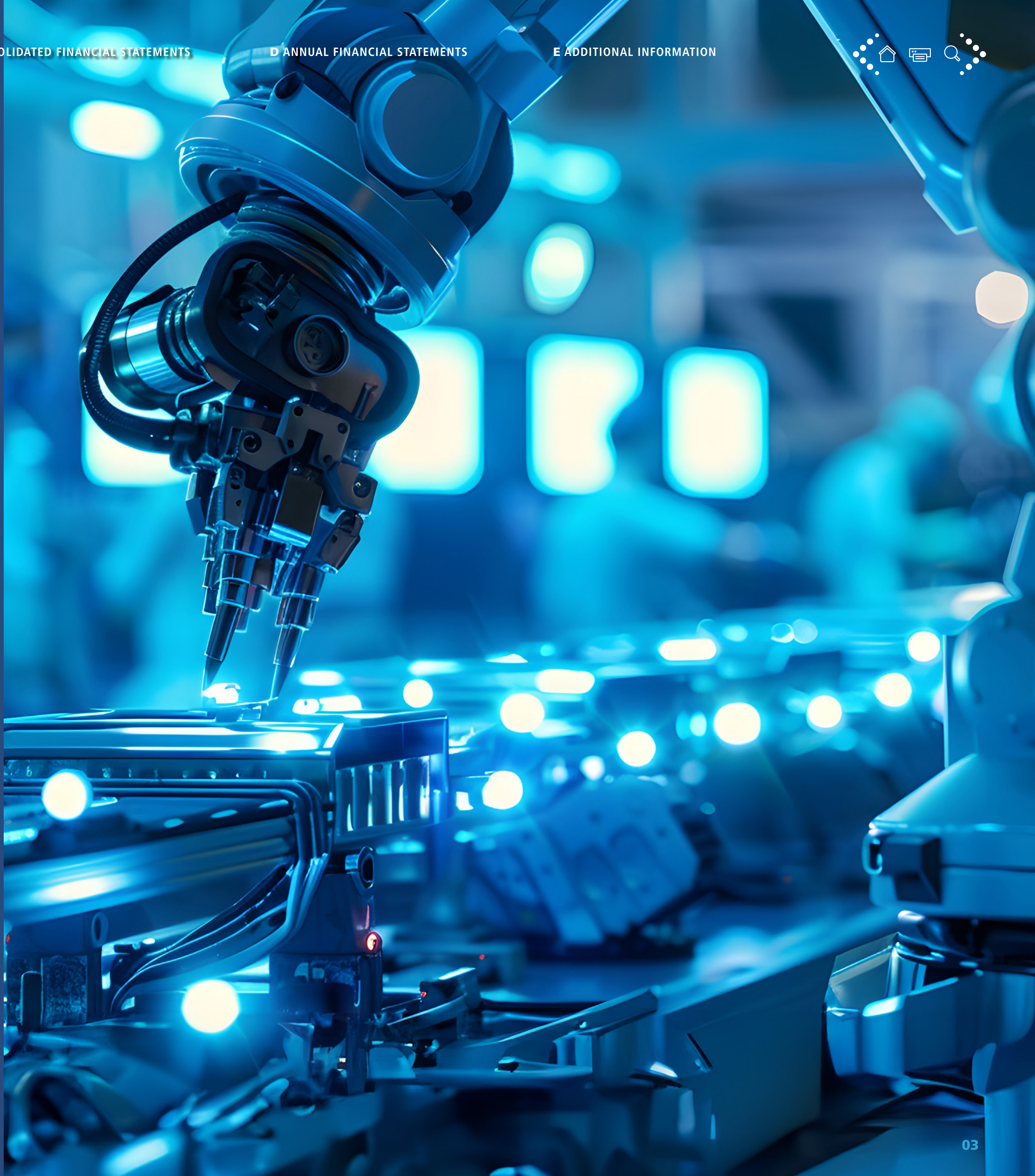


# STABILUS 2024 AT A GLANCE

**€1,306 M**
Revenue

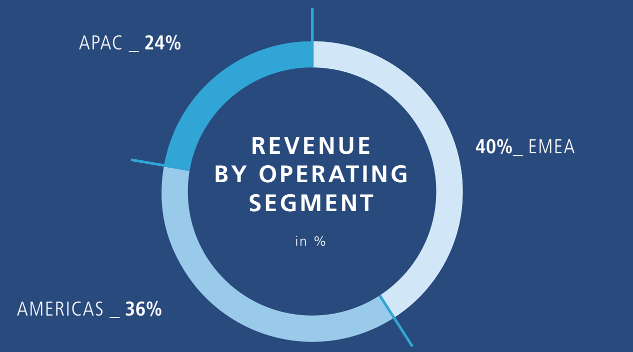
**12.0%**
Adjusted EBIT margin

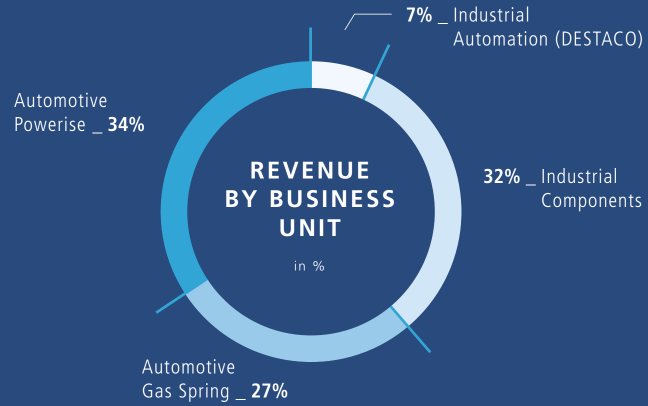
**7,984**
Employees

## Key figures

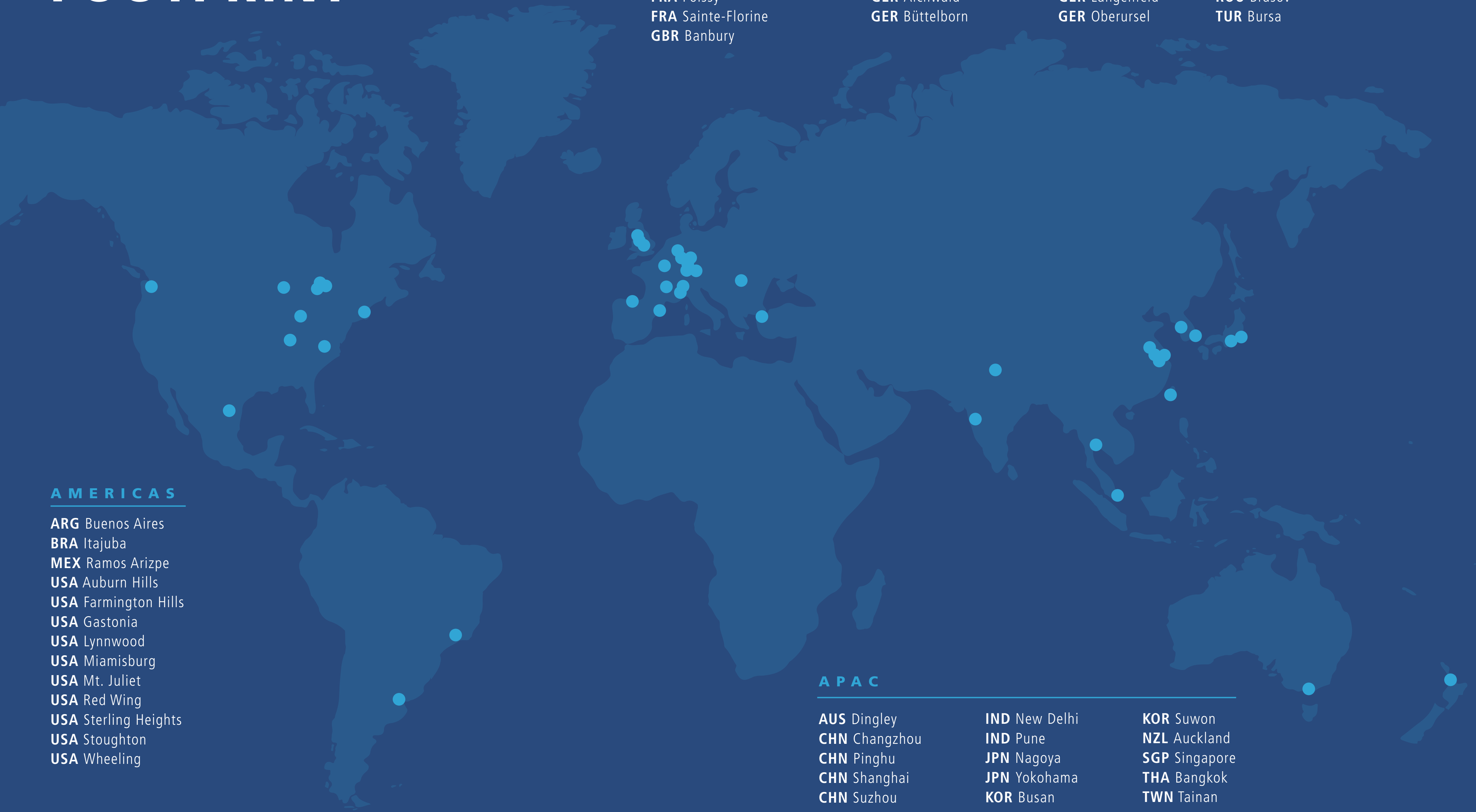
| IN € MILLIONS | Year ended September 30, 2024 | 2023 | Change | % change |
|---|---|---|---|---|
| Revenue | 1,305.9 | 1,215.3 | 90.6 | 7.5% |
| EBIT | 113.3 | 137.1 | –23.8 | –17.4% |
| Adjusted EBIT | 157.1 | 158.4 | –1.3 | –0.8% |
| Profit for the period | 72.0 | 103.3 | –31.3 | –30.3% |
| Capital expenditure | –82.9 | –73.7 | –9.2 | 12.5% |
| Free cash flow (FCF) | –520.4 | 96.7 | –617.1 | <–100.0% |
| Adjusted FCF | 132.8 | 107.3 | 25.5 | 23.8% |
| EBIT margin (% of revenue) | 8.7% | 11.3% | | |
| Adjusted EBIT margin (% of revenue) | 12.0% | 13.0% | | |
| Profit margin (% of revenue) | 5.5% | 8.5% | | |
| Capital expenditure as % of revenue | 6.3% | 6.1% | | |
| FCF as % of revenue | –39.8% | 8.0% | | |
| Adjusted FCF as % of revenue | 10.2% | 8.8% | | |
| Net leverage ratio | 2.8x | 0.3x | | |
| Number of employees[1] | 7,984 | 7,426 | | |
| Total assets | 1,910.9 | 1,334.3 | | |
| Equity | 677.7 | 712.0 | | |
| Equity ratio | 35.5% | 53.4% | | |

[1] Active and inactive employees without temporary workers, trainees, interns and graduates.



# OUR GLOBAL FOOTPRINT



## EMEA

**ESP** Derio
**ESP** Sant Boi de Llobregat
**FRA** Poissy
**FRA** Sainte-Florine
**GBR** Banbury
**GBR** Haydock
**GBR** Wolverhampton
**GER** Aichwald
**GER** Büttelborn
**GER** Eschbach
**GER** Koblenz
**GER** Langenfeld
**GER** Oberursel
**IT** Pinerolo
**IT** Rivoli
**ROU** Brasov
**TUR** Bursa

## AMERICAS

**ARG** Buenos Aires
**BRA** Itajuba
**MEX** Ramos Arizpe
**USA** Auburn Hills
**USA** Farmington Hills
**USA** Gastonia
**USA** Lynnwood
**USA** Miamisburg
**USA** Mt. Juliet
**USA** Red Wing
**USA** Sterling Heights
**USA** Stoughton
**USA** Wheeling

## APAC

**AUS** Dingley
**CHN** Changzhou
**CHN** Pinghu
**CHN** Shanghai
**CHN** Suzhou
**IND** New Delhi
**IND** Pune
**JPN** Nagoya
**JPN** Yokohama
**KOR** Busan
**KOR** Suwon
**NZL** Auckland
**SGP** Singapore
**THA** Bangkok
**TWN** Tainan

# OUR STAR 2030 STRATEGY

## Vision

**Global leader in intelligent motion control technologies**

In conjunction with STAR – which stands for "STABILUS RELOADED" – Stabilus is continuing to transition from a supplier of individual components to a system provider. Initiated ten years ago, this strategic process will be gradually implemented by 2030 to achieve our vision of becoming the world market leader for intelligent motion control technologies. This long-term strategy is based on four cornerstones: sustainable growth, customer and employee satisfaction, innovation, and sustainability.

**2030**

**OUR VISION**

Global leader in intelligent motion control technologies

**OUR PURPOSE**

We make motion easy and safe – each and every day

**OUR MISSION**

WE DELIVER WORLD-CLASS MOTION CONTROL SOLUTIONS

**OUR VALUES**

CODE-S:

**C**ommitment | **O**pen | **D**elight | **E**thical

**OUR GOALS**

- Profitable and Sustainable Growth
- Company of Choice
- Next Level Motion Control Solutions
- Model Corporate Citizen

**OUR KPIs**

- Total Revenue €2bn@15% adj. EBIT margin
- Employee & Customer Net Promoter Score > 50
- €0.5bn Revenue with New Innovative Solutions
- Company with Top Sustainability Ratings

MOTION CONTROL INNOVATIONS

MOTION ECOSYSTEM

SUSTAINABLE PROFITABLE COMPANY

ASIAN CENTER OF GRAVITY

OPERATIONAL AGILITY

## Purpose

### We make motion easy and safe – each and every day

How do we, at the Stabilus Group, benefit society and our customers? Our purpose derives from our core expertise, which is motion control. Our products and solutions make people's lives easier in countless situations. For example, we enable easy and convenient opening and closing of doors in millions of vehicles. Our advanced vibration isolation and shock absorption solutions contribute to comfort and safety in a wide range of industrial applications. What we do matters, in everyday life and in the creation of added value. We're proud of that. We make motion easy and safe – for people and for industrial equipment. Each and every day.

## Mission

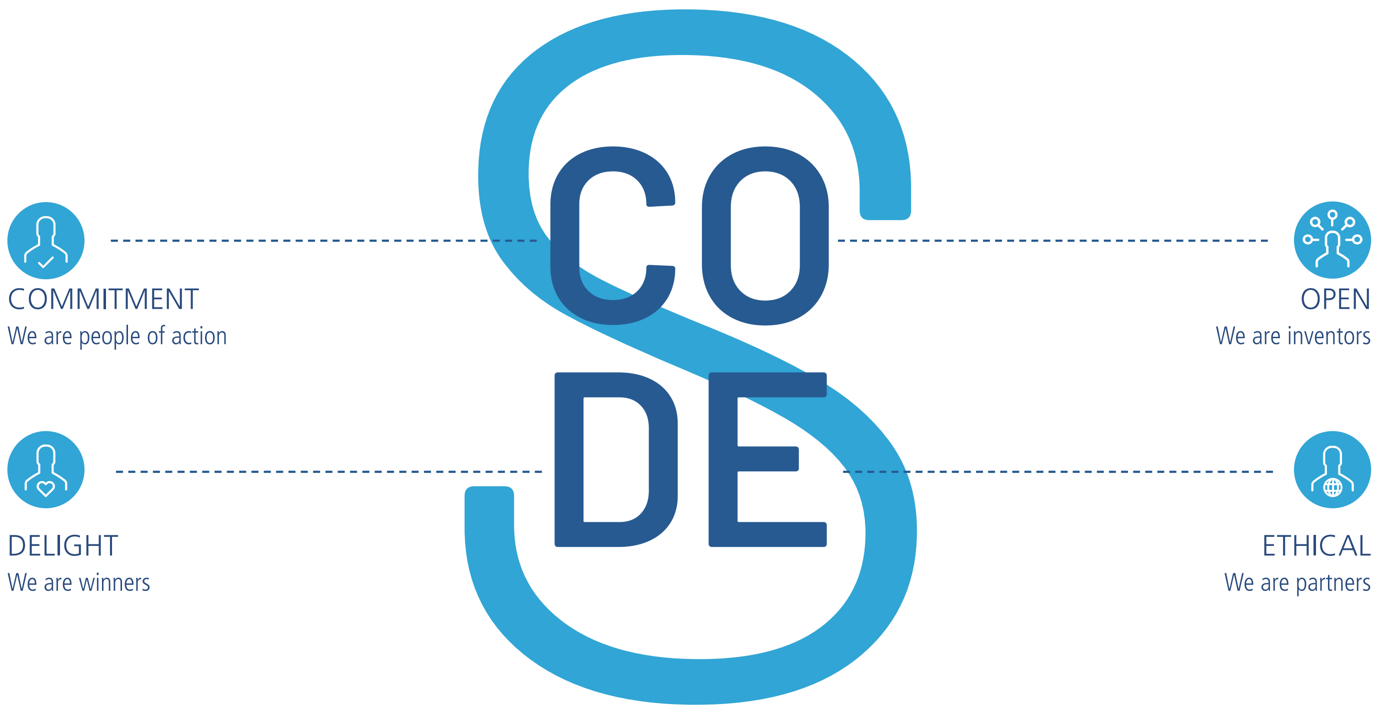
### We deliver world-class motion control solutions

What is our daily mission? What do we demand of ourselves? We all contribute to designing, manufacturing, and marketing excellent, top-quality motion control products and solutions. We want to satisfy our customers with our high standard of quality, our innovative strength, and our ability to invent creative solutions. We deliver world-class motion control that's worthy of a global market leader.

## Values

### CODE-S: The inner compass of our work

What values guide our daily work? The answer is CODE-S, where "S" stands for the Stabilus Group and "CODE" for our four core values: "Commitment" points to our willingness to approach every challenge with passion and master it with determination. Being "Open" is our starting point for curiosity, constant learning, and positive evolution. "Delight" stands for our enthusiasm and enjoyment of the work we do. "Ethical" means that we act with moral conviction and take responsibility. To sum it up, CODE-S helps us work with a strong inner compass in everything we do.



# MANAGEMENT BOARD OF STABILUS SE

## Stefan Bauerreis

**Chief Financial Officer (CFO)**

- born 1972, German citizen, degree in business administration
- Management Board Member since 2022
- at Stabilus since 2022

## Dr. Michael Büchsner

**Chief Executive Officer (CEO)**

- born 1975, Austrian citizen, degree in chemical engineering and business administration
- Management Board Member since 2019
- at Stabilus since 2019

## David Sabet

**Chief Technology Officer (CTO)**

- born 1973, US-American citizen, degree in mechanical engineering
- Management Board Member since October 2024
- at Stabilus since 1996

# LETTER FROM THE CEO

Dr. Michael Büchsner
Chief Executive Officer

## *Dear Shareholders, Customers, Business Partners and Employees, Dear Ladies and Gentlemen,*

The publication of the annual financial statements marks the end of a successful fiscal year 2024 for the Stabilus Group in light of the general economic conditions. With revenue of €1.3 billion and an adjusted EBIT margin of 12.0%, we have achieved our targets. By adjusting our targets in June, we anticipated market developments in the automotive industry early on and acted accordingly. As a result, the Stabilus Group achieved year-on-year revenue growth of 7.5% (organic revenue growth +0.6%) and remained profitable, reporting a profit of €72.0 million (fiscal 2023: €103.3 million), even after the effects of the acquisition of DESTACO and higher taxes following on from non-recurring items in fiscal 2023. As in previous years, this year we once again plan to share the Company's consistently positive earnings situation with our shareholders and propose the payment of a dividend of €1.15 per share to the Annual General Meeting.

The positive revenue growth was largely driven by two factors. Firstly, the inclusion of DESTACO's revenue in the consolidated financial statements. DESTACO's strong position in the market for industrial automation and the associated diversification of our business have proven their worth in a difficult environment. In addition, the acquisition of DESTACO has helped to not only strike a balance between industrial and automotive sales within our Group, but also gives us a more favorable profile in the current market situation. With revenue of €95.4 million and an EBIT margin of 20.4% in the second half of the year, DESTACO has fully met our expectations. The second factor is strong revenue growth in the Asia-Pacific region of 16.1% (organic revenue growth 14.1%) with an adjusted EBIT margin of 17.5%. Increased initiatives to improve cost flexibility and manage costs likewise had a positive impact on earnings.

This success demonstrates that our growth and diversification strategy is working well and that we are well on the way to achieving around half of our revenue in the industrial segment. In the past fiscal year, we set the course for the further implementation of our strategy. This includes, in particular, the integration of DESTACO to leverage sales synergies and cross-selling potential. Customer feedback has been very positive to date, and we are already seeing the first joint sales successes. However, over the past fiscal year, we have primarily focused on fundamental work, training employees, and creating sales documents to bring the joint product

*"Our growth and diversification strategy has proven its value. We are well on the way to achieving around half of our revenue in the industrial segment."*

portfolio into the central catalogs for 2025. Only items listed in the catalogs can be ordered. In addition, we appointed our long-standing CTO David Sabet to the Management Board as the third member. He now holds responsibility for the Americas region. With this new appointment, we have also taken into account the importance of innovation for our growth. This move was accompanied by the ramp-up of our capital expenditure to the standard historical level of roughly 6% of revenue. Over the past fiscal year, innovation at the Stabilus Group focused on radar technology, intelligent door operation, and the automation of production facilities.

We have great confidence in the trends driving our business, especially the electrification of motion control and automation in all branches of industry and life. With our electromechanical solutions for motion control and DESTACO products for industrial automation, we offer a wide range of products to meet this demand.

Despite all the momentum, it is important to remain calm. The foreseeable ongoing volatility affecting some of our target industries requires this. Sound financing and a strong cash flow are important foundations for the stability of the Stabilus Group. In the past fiscal year, we replaced

*"We have great confidence in the electrification of motion control and automation in all branches of industry and life."*

the bridge financing for the DESTACO acquisition of €250 million with a promissory note with attractive terms. We reduced our net debt by more than €50 million in the last six months of fiscal 2024, bringing our net debt ratio to a stable 2.8. Our goal is to reduce this figure to well below 2.0 over the next two to three years. At €132.8 million, the adjusted free cash flow of the Stabilus Group in fiscal 2024 was significantly higher than in the previous year (€107.3 million). This is partly due to the free cash flow of the acquired DESTACO. It can also be traced back to an optimization of net working capital, which includes, for example, liquidity management measures in the context of receivables and liabilities management. These are expected to be reversed in the first quarters of the current fiscal year in the amount of €15 million.

Against the backdrop of the economic challenges and the current geopolitical uncertainties, we have opted to adopt a forecast for the 2025 fiscal year with a wider range. We expect to achieve revenue in the region of €1.3 billion to €1.45 billion, an adjusted EBIT margin of 11% to 13% and an adjusted free cash flow of €90 million to €140 million. We remain committed to our long-term STAR 2030 strategy, which focuses on profitable and sustainable growth, customer and employee satisfaction, innovation, and sustainability.

*"Sound financing and a strong cash flow are important foundations for the stability of the Stabilus Group."*

While we are unable to fully decouple ourselves from the macroeconomic situation and business performance of our customers, we believe that we are in an excellent position to once again be able to report solid business performance in fiscal 2025 – especially against the backdrop of the integration of DESTACO and our leading market position and innovative strength. In fiscal year 2024, we have demonstrated that broad-based positioning, the consistent utilization of intact growth markets and niches, and disciplined cost management can have a major impact in cushioning the blow of negative economic influences. In the current fiscal year, we plan to continue working hard to achieve a strong Stabilus Group that succeeds in getting closer to our goal of becoming the world market leader in intelligent motion control technologies. I am delighted to have you at our side and would like to thank you for your continued support.

Sincerely yours,

**DR. MICHAEL BÜCHSNER**
Chief Executive Officer

# SUPERVISORY BOARD REPORT

**Dr. Stephan Kessel**
Chairman of the
Supervisory Board

## *Dear Shareholders,*

During Stabilus SE's fiscal year from October 1, 2023, to September 30, 2024, the Company celebrated its 90th anniversary. The year was also marked by some major changes. Firstly, by the successful acquisition of the DESTACO Group and, particularly in the second half of the fiscal year, by a challenging market environment with profound effects on the entire automotive industry.

At the very beginning of the fiscal year, the signing of the purchase agreement for the acquisition of the DESTACO Group laid the foundation for further expansion of industrial business. The tasks that needed to be completed in the following months, up to the closing of the transaction on March 31, 2024, including the conclusion of the necessary contracts for purchase price financing and measures for integration into the existing business unit concept, were supported by the Supervisory Board in close coordination with the Management Board.

At the Annual General Meeting in February 2024, which once again took place in virtual format, a further Supervisory Board mandate was created to take account of the growth of the Company, which was filled by Ms. Susanne Heckelsberger. In the second part of the fiscal year, the Supervisory Board, now consisting of six members, focused in particular on the organization and profitability of the Automotive Gas Springs and Automotive Powerise business units against the backdrop of an extremely tight market environment. Although the continuing decline in sales figures, particularly in the commercial vehicles segment, necessitated a correction in sales and profit expectations, the Company was able to close the fiscal year with a good result.

With a view to the new fiscal year, the Supervisory Board decided to create a further Management Board position, which, in addition to focusing on the Americas, also further strengthens the Company's R&D competencies. Here, an appointment was also made from within the Company: Mr. David Sabet.

Finally, it should be emphasized that, before the end of the fiscal year, it was possible to replace the short-term bridge financing for the acquisition of the DESTACO Group with a promissory note loan. The Supervisory Board was also closely involved here.

During the reporting year, the Supervisory Board diligently performed the tasks assigned to it by law, the articles of association, and the rules of procedure, and advised the Management Board and monitored the Company's corporate governance. In doing so, the Supervisory Board relied on the detailed reports provided by the Management Board in oral and written form. In addition, the Management Board and the Chairman of the Supervisory Board engaged in a continuous dialog on matters relating to strategy, business development, risks and risk management, compliance, financial and investment planning, and HR policy matters as well as the Company's profitability, to the effect that the Supervisory Board was informed about the Company's situation and impending decisions at all times. Insofar as the Supervisory Board's approval was required by law, the articles of association, or the rules of procedure for actions to be taken by Management Board, the Supervisory Board discussed such actions and granted its consent.

In all ordinary meetings, the Management Board informed the Supervisory Board about the course of business and the Company's situation, and explained current trends in revenue and earnings. The focus of the Supervisory Board's activities this year was on monitoring the measures to maintain the Company's profitability as well as the integration and financing issues related to the acquisition. With the creation of the new Management Board position and a structural reorganization, the growth of the Company has been taken into account in recent years.

During the reporting year, there were no conflicts of interest of Supervisory Board members subject to prompt disclosure to the Chairman of the Supervisory Board.

## The Supervisory Board's work

During the reporting year, six ordinary in-person meetings and three extraordinary meetings took place (two of which were held purely as video conferences). One of the extraordinary meetings took place as a constituent meeting (on February 7, 2024) after the resolution of the Annual General Meeting to elect the new member of the Supervisory Board – Ms. Susanne Heckelsberger. A resolution relating to the conclusion of the promissory note loan was adopted by way of the circulation procedure. All members of the Supervisory Board attended more than half of the meetings of the Supervisory Board and its respective committees. A detailed overview of the number of meetings of the Supervisory Board and its committees attended by the individual members is to be found under "Individualized Disclosure of Meeting Attendance" below.

On October 11, 2023, the Supervisory Board met in a purely virtual extraordinary meeting, at which the approval decision for the acquisition of the DESTACO Group was taken after detailed discussion of the contractual and financial key points.

At the meeting on November 8, 2023, the budget for fiscal 2023/2024 was discussed and approved and the preliminary results of the audit of the annual financial statements were debated, among other items. Furthermore, we discussed the Stabilus IT strategy, passed the resolution to hold the Annual General Meeting on February 7, 2024, in virtual format, adopted the agenda for the Annual General Meeting, and discussed and approved various transactions requiring approval.

On December 7, 2023, the Supervisory Board discussed in detail the annual financial statements for Stabilus SE for the fiscal year from October 1, 2022, to September 30, 2023, as well as the consolidated financial statements, including the combined management report, the non-financial report, the Supervisory Board report, and the proposal on the appropriation of profits and the remuneration report. In addition, a decision was taken on the adjustment of the Management Board remuneration and the achievement of objectives in connection with the Management Board remuneration in the previous fiscal year. The IT strategy of the Stabilus Group with a special focus on information security was also discussed again in this session.

At the extraordinary meeting of the Supervisory Board on December 13, 2023, which took place in a purely virtual format, the Supervisory Board, in the presence of the auditor, adopted the consolidated financial statements, including the combined management report, the non-financial report, the Supervisory Board report, the proposal on the appropriation of profits, and the remuneration report for the fiscal year from October 1, 2022, to September 30, 2023, which were discussed in detail at the previous meeting.

At the Supervisory Board meeting on February 6, 2024, the focus was on the current financial and business situation after the end of the first quarter. The profitability of the Automotive Gas Springs business unit and other measures to safeguard profitability were discussed in detail as a special topic. In addition, the Management Board informed the Supervisory Board about the status of the acquisition of the DESTACO Group in view of the closing schedule.

At the Annual General Meeting on February 7, 2024, the Supervisory Board was expanded to six people and Ms. Susanne Heckelsberger was elected to the Supervisory Board. As part of the subsequent extraordinary constituent meeting, the chairman and deputy were elected and the committees were set up.

At the meeting of the Supervisory Board on April 24, 2024, which was held at the plant in Pinghu, China, the Management Board presented a report on the Company's situation, along with financial indicators for the second quarter. Further intensive discussions were also held on strategies and measures relating to the Automotive Gas Springs business unit in the face of the emerging challenging market environment. In addition, the Supervisory Board was informed of the progress of the transformation project at the Koblenz plant. Some investments for the Koblenz plant were also approved.

At the Supervisory Board meeting on June 19, 2024, the revenue and earnings correction and its effects were discussed in detail, in light of the current business situation. Measures to ensure the achievement of the Company's objectives were also discussed in depth. In addition, the Supervisory Board received a detailed report on the cooperation between the Industry business unit and DESTACO. ESG was another area of focus. In particular, the Supervisory Board was informed about targets and measures for CO2 savings and presented with the new water reduction roadmap. During the meeting, the self-assessment of the Supervisory Board and its activities was also discussed, optimization proposals were developed, and corresponding measures were defined.

On June 20, 2024, the Management Board, Supervisory Board, and senior management met for Strategy Day to discuss the Company's strategic focus and examine the findings from the previous meeting in greater depth.

At the meeting of September 19, 2024, the Supervisory Board focused on the business situation and the financial indicators for the third quarter. In addition, Mr. Stefan Bauerreis' contract of employment was extended and the decision was taken to expand the Management Board to three people and appoint Mr. David Sabet as a new Management Board member. Various investments requiring approval were also discussed and approved.

In the reporting year, the members of the Supervisory Board undertook further training and development in line with their duties on the committee to ensure they are able to perform their role on the Supervisory Board as effectively as possible. The training and development measures covered sustainability, governance, and remuneration matters in particular.

## Work in and by Supervisory Board committees

During the reporting year, the Supervisory Board had two committees to examine questions and issues and prepare resolutions which are dealt with by the full Supervisory Board: the Audit Committee and the Remuneration and Nomination Committee. To the extent permitted by law and as coordinated by the plenary meeting, these committees are vested with certain decision-making powers. Their respective chairpersons present reports on the work of the committees in the meeting of the full Supervisory Board that follows a committee meeting.

**The Audit Committee** currently consists of Dr. Joachim Rauhut (Chairman), Ms. Inka Koljonen, and Ms. Susanne Heckelsberger. Ms. Susanne Heckelsberger has been a member of the Audit Committee since February 2024. Previously, Dr. Stephan Kessel had been a member of this Committee. It held five meetings during the reporting period, all of which were in-person meetings. In the reporting period, in the presence of the auditor and the Management Board, the Audit Committee examined the Company's annual financial statements and the consolidated financial statements, as well as the management report and the non-financial report. It also regularly exchanged information relating to this with the auditor in the absence of the Management Board. In the year under review, the Audit Committee dealt in particular with the financing of the acquisition of the DESTACO Group and, towards the end of the fiscal year, with the replacement of bridge financing by a promissory note loan. The meetings also focused on further optimizing the internal control system and preparing for the introduction of the CSRD and other regulatory requirements, as well as on monitoring the auditor's review of the half-yearly financial statements.

The Audit Committee defined the audit priorities and monitored, among other things, the quality and efficiency of the statutory audit. It also regularly exchanged information with the Management Board and the Chief Compliance Officer on questions related to corporate governance issues and received reports about the effectiveness of the compliance system, the internal control system, and the risk management system. The Audit Committee also regularly took a look at the accounting and the accounting process as well as the audit plan of the internal audit department and its findings.

**The Remuneration and Nomination Committee** is currently composed of Dr. Ralf-Michael Fuchs (Chairman), Dr. Stephan Kessel, and Dr. Dirk Linzmeier. It met five times during the reporting period. Three of the meetings were conducted by telephone/video conference. The focus was on the organization and design of the Management Board (enlargement/candidate) after the acquisition, the search for a new Supervisory Board member as part of succession planning, and the setting of targets for variable Management Board remuneration including sustainability goals.

**Individualized disclosure of meeting attendance**

| | Supervisory Board | Audit Committee | Remuneration and Nomination Committee |
|---|---|---|---|
| Dr. Stephan Kessel | 9/9 | 3/5* | 5/5 |
| Dr. Joachim Rauhut | 9/9 | 5/5 | – |
| Dr. Ralf-Michael Fuchs | 9/9 | – | 5/5 |
| Dr. Dirk Linzmeier | 8/9 | – | 5/5 |
| Inka Koljonen | 8/9 | 5/5 | – |
| Susanne Heckelsberger | 4/9 | 2/5** | – |

*until February 2024, ** since February 2024

## Annual and consolidated financial statements audit

Deloitte GmbH Wirtschaftsprüfungsgesellschaft, which was appointed by the Annual General Meeting on February 7, 2024, as the auditor of the financial statements for the fiscal year from October 1, 2023, until September 30, 2024, audited the annual financial statements for the fiscal year from October 1, 2023, until September 30, 2024, as prepared by the Management Board pursuant to the rules of the Handelsgesetzbuch (HGB – German Commercial Code). The auditor issued an unqualified audit certificate.

Stabilus SE's consolidated financial statements for the fiscal year from October 1, 2023, until September 30, 2024, and the Group management report, which is combined with the Stabilus SE management report, were prepared pursuant to section 315e HGB on the basis of the International Financial Reporting Standards (IFRS) as they are to be applied within the European Union. The consolidated financial statements and the combined management report were likewise approved in an unqualified audit opinion issued by Deloitte GmbH Wirtschaftsprüfungsgesellschaft. The auditor further found that the Management Board has established an adequate information and monitoring regime that, based on how it was conceived and is implemented, appears likely to detect developments endangering the Company's continued existence at an early stage.

The auditor reviewed the remuneration report prepared by the Management Board and the Supervisory Board for completeness pursuant to section 162 (1) and (2) of the Aktiengesetz (AktG – German Stock Corporation Act).

The consolidated financial statements and Stabilus SE's annual financial statements for the fiscal year from October 1, 2023, until September 30, 2024, were discussed at length at the meeting of the Audit Committee and the meeting of the Supervisory Board that followed, on December 5, 2024, which were attended by all members of the Committee and the Supervisory Board along with the auditor. During the meeting of the Audit Committee, which was attended by the full Supervisory Board, the auditor reported on material audit findings. The Audit Committee once more directed its attention to the key audit items at its meeting. The Group's non-financial statement was also discussed at this meeting in the presence of the auditor, who also audited the non-financial statement in the context of a "limited assurance." At its subsequent meeting, the Supervisory Board reviewed the annual and consolidated financial statements and the combined management report, including the separate non-financial statement, approved the results of the audits, and raised no objections after its own review. The annual and consolidated financial statements and non-financial statement were approved. As a result, the annual financial statements prepared by the Management Board of Stabilus SE are thus adopted.

Following its own thorough review, the Supervisory Board endorsed the recommendation of the Management Board for the appropriation of profits to the Annual General Meeting on February 5, 2025, which provides for the distribution of a dividend payment for the fiscal year from October 1, 2023, until September 30, 2024, in the amount of €1.15 per no par value share.

## Changes to Management Board and Supervisory Board

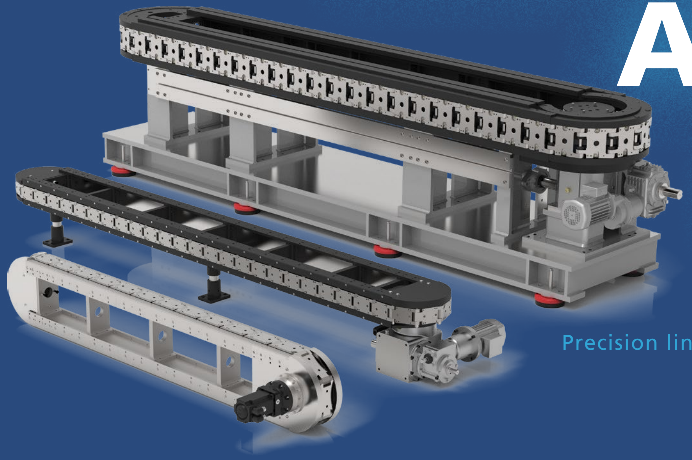
There were no changes to the Management Board in the fiscal year. However, with effect from October 1, 2024, the Management Board was expanded to three people and Mr. David Sabet was appointed as a new Management Board member.

At the Annual General Meeting on February 7, 2024, the Supervisory Board was expanded to six people and Ms. Susanne Heckelsberger was appointed as a member of the Supervisory Board. There were no other changes to the Supervisory Board.

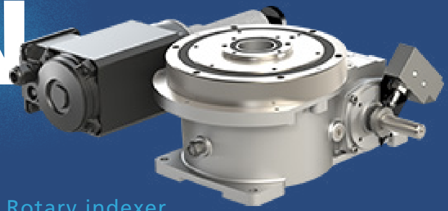
In the name of the Supervisory Board, I thank the Management Board as well as the staff of all corporate divisions for their commitment and outstanding cooperation during this past fiscal year.

**DR. STEPHAN KESSEL**
Chairman of the Supervisory Board

# INDUSTRIAL MACHINERY AND AUTOMATION



Precision link conveyor



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## Stability through strengthening industrial business

The wide range of uses for motion control products and the ever-increasing focus on convenience in society have for years fostered the growth of the Stabilus Group in a variety of industries and sectors, from production and logistics to energy, healthcare, and aviation. On the following pages, we present the Stabilus Group's complete range of industrial motion control products.

This diversification of sales sectors and applications contributes significantly to growth and to the stability of Stabilus' business model. As part of our STAR 2030 long-term strategy, we intend to double industrial revenue to €1 billion by 2030 and achieve a balanced distribution of revenue between automotive and industrial business.

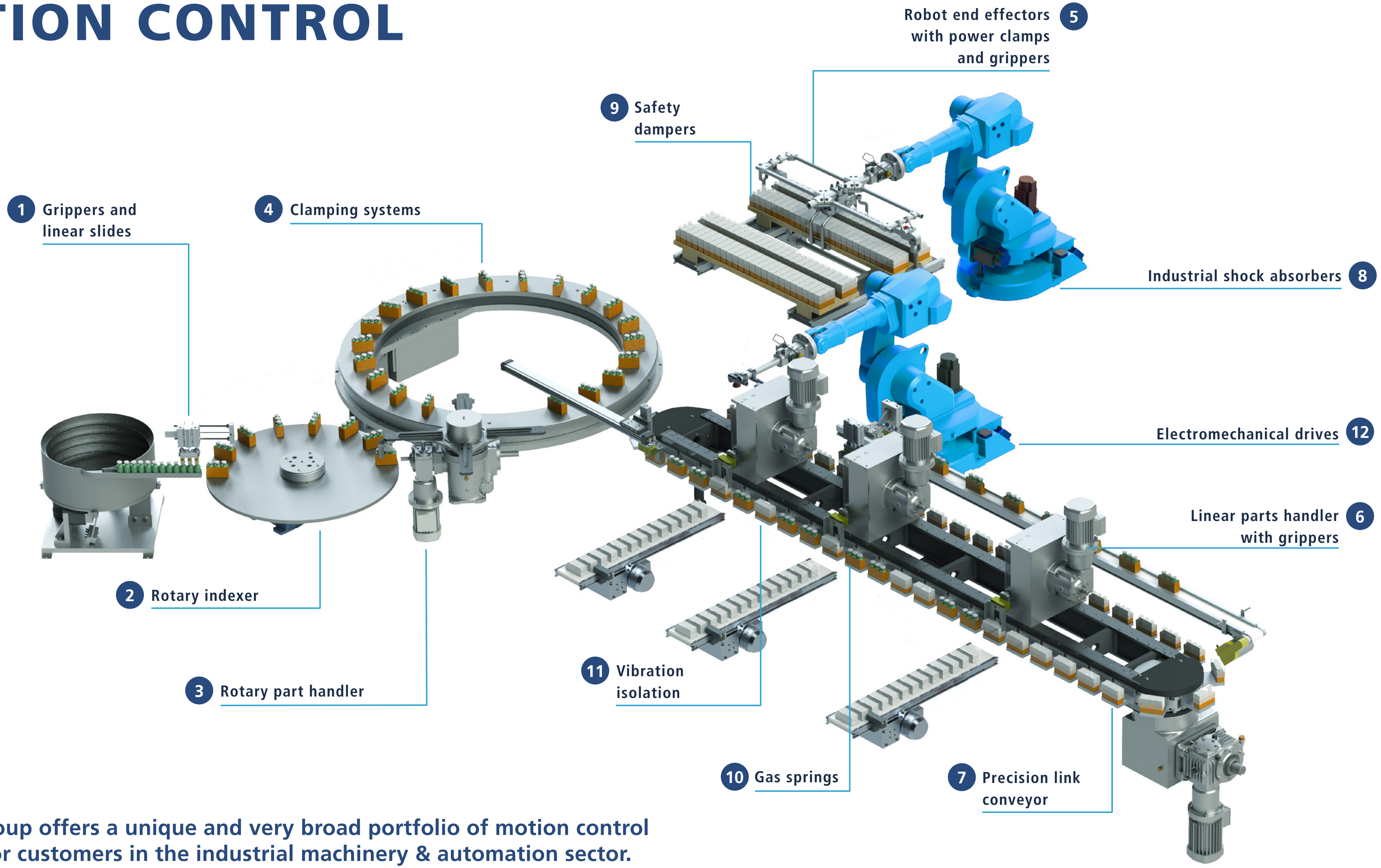
## Acquisition of DESTACO: Achieving STAR 2030 goals

With the acquisition of industrial automation specialist DESTACO, Stabilus has taken another major step towards achieving these goals. The distribution of revenue between automotive and industry converged at the end of fiscal 2024 and revenue in the industrial sector was €517.6 million in the reporting period (comparable period of the previous year: €444.6 million).

As part of the integration of DESTACO, Stabilus expects to further strengthen its industrial business by leveraging cross-selling potential. In addition, both companies benefit from knowledge transfer, an expanded customer base, the local marketing of Stabilus and DESTACO solutions in complementary geographic regions, and their focus on growth industries such as life sciences, medicine, and pharmaceuticals.

In an interview with Stefan Eggers, Head of the Stabilus Business Unit Industrial Automation (DESTACO), you will learn more about the strategy and potential of the industrial sector from page 19 onwards. Eggers also reports on the progress of DESTACO's integration into the Stabilus Group and the successes already achieved in the first months of collaboration.

# STABILUS INDUSTRIAL MOTION CONTROL




**Stabilus Group offers a unique and very broad portfolio of motion control solutions for customers in the industrial machinery & automation sector.**

# OVERVIEW

### 1 Grippers and linear slides

Grippers keep a tight and stable hold on parts, linear slides push objects to a certain position for the following machining operations.

### 2 Rotary indexer

Rotary indexers rotate to position items to exact location around a workspace so they can be worked on, for instance in an automated assembly line.

### 3 Rotary part handler

Precise handling and pick-and-place capabilities rotate items in an automated system from one processing station to another.

### 4 Clamping systems

Electric, pneumatic, hydraulic or manual clamps are holding and securing workpieces during transport as well as processing in manufacturing.

### 5 End effectors with power clamps and grippers

They allow robotic arms to perform various tasks, manipulating objects in manufacturing or assembly processes.

### 6 Linear parts handler with grippers

This combination of products is used in manufacturing for automated handling and transfer of parts along a straight linear path.

### 7 Precision link conveyor

Accurate conveyors for customizable linear movement precisely transport and position all kinds of objects.

### 8 Industrial shock absorbers

Decelerate moving parts, such as doors or machine elements, evenly over the entire stroke and reduce wear by reducing the load.

### 9 Safety dampers

Brake moving masses and protect machines, systems and people from damage. For example on safety doors, crane trucks or robots.

### 10 Gas springs

Allow controlled lifting or lowering of loads. Areas of application include flaps and doors in machine and vehicle construction or in the furniture industry.

### 11 Vibration isolation

A technique that prevents the transmission of excessive vibration by using materials / devices that limit the affects of vibration forces.

### 12 Electromechanical drives

Electromechanical drives create precisely controllable motion for a wide range of applications. For example, opening and closing of doors and flaps.

# INTERVIEW WITH STEFAN EGGERS

**Stefan Eggers**
Head of the Stabilus Business Unit Industrial Automation (DESTACO)

Stefan Eggers is Head of the Stabilus Business Unit Industrial Automation (DESTACO). In this interview, he reports on what has already been achieved during integration since the acquisition and how Stabilus and DESTACO intend to grow together.

**— Mr. Eggers, how have you found the first few months in the Stabilus Group?**

Intense! We are investing a lot of time and energy in converting systems and processes on the way to becoming an integral part of the Stabilus Group. We are making very rapid progress in this regard. The Stabilus colleagues have a great interest in understanding how we work and also in benefiting from our know-how. For example, we are taking on many Stabilus tools such as software and reporting, but when it comes to controlling production processes, we are working on a joint solution that optimally combines the experience and expertise of Stabilus and DESTACO.

**— Where do you stand specifically, especially with regard to planned synergies?**

At the moment, we are focusing primarily on sales synergies. Only what we are bringing into the central catalogs for next year in the fourth quarter of the 2024 fiscal year can be ordered via these in fiscal 2025. There is a lot of fundamental work to be done, but we have come a long way in a short time, trained employees, and created sales documents. We were only able to start doing this after closing, so we only had a total of six months to get in the best possible position for fiscal 2025. On the basis of initial joint sales successes, we have already been able to go through the processes and order processing and define responsibilities. So we are well prepared. There are also further synergies in areas such as purchasing, where we sometimes buy quite similar products, and in external production capacities, which we have previously accessed because we can reduce costs through insourcing.

*"We are working on a joint solution that optimally combines the experience and expertise of Stabilus and DESTACO."*

**— How are customers receiving the new joint offer?**

There is a great deal of interest among sales partners, and end customers are also open-minded. OEMs in particular want to reduce their administrative costs, so one-stop shops such as Stabilus are increasingly in demand. Many are familiar with both companies anyway. In Germany, for example, about a third of customers have both companies in their supplier portfolio. Globally, we are already feeling the potential that can be unlocked by opening up our customer groups to each other. In many markets in which DESTACO has been somewhat weaker up to now – Brazil, Korea, and Japan, for example – Stabilus has a site, so we are now also becoming a local provider there. This has already made us stand out: We are on site and communicate with customers in the local language. Through Stabilus, DESTACO now has access to new markets. This will pay off because DESTACO already has a very broad product portfolio that can serve virtually all markets worldwide, both geographically and also in terms of customer segments. That makes our business very stable. If things are doing less well in one area, the others can usually make up for it.

*"At the moment, we are focusing primarily on sales synergies. Through Stabilus, DESTACO has access to new markets."*

**— What is DESTACO particularly good at and how do Stabilus and DESTACO complement each other?**

The answer to both of these questions is quality, innovation, and adaptation. Stabilus and DESTACO work in very similar ways. What customer-specific solutions and expert brands are at Stabilus, application engineering is at DESTACO: Instead of offering only standard products, we also adapt them to the customer's needs and now offer solutions right through to process innovation. For example, a customer comes along and wants his line to produce 15 parts per minute instead of 10 in the future, and says "do it". Application engineering accounts for only 10% of total sales, but it is almost always a guarantee for subsequent sales, because customers then also buy the rest, i.e., standardized parts, from us. In addition, our products have a top rating – some of them run for 15 years without defects. That is why the DESTACO brand will be preserved, as Stabilus has previously managed to do with purchased brands. DESTACO has been synonymous with quality for 100 years, and that's worth its weight in gold.

*"Quality, innovation, and adaptation. Stabilus and DESTACO work in very similar ways."*

**— In which product groups do you see the greatest cross-selling potential?**

Of the Stabilus products, for example, shock absorbers have great potential in the DESTACO sales network. For DESTACO, Stabilus' industrial customers who need grippers and conveyor systems, as well as complementary hand and automation clamps, are of interest.

**— What are DESTACO's top-selling products?**

According to turnover, manual and automation clamps account for about 50%, conveyor systems come to about 20%, followed by grippers with about 10%.

**— What are your expectations for the industrial automation market as a whole?**

This varies depending on the region and customer segment, but we can absorb this through our broader positioning. In the US, inflation is dampening the appetite for investment. In Asia, the picture is very mixed. While growth in China continues to slow, other countries, such as Malaysia and Thailand, are doing well. Nevertheless, DESTACO's China business is stable because we have a strong and diversified customer base there. As an example: In Asia, new car brands are emerging at a rapid pace, but we have managed to identify big players in this industry early on, who can hold their own, while many of DESTACO's competitors are running into price battles.

**— And in Europe?**

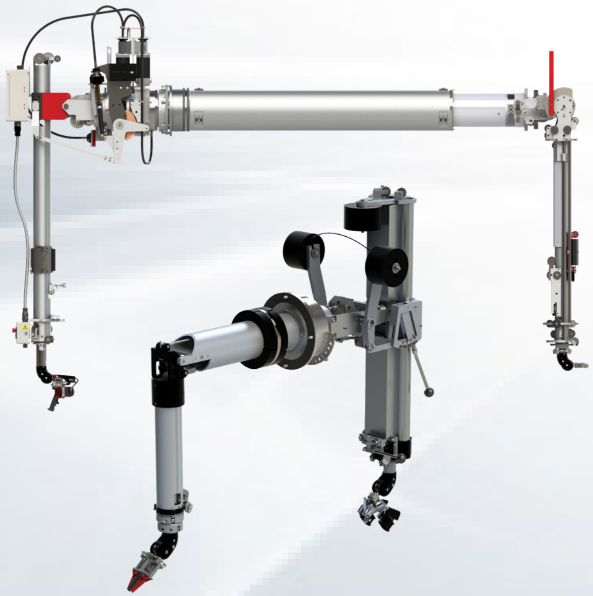
Inquiries for the coming year are increasing again because automotive and industrial companies are tending to produce more domestically and increasingly automating their production in order to remain competitive. We also see some catch-up effects here, as we have successfully adapted our own positioning in this region. In the past, our product portfolio in Europe was less balanced than in the US, for example. We're catching up. Grippers and indexers, which are used, for example, in rotary indexing tables, are now also produced in France, conveyor systems also in Oberursel, where historically manual and automation clamps were our strength. This localization initiative is also accompanied by a transfer of know-how and optimized delivery performance. Our customers see and reward this; growth in this region is in the double digits and above the market level. We are also adapting our brand image accordingly. This does not mean that we are neglecting our previous strengths, but we are increasing the focus on growth areas.

*"We are increasing the focus on growth areas."*

**— What are they?**

Our customers want to become more innovative, and we benefit from this as an innovation leader. The electrification of grippers is a good example. These are becoming wireless and we are improving usability. Energy consumption is very low and initial operation is "plug and play". Every fitter in production should be able to install and operate these systems. We are no longer talking about "programming," but only about "instruction." The first prototypes are in use and feedback is very good. Another major role in simplification is played by modularity. Specialized and very customer-specific individualized products carry the

*"Life sciences, medicine, pharmaceuticals, consumer goods. This is what we are addressing in the area of support systems."*



Grippers / telemanipulators
Our subsidiary
Central Research Laboratories

risk that many special parts are used, which makes the supply of spare parts expensive. We are working on this. In our automation clamps, instead of the previous ten different special motors, only two are still used, but they represent ten different functionalities.

**— How quickly do you bring innovations to market?**

The goal is one year, including a three- to four-month lab test period during which we complete several million test cycles. For some product lines, we also have a four-year innovation pipeline to maintain our innovation lead.

**— How closely do you work with customers in the field of research and development?**

We often start from a specific customer concern. But real innovation often starts with a white sheet of paper and an idea that no customer has yet come up with. This really breaks new ground.

**— Which industries have future potential?**

Life sciences, medicine, pharmaceuticals, consumer goods. We are addressing this with our localization towards Europe in the area of conveyor systems in order to realize short delivery times. In our subsidiary Central Research Laboratories, we have enormous specialist knowledge in the field of remote handling, i.e., highly sensitive and smooth-running gripping arms operated by humans, which are mainly used in medicine or nuclear technology – where, for example, people need to be protected from dangers when handling products, or products need to be protected from contamination. This area has been very strong so far, especially in the US, but the brand is a generic term in its target industry worldwide, like the Tempo handkerchief. It is our fastest-growing area, which also has very high barriers to entry due to the necessary certifications.

*"For some product lines, we also have a four-year innovation pipeline."*

**— Who are your customers?**

In the area just mentioned, state or semi-state institutions, the largest life sciences companies. Our grippers and tensioners are used everywhere; some German industrial companies have thousands of them in operation. The largest car manufacturers worldwide rely on our technology, including in battery production. But beverage manufacturers are also among our customers, for example.

**— So Stabilus also has DESTACO products in use?**

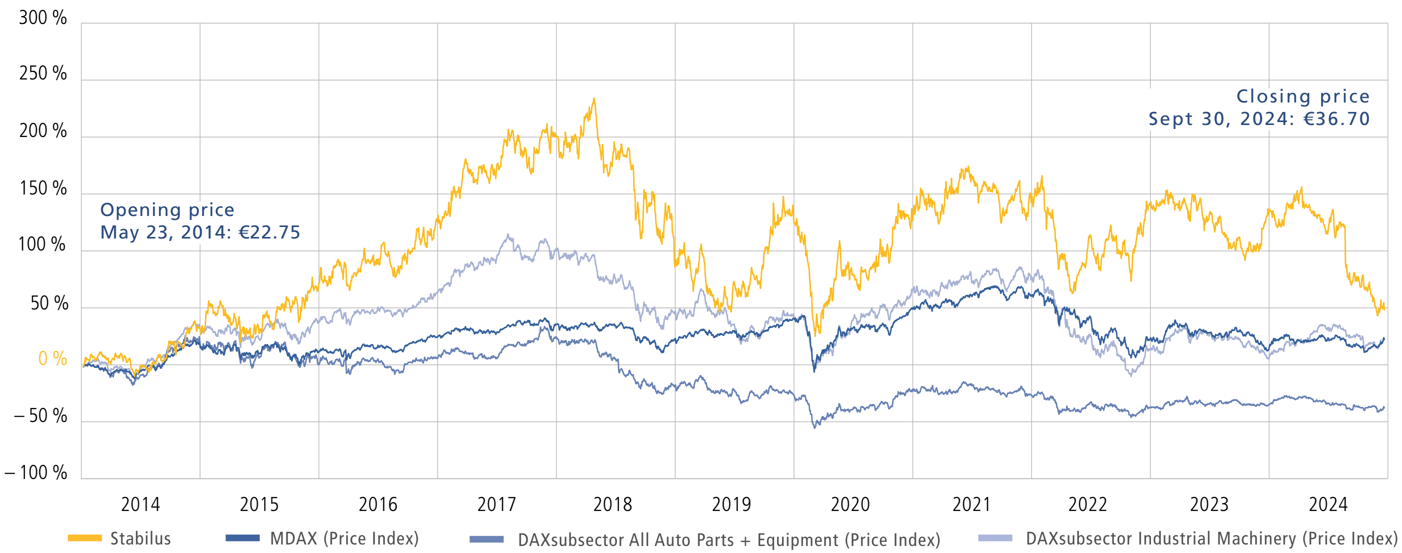
Indeed! And where our grippers and indexers are not already integrated into the production lines, we will now change this. Conversely, we are looking at how we can use the electric drives from Stabilus at DESTACO. In any case, we are already on board with Stabilus' automation projects and contribute not only products, but also infrastructure and our supplier network.

# STABILUS SHARES

### Stabilus share data

| | |
|---|---|
| **Ticker symbol** | STM |
| **Bloomberg ticker symbol** | STM:GR |
| **Reuters ticker symbol** | STAB.DE |
| **German security identification number (WKN)** | STAB1L |
| **ISIN** | DE000STAB1L8 |
| **Number of shares outstanding (Sept 30, 2024)** | 24,700,000 |
| **Type of shares** | Ordinary bearer shares in the form of no-par value shares |
| **Share capital (Sept 30, 2024)** | €24,700,000 |
| **Index memberships (selection)** | MDAX, DAXsubsector Industrial Machinery |

### Share price development since IPO




## Share price performance in FY2024 and since IPO in May 2014

In October 2023, Stabilus announced the acquisition of DESTACO, which was positively received by the capital market. The share price subsequently rose by more than ten percentage points compared to the peer indices and continued to perform better than the peer indices in the first five months of fiscal 2024 (October to February). In the following months March to May, the Stabilus share outperformed the MDAX and the DAXsubsector All Auto Parts + Equipment but underperformed the industrial benchmark index (DAXsubsector Industrial Machinery). Due to the low call-off volumes in automotive and commercial vehicle markets, Stabilus had to revise its forecast for the 2024 fiscal year on June 11, 2024. In the last four months of fiscal 2024 (June to September), Stabilus' share price underperformed the benchmark indices. Over the year as a whole, the Stabilus share price declined from €53.00 to €36.70.

As of September 30, 2024, Stabilus' share price of €36.70 was 61% above its opening price of €22.75 on May 23, 2014, the day of its initial public offering. During the same period, DAXsubsector All Auto Parts + Equipment decreased by around 44%, DAXsubsector Industrial Machinery increased by around 29% and MDAX by around 30%. Over the last ten years, since its IPO in May 2014, Stabilus shares outperformed the automotive supplier index by more than 100% and the industrial supplier index as well as the MDAX by more than 30%.

## Annual General Meeting 2024

Stabilus SE held its Annual General Meeting in virtual form on February 7, 2024. A total of 91.7% of equity capital was represented at the General Meeting. Every item on the agenda proposed by the company management was approved by Stabilus shareholders with an approval rate of more than 90%. Among other things, the General Meeting approved the dividend distribution of €1.75 per share, the resolution on the amendment of the Articles of Association to increase the number of the Supervisory Board members from five to six members and the resolution on election of a further member of the Supervisory Board. Furthermore, the General Meeting has approved the revision of the record date for proof of share ownership in the Articles of Association and the conclusion of profit pooling agreement between Stabilus SE and Stabilus Motion Controls GmbH. All documents and information regarding the General Meetings can be found on the Stabilus IR website at ir.stabilus.com IR.STABILUS.COM.

## Dividend proposal of €1.15 per share

The Management Board and the Supervisory Board resolved to propose a dividend distribution of €1.15 (PY: €1.75) per share to the Annual General Meeting to be held on February 5, 2025. It corresponds to a total dividend of €28.4 million (PY: 43.2 million) and the distribution ratio of around 40% (PY: 42%) of the consolidated profit attributable to the Stabilus shareholders.

## Regular information exchange with investors and analysts

In fiscal 2024 Stabilus SE provided capital market participants with timely information on the company's business performance. The company conducted roadshows in key global financial centers, hosted two factory visits to DESTACO in Oberursel, and took part in 19 international investor conferences.

The following equity analysts publish assessments and recommendations on the Stabilus share. Of these, seven analysts recommended Stabilus shares as a buy, three gave a neutral rating and only one recommended selling.

### Equity research

| | |
|---|---|
| Berenberg | Yasmin Steilen |
| Bernstein | Stephen Reitman |
| Hauck Aufhäuser Lampe | Felix Kruse |
| J.P. Morgan | Akshat Kacker |
| Kepler Cheuvreux | Hans-Joachim Heimbürger |
| LBBW | Tobias Willems |
| mwb research | Harald Hof |
| ODDO BHF | Klaus Ringel |
| Quirin | Daniel Kukalj |
| Stifel | Alexander Wahl |
| Warburg Research | Marc-René Tonn |

## Stable shareholder structure

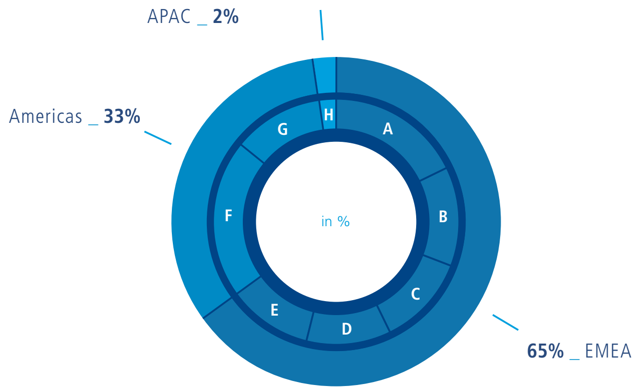
Approximately 65% of the Company's shares are held by investors from the EMEA region, primarily Germany, Luxembourg, the Netherlands as well as the United Kingdom, approximately 33% are held by investors from the Americas, primarily the United States, and approximately 2% of total shares is in the hands of shareholders from the Asia-Pacific region. Institutional investors hold around 98% and retail investors around 2% of Stabilus shares. Stabilus management owns 0.1% of total shares. According to the voting rights notifications received until September 30, 2024, The Goldman Sachs Group, Inc. (with NN Group N.V., through NNIP), Allianz Global Investors GmbH and Teleios Capital Partners LLC (Igor Kuzniar) each control more than 10% of voting rights attached to Stabilus shares, FMR LLC, Allianz SE and Marathon Asset Management Limited each control between 5% and 10% of voting rights, and Fidelity Investment Trust, the State of Norway and Ameriprise Financial, Inc. control between 3% and 5% of voting rights. All notifications of major shareholdings and of management transactions can be viewed on the Stabilus website at IR.STABILUS.COM.

## Stabilus Investor Relations online

For more information about Stabilus shares, please visit IR.STABILUS.COM.

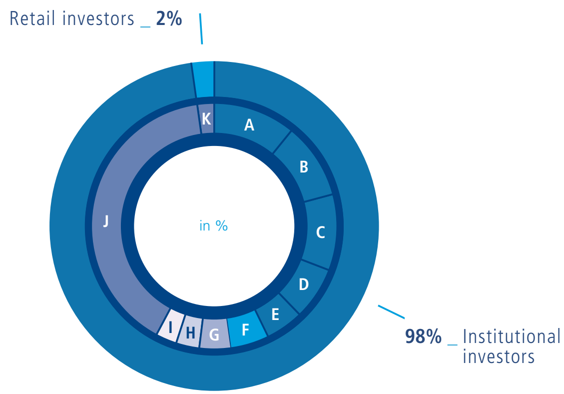
IR.STABILUS.COM

### Shareholder structure by region




| | | | | | |
|---|---|---|---|---|---|
| A _ Germany | 18% | | E _ Rest of EMEA | 11% |
| B _ Luxembourg | 13% | | F _ United States | 21% |
| C _ Netherlands | 12% | | G _ Rest of Americas | 12% |
| D _ United Kingdom | 11% | | H _ APAC | 2% |

### Shareholder structure by type of shareholder




| | | | |
|---|---|---|---|
| A _ The Goldman Sachs Group, Inc. (NNIP) | 11% | F _ Allianz SE | 5% |
| B _ Allianz Global Investors GmbH | 10% | G _ Fidelity Investment Trust | 4% |
| C _ Teleios Capital Partners LLC | 10% | H _ State of Norway | 3% |
| D _ FMR LLC | 7% | I _ Ameriprise Financial, Inc. | 3% |
| E _ Marathon Asset Management Limited | 5% | J _ Other institutional investors | 40% |
| | | K _ Retail investors | 2% |

Major holdings of institutional investors according to voting rights notifications, rounded to the nearest percentage point

B

# COMBINED MANAGEMENT REPORT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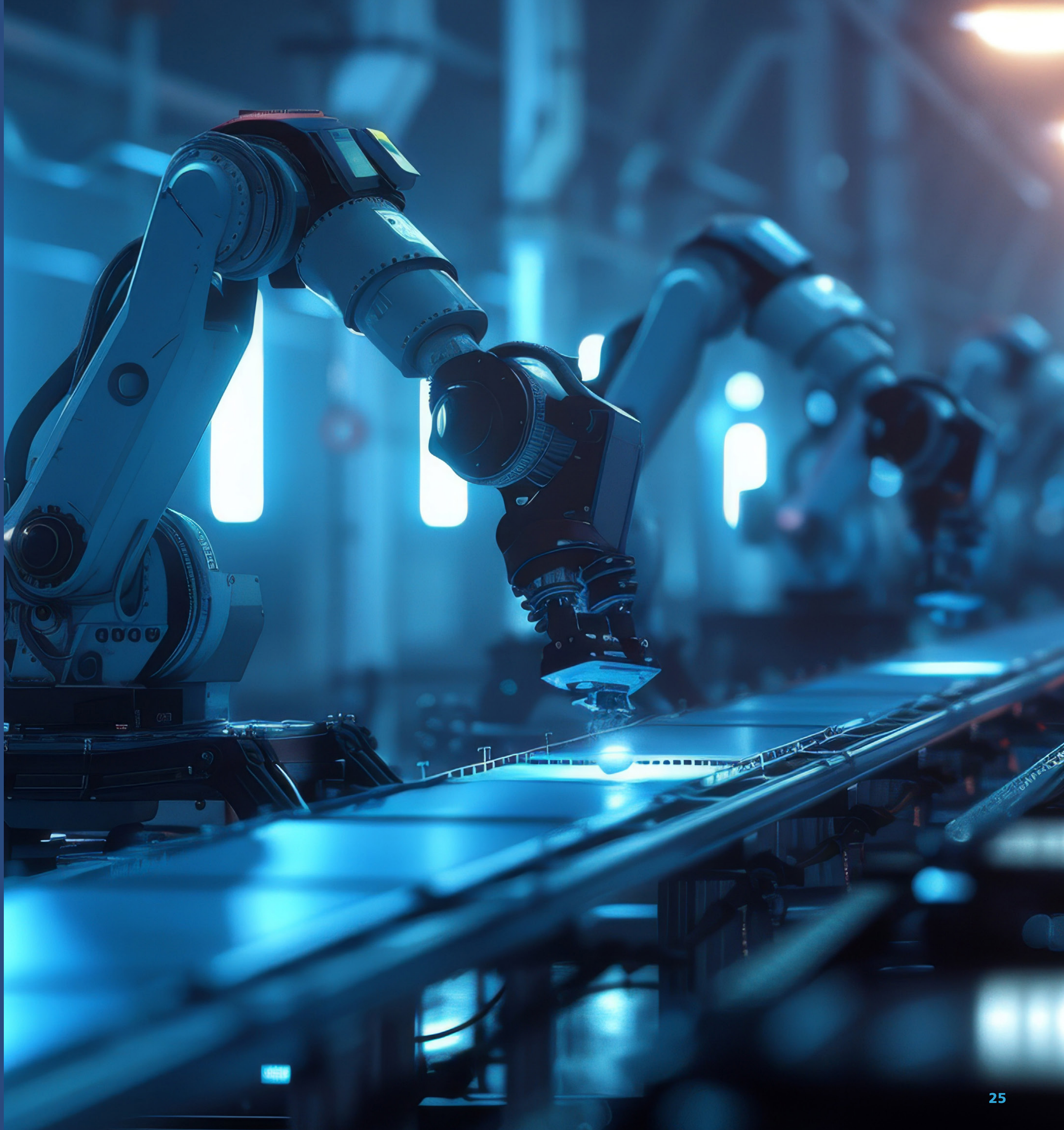


# GENERAL INFORMATION

## Reporting entity

By way of resolution of the Extraordinary General Meeting on March 24, 2022, and the subsequent entry in the Luxembourg Trade and Companies Register on April 5, 2022, Stabilus SE, Frankfurt am Main transformed its legal form from that of a Société Anonyme (S. A.) under Luxembourg law to a European Company (Societas Europaea (SE)). Its registered office was located at 2 rue Albert Borschette, 1246 Luxembourg, until September 1, 2022. Until that date, the Company was entered in the Luxembourg commercial register under no. B151589. The relocation of the registered office from Luxembourg to Frankfurt am Main, Germany, was resolved by the Extraordinary General Meeting on August 11, 2022. Since being entered in the commercial register of the Frankfurt am Main Local Court under no. HRB 128539 on September 2, 2022, the registered office of the Company has been in Frankfurt am Main with the business address Wallersheimer Weg 100, 56070 Koblenz, Germany. The Company was originally founded as Servus HoldCo S.à r.l., Luxembourg, on February 26, 2010. The shares of Stabilus SE, Frankfurt am Main (hereinafter referred to as "Stabilus SE"), are listed in the MDAX of the Frankfurt Stock Exchange at the end of the reporting period with the ISIN DE000STAB1L8. The ticker symbol is STM.

The object of the Company is to manage a group of companies based within and outside of Germany specializing in particular in the development, production and distribution of gas springs, dampers, electromechanical damper opening systems, vibration isolation products, and industrial components in the field of motion control and also to provide consulting services and other services related thereto. With the acquisition of the DESTACO Group, the product portfolio has expanded in the field of industrial automation. DESTACO's product range includes pneumatic and electronic grippers, clamps and end-of-arm tools for robotics, as well as indexers and conveyors. The Company is entitled to undertake all acts and measures that are related to the object of the Company or appear suitable to directly and indirectly serve the purpose of the Company. For this purpose, it may also set up branches in Germany and abroad, establish or acquire other companies, or take equity interests in them.

## Basis for presentation

### Accounting and auditing

Stabilus SE prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU. The annual financial statements of the parent company are prepared in accordance with the German Commercial Code (Handelsgesetzbuch (HGB)). The option to produce a combined fiscal management report (hereinafter: "management report") has been exercised since fiscal 2022. This management report combines the management reports of Stabilus SE and the Stabilus Group. The management report was prepared in accordance with the relevant requirements of German commercial law and German Accounting Standard (GAS) No. 20.

It is agreed with the auditor of Stabilus SE that the Chairman of the Supervisory Board or the Audit Committee will be informed immediately about possible grounds for exclusion or bias arising during the audit, unless these are eliminated immediately. It is also agreed that the auditor will immediately report all findings and incidents significant for the duties of the Supervisory Board that become apparent during the course of the audit. In accordance with the agreement, the auditor must inform the Supervisory Board or note in the audit report if facts are discovered during the course of the audit that reveal that the statements of the Management Board and the Supervisory Board regarding the German Corporate Governance Code are incorrect. The Audit Committee monitors the independence of the auditor.

### Distinction between parent company and Group

In order to clarify which disclosures concern the parent company and which the Group, the parent company is always referred to below as "Stabilus SE". "Stabilus Group" is used for disclosures concerning the Group. Where such distinctions do not apply and separate information is not provided, the disclosures apply equally to the Group and the parent company.

### Fiscal year

Stabilus SE's fiscal 2024 (reporting period) began on October 1, 2023, and ended on September 30, 2024. The corresponding prior-year period (comparative period) therefore covers the period from October 1, 2022, to September 30, 2023.

### Rounding differences

Unless indicated otherwise, all amounts are shown in thousands of euro (€ thousand). For arithmetical reasons, the information presented in this management report may contain rounding differences of +/– one unit (€ thousand or %).

### Use of alternative performance measures (APMs)

In addition to performance indicators defined or listed in the IFRS accounting framework, the Stabilus Group also reports financial performance indicators that are derived from or based on the financial statements prepared (referred to as "alternative performance measures" or APMs). The Stabilus Group's management considers these financial performance indicators as key additional information for investors and other readers of the financial reports. These financial performance indicators should therefore be considered supplementary to the information prepared in accordance with IFRS and are not a substitute for this. In this management report, in accordance with the European Securities and Markets Authority (ESMA) Guidelines on Alternative Performance Measures, the Stabilus Group provides a definition of the APMs reported, the rationale for their use and their reconciliation to the items in the Stabilus Group's consolidated financial statements that can be reconciled directly. The Stabilus Group uses the following APMs in this management report:

- organic growth;
- adjusted EBIT;
- free cash flow;
- adjusted free cash flow; and
- net leverage ratio.

The calculation of the net leverage ratio is based on net financial debt and adjusted EBITDA, which are also considered to be APMs. Organic growth is presented because we believe it aids in understanding the operating performance of the Stabilus Group. Organic growth is defined as reported revenue growth after removing the effects of acquisitions, divestitures and projected exchange rate fluctuations. The effects resulting from constant foreign exchange rates are calculated as current-year revenue converted at applicable current-year average exchange rates, less current-year revenue converted at average prior-year exchange rates. The definitions and required disclosures for all other APMs are provided in the relevant sections of this management report.

### Links to the website

We would like to point out that all links to the Company's website and the information to which the links refer have not been subject to the audit by the auditor.

## Forward-looking statements

This management report contains forward-looking statements. These statements reflect estimates and assumptions – including those of third parties (such as statistical data concerning the automotive industry or global economic developments) – either at the time that they were made or as of the date of this report. Forward-looking statements always entail uncertainty. If these estimates and assumptions later prove to be either inaccurate or only partially accurate, the actual results may differ – even significantly – from expectations.

# CORPORATE PROFILE

## Corporate structure and organization

### Legal corporate structure

Stabilus SE is the parent company of the Stabilus Group, consisting of Stabilus SE and the subsidiaries it controls (referred to below as the "Stabilus Group"). The Stabilus Group is a leading supplier of gas springs, dampers and vibration isolation products to automotive and industrial customers. The Stabilus Group is also successfully established in the production and distribution of automatic, electromechanical opening and closing systems (motion control solutions) that are mainly used for installation in tailgates. The Stabilus Group has expanded its product range and its regional presence with the acquisition of HAHN Gasfedern GmbH, Aichwald, Germany, the ACE Group (both in fiscal 2016) and the acquisition of General Aerospace GmbH, Eschbach, Germany, Piston Amortisör Sanayi ve Ticaret A.S. (53%), Bursa, Turkey, and New Clevers S.A. (80%), Buenos Aires, Argentina (all in fiscal 2019). By increasing its shareholding in the Cultraro Group from 32% to now 60% in July 2023, and its associated inclusion in the consolidated financial statements, the Stabilus Group expanded its market presence in the automotive industry and in the industrial sector.

Particularly in light of the megatrend of industrial automation, the Stabilus Group expanded its motion control portfolio with the acquisition of DESTACO, an industrial automation specialist based in Auburn Hills, Michigan, USA, completed on March 31, 2024. This product range of intelligent motion technologies will further expand and strengthen the Stabilus Group's industrial business.

Overall, the Stabilus Group offers a broad range of solutions for motion control, including damping and vibration control technologies. The products supplied by the Stabilus Group are used in a variety of applications in the automotive and industrial sectors. Stabilus products are typically used to support the lifting and lowering or dampening of movements. As a world market leader for gas springs, the Group supplies all well-known vehicle manufacturers. The customer base of the Stabilus Group is diversified by a broad range of industrial customers. While the Stabilus Group's products enable safe motion sequences and precise vibration control, DESTACO complements the Group's product range with pneumatic and electronic grippers, clamps and end-of-arm tools for robotics, as well as indexers and conveyors. DESTACO's core competence lies in precisely gripping, clamping, placing, moving, and repositioning components in a production system. DESTACO products help customers increase their productivity, which makes them the perfect complement to the Stabilus product range. DESTACO serves customers around the world in a wide variety of markets, such as consumer goods, packaging, aerospace, automotive engineering, life sciences and nuclear technology.

The Stabilus Group is managed by its parent company Stabilus SE. The parent company performs the central administrative functions for the Stabilus Group as a whole. Together with the subsidiaries controlled by the parent company, the Stabilus Group aims to provide its customers with as full a service as possible while also establishing a leading position on all relevant markets with the expertise of the Group as a whole. Outside Germany, the Stabilus Group therefore also has a presence in the EMEA (Europe, Middle East, Africa), Americas (North and South America) and APAC (Asia-Pacific) regions, which are also the operating segments of the Stabilus Group. The economic situation of the parent company is largely defined by the economic situation of the Stabilus Group, given by its legal corporate structure. The Management Board of Stabilus SE therefore combines the management report for the Group and for Stabilus SE in a single report.

## STABILUS SE

### STABILUS US HOLDING CORP.

- Fabreeka Group Holdings, Inc.
- Fabreeka International Holdings Inc.
- Stabilus Inc.
- ACE Controls Inc.
- ACE Controls International Inc.
- Fabreeka International Inc.
- Fabreeka GmbH Deutschland
- Tech Products Corporation
- DESTACO US Inc.
- Industrial Motion Control LLC

### STABLE II GMBH

#### STABLE BETEILIGUNGS GMBH

| | |
|---|---|
| Stabilus S.A. de C.V. | Stabilus (Zhejiang) Ltd. |
| Stabilus UK Ltd. | Stabilus GmbH |
| Stabilus Ltda. | Stabilus Limited |
| Stabilus Co. Ltd. | Stabilus PTE Ltd. |
| Stabilus Japan Corp. | Stabilus France S.à r.l. |
| Stabilus Romania S.R.L. | Stabilus (Jiangsu) Ltd. |
| Stabilus Mecha-tronics Service Ltd. | Piston Amortisör Sanayi ve Ticaret Anonim Sirketi |
| New Clevers S.A. | DESTACO Suzhou Ltd. |
| DESTACO (Shang-hai) Automation Engineering Co., Ltd. | |

### STABILUS MOTION CONTROLS GMBH

- ACE Stoßdämpfer GmbH
- HAHN-Gasfedern GmbH
- General Aerospace GmbH
- General Aerospace Inc.
- YAKIDO B.V.
- Cultraro Automazione Engineering S.r.l.
- Firs Stampi S.r.l.
- Cultraro Shanghai Company Ltd.
- Cultraro Autocomp Solutions Private Ltd.
- DESTACO (Asia) Co. Ltd.
- Stabilus India Private Ltd.
- DESTACO Europe GmbH
- DESTACO U.K. Ltd.
- DESTACO France S.A.S.

### STABLE HOLDCO AUSTRALIA PTY. LTD.

- Stabilus Pty. Ltd.

## Group management

The articles of association of Stabilus SE are based on the dual system, consisting of the Management Board (management body) and the Supervisory Board (supervisory body). The Management Board is responsible for managing the Company and is advised and monitored by the Supervisory Board. There were no personnel changes in the Management Board in fiscal 2024; however, the Supervisory Board of Stabilus SE appointed Mr. David Sabet to the Management Board of Stabilus SE with effect from October 1, 2024. There was also the following personnel change in the Supervisory Board:

Ms. Susanne Heckelsberger, who is also a member of the Audit Committee, was appointed to the Supervisory Board of Stabilus SE. The disclosures on treasury shares (in accordance with section 160 (1) no. 2 AktG) can be found under Note 23 Equity in the notes to the consolidated financial statements.

Further details of the composition of the Management Board and the Supervisory Board, as well as the assignment of their duties, can be accessed using the following link: IR.STABILUS.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE.

### Changes in corporate structure

The DESTACO Group was fully acquired on March 31, 2024, as part of the closing of the transaction (combination of asset and share deal). The group of entities included in consolidation has been expanded in connection with the transaction by companies that have either been acquired or newly founded. Because of DESTACO's global positioning, all three operating segments of the Stabilus Group are affected by this – EMEA (Europe, Middle East and Africa), the Americas (North and South America), and APAC (Asia-Pacific). Beyond this, there were no further material changes to the corporate structure compared with the consolidated financial statements for fiscal 2023.

### Operating segments

The Stabilus Group is organized and managed primarily on a regional level. The Stabilus Group is therefore managed on the basis of the three operating segments of EMEA (Europe, Middle East and Africa), the Americas (North and South America) and APAC (Asia-Pacific). The EMEA segment bundles the activities of the Stabilus Group with own locations in Germany, France, Italy, the Netherlands, Romania, Spain, Turkey and the United Kingdom. The Americas segment includes the activities of the Stabilus Group with own locations in Argentina, Brazil, Mexico and the United States. The APAC segment comprises the activities of the Stabilus Group with own locations in Australia, China, India, Japan, New Zealand, Singapore, South Korea, Taiwan and Thailand. The expansion of our local presence (e.g., United States, China, Mexico, South Korea) enables the Stabilus Group to provide the best possible service to local customers. The Group aims to provide a comprehensive product and service offering to existing and new customers around the world. The Group seeks to fully globalize its product portfolio and to provide the widest possible range of components and systems to each customer.

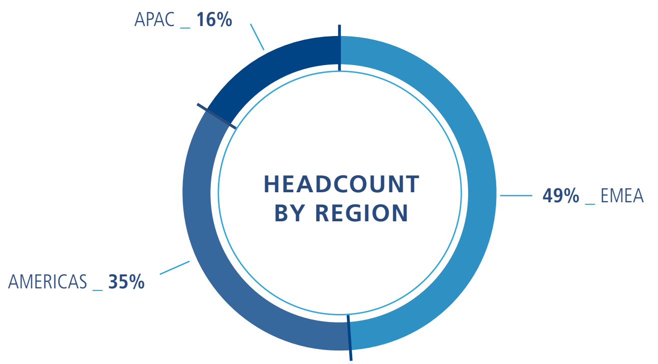
## Employees and corporate culture in the Stabilus Group

### Personnel (Stabilus Group)

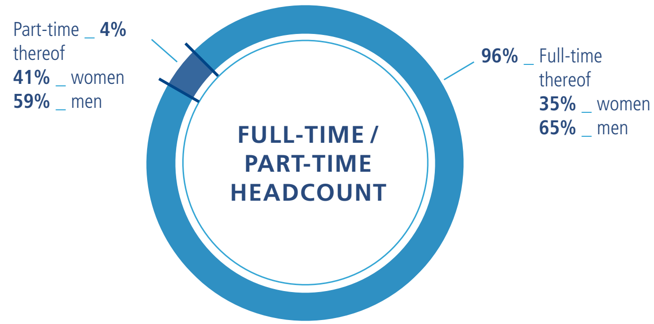
As of the end of fiscal 2024, the Stabilus Group had a total of 7,984 employees worldwide. This figure includes both active and inactive employees, but does not include temporary workers, trainees, interns or graduates. This represents an increase of 558 employees compared to September 30, 2023, when 7,426 employees were recorded. In the previous fiscal year, the number of employees had significantly increased in all three regions, which was also due to the takeover and integration of the Cultraro Group. With the acquisition of industrial automation specialist DESTACO from the Dover Corporation in April 2024, the number of employees increased by a total of 688 across all regions as of September 30, 2024.

If temporary workers, trainees, interns and graduates are included, there are 8,479 active employees in the Stabilus Group as of September 30, 2024, which represents an increase compared with the 8,008 employees recorded in September 30, 2023.

**Headcount by region** (active and inactive employees, not including temporary workers, trainees, interns, or apprentices)




**Full-time / part-time headcount, thereof women / men** (active and inactive employees, not including temporary workers, trainees, interns, or apprentices)



### Strategic vision: Company of choice

With its Strategy 2030, Stabilus has placed a clear focus on its employees and its social responsibility. The strategic goal of being a company of choice is centered around staff, and promotes open dialog and the active involvement of all employees to achieve shared success. We want our employees to be the driving force behind our company. They should play a key role in the ongoing development and growth of our entrepreneurial activities. Increasing employee satisfaction is a key corporate strategy objective by 2030. To achieve this, the Stabilus Group plans to conduct regular employee surveys worldwide focusing on leadership quality, collaboration and other factors that promote a high level of satisfaction. The first of these surveys is scheduled for fiscal 2025.

### Embedding corporate values: CODE-S

CODE-S, in which the S stands for Stabilus, forms the foundation of the Company's values. These principles – commitment, open, delight and ethical – are reflected in the principles of leadership that have been developed specifically to guide senior executives. Encouraging feedback between employees and supervisors is a key aspect of the desired corporate culture. Senior executives should not only listen to their teams, but also provide them with targeted support. At the same time, employees should be given the freedom to make independent decisions in their day-to-day work.

### Health and well-being: occupational health management

We consider the health of our employees to be of particular importance, as committed and satisfied employees make a decisive contribution to the success of the Group. The goal of occupational health management is to establish structures and processes that promote health in the workplace. Employees are also actively encouraged to prioritize their own well-being. In order to achieve this, there are a number of programs and initiatives aimed at motivating employees to actively participate. The overarching goal is: "healthy employees in a healthy company".

### International diversity and individual development in decentralized organizational structures

The Stabilus Group pursues a decentralized organizational structure that highlights the Company's diverse internationality. This structure makes it possible to adapt personnel management to the different cultures and to shape it independently. This plays a key role, especially in personnel development. The organization places a high priority on this development. With clearly defined, central principles, the Company offers a personnel development concept that both takes the global goals into account and ensures the necessary local flexibility. An example of this is the STARt up global program introduced a few years ago, which focuses on leadership education and employee training. This program follows the general framework and corporate goals, but offers local units the freedom to design it according to the local cultural characteristics of the respective country.

### Strategic significance of HR development in the Stabilus Group

For the Stabilus Group, long-term business success is intrinsically linked to qualified and motivated employees. Consequently, consistent and sustainable personnel development is an essential part of the corporate strategy. Our management is committed to encouraging and maintaining the motivation of our employees to deliver high service quality and increase customer satisfaction. The talent and succession planning process, which has been carried out annually since fiscal 2023 and has been established throughout the Company as an employee development tool, is an essential part of HR management. The aim is to identify employees with potential and assess their strengths, development areas and possible career and development prospects within the organization. As part of this process, potential successors for critical positions are also analyzed and discussed. This process forms the basis for HR development based on need and is the starting point for subsequent development measures at both local and global level.

### Investment in the future: Employee training and the skills shortage

The Stabilus Group is committed to being an attractive employer and thus contributes significantly to strengthening the various areas of the Company. In addition to supporting leaders and young managers, emphasis is placed on training and developing other groups of employees. The basis for this is the newly developed global development strategy, which includes clear requirements and career paths and also effective expectation management for both sides, i. e., the Company and employees.

### Apprentices and interns

The Stabilus Group takes social responsibility in the area of youth development and is actively committed to training as a means of ensuring the availability of talented young employees. Stabilus offers a wide variety of apprenticeships in various professional fields and works closely with local universities. Dual study programs are offered in Germany. The same applies to semester, bachelor's and master's theses. The main locations organize orientation days and internships for students. In fiscal 2024, the Company had 115 apprentices, trainees and interns. This represents an increase of 17 compared with the previous year.

### Lifelong learning: Digital learning management system (LMS)

Stabilus offers all employees targeted and ongoing training and qualification programs. In fiscal 2022, Stabilus implemented a Group-wide learning management system (LMS) to ensure Group-wide access, standardization, quality through process optimization, and the tracking and evaluation of training initiatives. In fiscal 2024, 92% (PY: 87%) of all Stabilus employees had access to the digital learning management platform, on which there are training courses and learning plans. The DESTACO Group was connected to the LMS in June 2024. Training in areas such as IT security, compliance, products, data protection and occupational health and safety is all centrally organized and completed by employees across the Group. The aim is to continuously expand the LMS and, with the involvement of a multinational group of supervisors, take into account the specific needs of the various regions in addition to global standards.

### Targeted programs and individual development

In addition to the ongoing and targeted qualification programs that Stabilus normally offers employees, the Company has also included specially tailored programs in its Stabilus Leadership Map. The Stabilus Leadership Map reflects the management level of employees (such as talents, team leaders, department leaders and general managers) and defines associated potential programs for further development.

### Promoting young talent and managers

Initiatives such as STARt up, STARq and Rising STARs are intended to help dual program students, young managers and promising talent further develop their skills and qualifications in a targeted manner. These programs are an essential part of our executive development strategy and have been successfully implemented at global level.

The TOP STARs program, which was launched in 2020, is aimed at Stabilus employees with high potential for top management positions. Over a period of three years, high-performing talents from senior management levels worldwide work on various topics and projects in joint training sessions and workshops, receive mentoring from the Management Board, and are offered individual coaching to prepare them for potential future positions in the Stabilus Group's senior management. Like the Rising STARs program, the TOP STARs program is also in the redesign and coordination phase. The new version is intended to include cooperation with an international business school, which will add essential and important content to the program.

### Succession planning, headcount, diversity and equal opportunities: Goals for 2030

The Stabilus Group has set itself the ambitious goal of filling 60% of its successor positions from its own ranks by 2030. Promoting gender diversity is a key priority here. To strengthen the equal representation of women in leadership positions, we are seeking to increase the number of high-potential female employees. Stabilus has set itself the goal of increasing the proportion of women at management levels 1 and 2 to 10% by 2027. The target for level 1 was met in this fiscal year.

An integral component of this strategy is the LadySTAR program, which is intended to promote internal networks and support communication and the career development of women at all levels of the Company.

Stabilus is also pursuing a strategy of targeted recruitment and structured support aimed at achieving a higher proportion of women in management positions within the Company in the long term. The annual talent and succession conferences at local and global level play an important role here. They not only provide an overview of current succession opportunities, but also offer a deeper insight into the personnel development situation in different countries and regions and in the Company as a whole: IR.STABILUS.COM/INVESTOR-RELATIONS/NON-FINANCIAL-REPORTS.

## Strategy and business model

The Stabilus Group is one of the world's leading providers of motion control solutions for customers in a wide range of industries, including mobility, health, leisure, furniture, energy, construction, industrial machinery and automation. The Group offers a wide range of motion control solutions, such as gas springs, electromechanical drives (Powerise®), dampers, pneumatic and electronic grippers, clamps and end-of-arm tools for robotics, as well as indexers and conveyors. Stabilus' strategic aim is to become the global market leader in intelligent motion control technologies. The key focus areas of the STAR 2030 strategy are to: (i) drive profitable and sustainable growth, (ii) further develop Stabilus' position as a company of choice for customers and employees, (iii) focus on innovations to deliver next level motion control solutions, and (iv) be a model corporate citizen. The STAR 2030 strategy was announced in January 2022. The main points are listed below and are continuously pursued by the Stabilus Group.

### Profitable and sustainable growth

Stabilus has achieved strong profitable growth over the past ten years. Stabilus wants to continue on this course of profitable growth and is aiming for revenue of €2 billion with a 15% margin for 2030. The strategy envisages robust, profitable growth in all regions in which the Company is represented worldwide for its customers.

The growth strategy pinpoints the Asia-Pacific region as a particular focus area. All forecasts indicate that the national economies in this region will develop much more dynamically than the global average in the coming years. With its products, Stabilus is already positioned on the market, and its solutions are intended to help meet the growing demand from the people in the region for safe, convenient motion control solutions. The aim is to strengthen its status as an innovative global player in the Asia-Pacific region.

Expansion of the industrial business is another key element of our growth strategy. In addition to the Stabilus core brand, this growth is primarily supported by the expert brands ACE, HAHN Gasfedern, Fabreeka, Tech Products and General Aerospace. A key milestone was reached in fiscal 2024 with the acquisition of the DESTACO Group. As well as strengthening the industrial automation business, the aim of this is also to contribute to the balance in sales between the industrial and the automotive business as outlined in the STAR 2030 strategy.

Broader positioning makes success less dependent on market cycles. The growth of Stabilus is based on two pillars: firstly, to expand organically through our own efforts, and secondly, to accelerate access to new technologies and markets through acquisitions.

### Company of choice

Stabilus aims to be a company of choice in every respect: for its employees as well as for customers worldwide.

Motivated, committed employees and satisfied customers are the cornerstone of top performance. This is why we regularly measure customer and employee satisfaction using the Net Promoter Score (NPS). This shows the willingness of our customers to recommend our products and services to others. It also indicates how happy our employees are in their jobs. Our goal is to be top of mind for motion control solutions.

To ensure a high level of customer satisfaction, Stabilus measures this at regular intervals using the NPS, which provides information about customers' willingness to recommend products and services. As part of the STAR 2030 strategy, the Company is aiming for an NPS of 50, which indicates very high customer satisfaction (NPS calculation: percentage of promoters minus percentage of detractors). The aim is for anyone looking for a motion control solution to have one name in mind: Stabilus.

Motivated and committed employees provide the basis for excellence, which is a strong argument for the Group's products, solutions and services. Top performance is essential to enable Stabilus to expand its market position in the competitive environment. That is why Stabilus is self-critical and maintains an open culture of discussion and close interaction with all employees. After all, their opinions, ideas and active involvement are vital for the success of the Company and for the aim of being a company of choice at all times.

### Next level motion control solutions

Markets and customer expectations are changing rapidly. To meet these challenges, we have made the targeted expansion of the product range of system solutions and software competence a central pillar of our corporate strategy. We expect great demand and great innovation potential for Stabilus' mechanical products in the future, too. At the same time, new applications must be developed: smart, digital and automated.

From new mobility concepts to renewable energy and robotics: more and more industries and applications need complex end-to-end solutions in which the mechanical and electronic components of Stabilus and DESTACO can be integrated and networked. The key to this is software. It is an essential prerequisite for achieving the desired further development from a component supplier to a system supplier, thus generating higher added value. Stabilus is therefore striving to consistently expand its expertise in intelligent motion software, including controls.

The Powerise® product line demonstrates Stabilus' many years of success in the automotive sector. The need for high-quality electromechanical drives is growing in many other industries as well, including commercial vehicles, furniture and medical technology. For this reason, the Company is developing a specific portfolio of the Powerise® product, tailored in particular to the needs of industrial customers. The aim is to support them as effectively as possible in developing new products, with the expertise and quality from the automotive sector being transferred at the same time.

Product and process innovations are the key to becoming a leader in motion control. Stabilus is therefore aiming to achieve a quarter of the Group's revenue with new products and solutions by 2030. This requires a full innovation pipeline and consistent implementation.

While the Stabilus Group's products enable controlled motion sequences and precise vibration isolation, DESTACO's strengths include pneumatic and electronic grippers, clamps and end-of-arm tools for robots, as well as indexers and conveyors. DESTACO's core competence lies in precisely gripping, clamping, placing, moving, and repositioning components in a production system. DESTACO's products can help customers significantly increase their productivity.

### Model corporate citizen

Our goal is to be a responsible and sustainable model corporate citizen.

Global awareness of ecological, economic and social sustainability has increased, and acting responsibly is a key basis of our continued sustainable growth. We see active responsibility for the environment and people as our mission. Through the implementation of our strategy, we are reinforcing our role as a model corporate citizen wherever we operate as a company.

An important target in this regard is the significant reduction of the Stabilus Group's carbon emissions worldwide by 2030. On the way to achieving this, existing climate-friendly projects will be expanded and new ones initiated.

In line with its strategy, Stabilus is also committed to taking social responsibility – globally as well as locally in the regions. Respect for human rights and the highest standards of workplace safety have always been non-negotiable factors for the Stabilus Group. Integrity and diversity are key elements of the corporate culture. The guiding principle of corporate management is based on the values of trust, reliability, honesty, fairness and respect. After all, a positive working environment is crucial for the achievement of top performance and development of new ideas.

Compliance with ESG criteria (environmental, social and governance) is playing an increasingly important role for our corporate development and for various stakeholders of Stabilus. All three ESG pillars form a central basis for Stabilus to grow steadily, solidly and sustainably (we refer to the separately published non-financial report on our website at IR.STABILUS.COM/INVESTOR-RELATIONS/NON-FINANCIAL-REPORTS).

## Management system – financial and non-financial performance indicators

### Key financial performance indicators

In the fiscal year 2024, the planning and management of the Stabilus Group were mainly based on the development of revenue and the adjusted EBIT margin. Therefore the key performance indicators for financial targets were:

- revenue
- adjusted EBIT margin

In addition, adjusted free cash flow has become increasingly important as part of Group-level internal management, which is why the key figure will be defined as another key performance indicator from fiscal 2025 onwards. The three key financial performance indicators are calculated, analyzed and planned using a uniform system throughout the Group and monitored for achievement and their impact on forecasts. Adjusted free cash flow is mainly used as a key performance indicator at Group level. Detailed information on the development of the financial performance indicators can be found in the "Economic report" and "Report on expected developments" sections of this management report.

### Other financial performance indicators 2024

Besides the two key financial performance indicators mentioned above, the Stabilus Group also has defined other financial performance indicators that are monitored by the Management Board on an ongoing basis. Unlike the key performance indicators described above, these indicators were classified as less significant and are therefore not forecasted. These other financial performance indicators in the fiscal year 2024 are:

- organic growth;
- free cash flow;
- adjusted free cash flow;
- net leverage ratio;
- profit/loss for the period.

### Non-financial performance indicators

Stabilus has not defined any significant non-financial performance indicators at this time. Please refer to the non-financial report.

Key figures based on the four action areas of the sustainability strategy are collected for sustainability management. The four main action areas are: environmental and climate protection, products and supply chain, employees and social engagement, governance and compliance. These key figures are used as part of the operational management of sustainability measures.

As part of corporate management, the Company's management also places great emphasis on ensuring all employees of the Stabilus Group align their actions closely with the legal framework and the standards of the Code of Conduct. In this way, Stabilus is striving for recognition of the Business Partner Code of Conduct by all its series suppliers (see non-financial report, IR.STABILUS.COM/INVESTOR-RELATIONS/NON-FINANCIAL-REPORTS).

## Research and development

### Innovation for new products and innovation to reduce product costs

Stabilus is committed to innovation and the development of new products and functionalities. With new, innovative products such as the Powered Check Strap (PCS) actuator, which saves space and therefore has less impact on other components in side doors, development cycles are completed and new products are brought to market. New concepts to offset temperature fluctuations with gas springs are also being developed. Stabilus also tracks material price inflation through the use of value engineering / value analysis (VA/VE) approaches to continuously develop and optimize existing products. For example, the second generation of the Stabilus SD90 trunk lid actuators offers improved performance and holding power and will help to achieve greater market penetration, thus also ensuring expansion of the use of automatic trunk lid opening systems.

Both the Stabilus think tank and the Innovation Race have successfully generated new innovative ideas for pre-development. Both formats are platforms on which the creative professionals in the Stabilus Group can participate and exchange ideas. For example, the think tank has identified opportunities for tapping into new market segments such as the growing e-bike market, while the product strategies for dampers in solar fields have been completely revised to enable the solutions used to be as efficient as possible. In a new round of the Innovation Race, ideas were developed for vertically integrating supply chains by exploiting existing core competencies in production.

### Maturation of the software and electronics organization

Digital controls are at the heart of electronic motion control – without them, Powerise® applications would not be possible. The solution for reducing costs and shortening time to market is to develop sophisticated and scalable controls that are generated from physically based mathematical models. Stabilus leverages its expertise in motion control to develop physical models of its own systems. Given the growing demand for electronic door systems and the associated demand for control systems, Stabilus was commissioned by a major automotive manufacturer to develop a platform for motion control. This software centrally manages many of the customer's applications, eliminating the costs of continually developing individual software and electrics at the vehicle level. Centralized software is likely to become the norm, especially for customers with a complex product portfolio. Until then, however, a dedicated electronic control unit (ECU) remains the preferred choice. Stabilus has developed product solutions to offer software both as an independent ECU and as part of a "smart actuator" system. Modern software development requires consistent compliance with – and certification to – Automotive Software Process Improvement and Capability Determination (ASPICE) safety standards.

### Product sustainability as a matter of course

Product development is an essential element for the sustainability of the Stabilus Group's business activities. Sustainability has many facets, starting with adherence to local standards for material selection. Globally, environmental agencies are placing a strong focus on eliminating PFAS (perfluorinated and polyfluorinated alkyl), because these substances, also known as "forever chemicals", remain in the environment for long periods of time and are potentially harmful to health. Stabilus welcomes the emerging regulations and is working systematically to eliminate PFAS from its own supply chains. Another challenge facing the Stabilus Group is the quantification of supplier emissions through internal analyses supported by external simulation software. Stabilus takes a proactive role with its suppliers to understand their emissions and to propose and prioritize improvements. In addition to ongoing initiatives to optimize our material content, it is necessary to manage increasingly complex customer documentation.

### Development organization building on regional strengths

Building regional competencies while avoiding cost redundancies is one of the key elements of Stabilus' R&D strategy. To achieve this, Stabilus has built up resources locally and pooled them in competence centers. One example is engine development in Asia, where stronger and more direct cooperation with local suppliers is possible. In order to bring developers closer to markets and customers, Stabilus divided up the preliminary development work, both regionally and organizationally, via the business units. This development is closely interlinked with innovation projects, as Stabilus aims to increase the speed of interaction with the market and better assess the financial feasibility of new product ideas, while at the same time maintaining direct dialog with the customer. In addition, the development of regional supply chains offers significant benefits for Stabilus' strategy. A decentralized R&D organization increases the importance of DFMEA (Design and Failure Mode Evaluation Analysis). For this reason, Stabilus has revised the DFMEA process in accordance with the best practices of the German Association of the Automotive Industry (VDA).

### Key areas of development in the automotive sector

2024 was a very important year in technological terms for Stabilus. It notably included the series production launch of a completely new seat suspension system, for example. The movement of the seat can be uncoupled from the vehicle by means of gas pressure that can be adjusted in accordance with the customer's specifications, which is of great importance in the off-road and rally sector in particular. The customer's response has been outstandingly positive and has led to an increase in order volume, as the product generates added value by allowing the isolation of shocks and vibrations. In addition, LOMx, an innovative method for temperature compensation, was developed for use in the automotive industry. Powerise® remains a technology driver, especially in the area of electronic door control. Stabilus currently offers two variants of door controls, the DA90 and the PCS (Powered Check Strap). As a result, Stabilus offers two alternative solutions for installation in automatic doors. Integrating a radar into a door system is more challenging because side doors have to recognize obstacles before physical contact. An obstacle must be recognized here before the contact is made. A radar effectively helps to identify obstacles early on and to interrupt the opening sequence in a timely manner. Stabilus is working with a partner on behalf of the customer on the development and integration of ultra-short-range radars into vehicle doors.

### Key areas of development in industrial technology

Powerise® technology is proving to be technically promising for a wide range of industrial applications. However, significant market penetration was hampered by the time and personnel required to integrate the technology into customer solutions. Stabilus was able to solve this problem by developing a product portfolio that is ready for use. The Powerise® products have been transformed into two configurable products that are labeled IPR35 and IPR40 based on their external dimensions. Lifting, forcing, and mounting options are intended to provide the customer with the configuration options they need to easily integrate the product. In addition, Stabilus is intensifying its research and development in the field of solar energy. To produce solar power in larger quantities, multi-layered solar cells that follow the sun's trajectory are needed. However, these installations are often subject to strong movement and forces caused by cross-winds. Integrating large-scale dampers that can move with the installations and dampen wind movements is essential in order to protect the solar panels. As one of the leading manufacturers of solar dampers, Stabilus is currently developing position-independent load limiting dampers. Mounting the dampers is possible in any orientation and is intended to offer the customer greater flexibility in installation and therefore advantages. The flexibility offered by the new dampers should enable customers to enjoy the benefits even on less ideal terrain, such as flooded or uneven areas.

### Protection of innovation through intellectual property (IP)

Innovations are one of the main drivers of the Stabilus Group's growth and contribute significantly to its success. For this reason, Stabilus systematically protects its products and expertise as intellectual property, in particular through patents, trademarks and utility models. Driven by its own growth, Stabilus continually expands its central IP system, which protects the Group's intellectual property with the help of the company's own patent department and a network of specialist law firms in the Americas, EMEA and APAC regions.

In fiscal 2024, 74 new applications were filed (FY 2023: 46), more than half of which are attributable to the rapidly growing segment of electromechanical drives. As of the close of fiscal 2024, Stabilus holds 636 active patents worldwide (FY 2023: 615), 426 trademarks and 25 utility models. The acquisition of DESTACO will add 328 patents and 181 trademarks worldwide to the Group's IP portfolio.

**Research and development indicators** T_001

| FISCAL YEAR | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|---|
| Research and development expenses (in € thousand)[1] | 76,744 | 68,537 | 62,913 | 58,848 | 57,985 | 53,469 |
| R&D ratio (R&D expenses as % of revenue) | 5.9 | 5.6 | 5.6 | 6.3 | 7.1 | 5.6 |
| Average number of employees in R&D | 493 | 435 | 418 | 402 | 398 | 372 |

[1] Including amortization of own work capitalized and before capitalization.

### Expenditure on R&D is stable

The Stabilus Group's research and development expenses increased by 12.0% year-on-year to €76.7 million in fiscal 2024 (September 30, 2023: €68.5 million). Given the significant increase in sales revenues, this corresponds to an R&D ratio of 5.9% in the 2024 fiscal year (September 30, 2023: 5.6%). The capitalization rate, which reflects the share of research and development expenses attributable to the Group's own contributions, was 57.9% in fiscal 2024 and thus higher than in the previous year (September 30, 2023: 53.5%).

### Number of employees in research and development up due to DESTACO acquisition

On average, the Stabilus Group employed 493 people in research and development in fiscal 2024, 58 more than in the prior year. The increase can primarily be attributed to the business combination with the DESTACO Group. Research and development therefore accounts for around 6.5% of the Group's global headcount (PY: 6.0%).

# ECONOMIC REPORT

Stabilus is represented around the world and focuses on automotive and industrial applications. This allows us to cater to customers and their requirements, and thereby accommodate the characteristics of local markets. All key production technologies and machinery are designed in-house. This guarantees a high quality standard for all products worldwide. With a large number of sales and production units in Germany, Romania, Turkey, Italy, Spain, the United Kingdom, France, China, South Korea, India, Thailand, the USA, Mexico, Brazil, Australia, and New Zealand, the Group has established itself as a global player. Stabilus is known for its expertise in the area of motion control in a wide variety of applications and industries and offers a wide range of reliable products for its customers.

Besides innovations and new products, the major factors that affect Stabilus' business performance are the rate of growth in gross domestic product (GDP) and, specifically for the automotive sector, the global production volume of light vehicles (including cars and light commercial vehicles with a weight of less than six tonnes) as well as the number of vehicles sold (e.g., new vehicle registrations as an indicator of automobile sales).

## Economic environment

### General economic developments

The world economy once again faced major challenges, after global economic output grew by +3.3% in the 2023 calendar year despite countervailing factors. The world economy continued to expand moderately in spring 2024, albeit with regional differences. In China,

### Latest growth projections for selected national economies

T_002

| PERCENTAGE YEAR-ON-YEAR CHANGE IN THE CALENDAR YEAR | 2024[1] | 2023 |
|---|---|---|
| **World** | **3.2%** | **3.3%** |
| **European Union** | **1.1%** | **0.6%** |
| thereof euro area | 0.8% | 0.4% |
| thereof Germany | 0.0% | (0.3)% |
| **United Kingdom** | **1.1%** | **0.3%** |
| **United States** | **2.8%** | **2.9%** |
| **Latin America** | **2.1%** | **2.2%** |
| thereof Brazil | 3.0% | 2.9% |
| thereof Mexico | 1.5% | 3.2% |
| **Emerging and Developing Asia** | **5.3%** | **5.7%** |
| thereof China | 4.8% | 5.2% |

Source: International Monetary Fund, World Economic Outlook, October 2024.
[1] Projections.

economic growth slowed due to weaker domestic demand. In the euro area, growth continued from the beginning of the year, but there were no signs of a strong, broad-based upswing. By contrast, in the US the economy remained dynamic.

For the 2024 calendar year, the International Monetary Fund (IMF) forecasts global economic growth of +3.2% (World Economic Outlook – October 2024). Performance in Stabilus' core markets of Europe, the US and China will vary in 2024, according to the IMF. Within the European Union, German economic performance will stagnate at the level of the previous year, 0.0%, while growth of +0.8% is expected for the euro area. The IMF anticipates growth of +4.8% for China in 2024. Within the Americas region, growth of +2.8% is forecast for the US, with Central and South America expected to grow by +2.1% in the 2024 calendar year (Brazil: +3.0%; Mexico: +1.5%). In addition to the International Monetary Fund's forecast of October 2024, the latest OECD forecast issued in September 2024 also anticipates subdued growth in global economic activity. Accordingly, the world economy is likely to grow by +3.2% in both the current calendar year and the next calendar year. Within the European Union, very low growth of just +0.7% is anticipated for the euro area. In the Americas region, growth of +2.6% is forecast for the United States. The OECD also expects much stronger momentum for the world economy in the emerging economies, with growth in the core market of China forecast at +4.9%.

Factors affecting the economy in fiscal 2024 again included the ongoing Russia-Ukraine war, the Israel conflict and the repercussions of these, as well as shortages of energy, raw materials and supplier products. Inflation was also exacerbated by high collective wage agreements in Germany and many other countries. Energy prices on the global markets declined substantially from November 2023 to May 2024 and have been stagnant ever since.

According to estimates by the ifo Institute as of the time of reporting, the average global rate of inflation forecast for the 2024 calendar year will be around 4.0%. In the EMEA region, inflation in the European Union (EU) amounted to around 2.1% in September 2024 and is therefore continuing to decline. Inflation was 1.8% in Stabilus' core market of Germany in September 2024 and is therefore also flattening off. Inflation in the Americas is also gradually easing. Inflation in Stabilus' core US market is around 2.4% in September 2024 and has therefore fallen further by (1.3) percentage points compared to September 2023. In comparison, inflation rates in the APAC region are lower and amount to around 0.4% in Stabilus' core market of China in September 2024, which is slightly below market expectations of around 0.6%.

#### Financing environment

High inflation prompted leading central banks to begin reversing interest rate hikes in 2023. Following several interest rate hikes by the European Central Bank (ECB) and the US Federal Reserve System (Fed) throughout fiscal 2023, the ECB raised the key interest rate in the euro area to 4.5% by the end of September 2023 (September 30, 2022: 1.25%). The Fed raised the key interest rate for the United States to 5.5% by the end of September (September 30, 2022: 3.25%), which is significantly higher than the ECB's rate. In June 2024, the ECB lowered the key interest rate by (0.25) percentage points to 4.25% for the first time since the coronavirus pandemic. In September 2024, the ECB enacted a second interest rate cut and lowered the prime rate by (0.6) percentage points to 3.65%. Following the steps taken in June and September, the ECB decided to further reduce interest rates by (0.25) percentage points to 3.4% in October 2024.

### Production of light vehicles

T_003

| IN MILLIONS OF UNITS PER FISCAL YEAR | 2024[2] | 2023 |
|---|---|---|
| **EMEA** | **19.7** | **19.9** |
| thereof Germany | 4.2 | 4.2 |
| **Americas** | **18.5** | **18.4** |
| thereof United States | 10.3 | 10.3 |
| **APAC** | **51.3** | **49.9** |
| thereof China | 29.2 | 27.2 |
| **Worldwide production of light vehicles[1]** | **89.4** | **88.2** |

Source: S&P Global Mobility / Light Vehicle Production Forecast (October 2024).
[1] Passenger cars and light commercial vehicles (<6t).
[2] S&P Global Mobility Forecast, October 2024.

The Fed left its key interest rate unchanged from October 2023 to August 2024. The central banks' restrictive monetary policy aimed to further reduce inflation, which for a long time did not meet the target of around two percent. However, the measures taken by the ECB and the Fed to counteract high inflation were effective, allowing the Fed to lower the prime rate by (0.5) percentage points to 5.0% for the first time in September 2024, due to declining inflation data.

## Sector developments

### Business and general environment

The Stabilus Group is a leading provider of motion control solutions and systems in a large number of sectors. Key customer segments include the automotive industry as well as the commercial vehicle, distributor, independent aftermarket, e-commerce, aerospace, marine, rail, energy, construction, mechanical engineering, industrial automation, health, leisure and furniture sectors.

### Development in the automotive industry

Despite the continuing tense economic situation, high interest rates, the ongoing Russia-Ukraine war, the Israeli conflict and the impacts of these, +1.2 million more light vehicles were produced worldwide in the months from October 2023 to September 2024 (FY 2024) than in the same period of the previous year, bringing the total number of vehicles produced to 89.4 million, according to S&P Global Mobility (as of October 2024). The highest increase in the number of cars produced was in the APAC region, where the number was up by +2.7% at 51.3 million units in fiscal 2024. The Americas region produced +0.3% more units during the same period, bringing the total to 18.5 million units compared to the corresponding prior-year period (US: (0.1) million fewer units produced). By contrast, the EMEA region saw a decline of (1.1)% compared with the same period of the previous year, with a total of 19.7 million units produced (Germany: +0.0 million units produced).

According to the European Automobile Manufacturers Association (ACEA), new car registrations in the EU increased by around +1.8% year-on-year in fiscal 2024 (October 1, 2023, to September 30, 2024; as of October 2024). In the United States, by contrast, new car registrations fell by about (3.7)% year-on-year in fiscal 2024 (as of October 2024).

### Development of the industrial sector

Industrial production was affected by current global challenges such as the slowdown in global economic growth, unfavorable financing conditions, the consequences of the Russia-Ukraine conflict and the Israel conflict, as well as supply chain disruptions and raw materials shortages. Although global industrial activity continued to gain momentum in the spring, the short-term outlook has recently worsened yet again. The supply bottlenecks in the industrial sector that had an impact in the previous year did ease in fiscal 2024 and supply chains are now functioning. However, in some cases, the industrial sector accumulated high inventories of parts, which led to reduced demand for Stabilus parts.

According to Eurostat (the Statistical Office of the European Union), adjusted for seasonal effects, industrial production (development of the volume of production for industry excluding construction, based on data adjusted for calendar and seasonal effects) in the European Union fell by (2.4)% as against September 2023 in September 2024. In Germany, this even led to a decline of (4.5)%. This trend is also reflected in the revenue growth rates of the market segments in the EMEA region. In the commercial vehicle, industrial machinery & automation and distributors, independent aftermarket and e-commerce market segments, Stabilus recorded single-digit declines in revenue compared with the prior-year period. In contrast, Stabilus recorded single-digit revenue growth rates year-on-year in the health, recreation & furniture and energy & construction market segments. In addition, the aerospace, marine and rail market segment grew by more than 50% year-on-year, thus having an offsetting effect.

In the United States, seasonally adjusted industrial production fell by (0.6)% in September 2024 compared with the same month of the previous year, i.e., for the third time in a row since July 2024. On account of this, Stabilus recorded a slight decline in the commercial vehicles market segment owing to the weakening market environment in the Americas region. The industrial machinery & automation, energy & construction, distributors, independent aftermarket, and e-commerce market segments are even seeing double-digit declines in revenue. Furthermore, revenue in energy & construction decreased by more than 35% year-on-year. This was offset by the positive development of the health, recreation & furniture segment with single-digit revenue growth rates.

In China, industrial production rose by +5.4% in September 2024 compared with the same period of 2023, thereby exceeding the forecast of +4.6%. This trend is also reflected in the development of revenue growth rates of the market segments in the APAC region, where revenue rose in almost all market segments. Industrial machinery & automation along with aerospace, marine and rail all posted double-digit growth rates. In contrast, the revenue growth rates in the health, recreation & furniture segment are declining slightly compared with the same period of the previous year.

### Development of the procurement markets

The procurement markets are currently seeing a gradual easing in prices for individual raw materials and intermediate products. Nevertheless, the Stabilus Group's current procurement prices are subject to certain dynamics – owing to the volatile state of the commodity market and other cost increases among suppliers – and supply chains will have to be made even more resilient to ensure as much flexibility as possible. In addition, although it has eased slightly, consistently high inflation is another of the key factors influencing various procurement markets. Global conflicts and geopolitical tensions could also affect supply chain stability and create uncertainty.

The Stabilus Group estimates that plastic prices fell by around (2.0)% over the course of the 2024 fiscal year (as of September 2024); metals had seen price reductions of an average of (1.3)% (as of September 2024) compared with the same period a year earlier, reflecting a slight decrease. Prices for zinc and non-ferrous parts also fell by an average of (1.7)% (September 2024). In addition, prices for steel-bearing raw materials and components for further processing fell slightly by (6.2)% on average for rods and even (12.3)% on average for tubes. Meanwhile, escalating costs for electric parts had a negative impact on the economy as a whole.

While all three regions – Americas, EMEA and APAC – saw slight declines in their materials prices, the EMEA region accounted for the largest share of the decline.

## Overall assessment of business performance

### Overall statement on business performance and the economic situation of the Stabilus Group

Despite the challenging market environment, the Stabilus Group generated good sales revenues of €1,305.9 million for fiscal 2024 (2023: €1,215.3 million), which corresponds to a year-on-year increase in revenue of +7.5% (organic growth of +0.6%). This is the highest revenue to date in the history of Stabilus, due to acquisition (DESTACO first-time consolidation March 31, 2024). Despite the geopolitical and inflation-related challenges, Stabilus repeatedly demonstrated stability and market presence even in times of economic volatility.

The APAC region achieved significant revenue growth to €311.5 million, equivalent to organic revenue growth of +14.1%. The EMEA region, by contrast, saw its organic revenue decline by (1.2)% to €525.5 million. In the Americas region too, sales did not grow organically, declining by (5.7)% to €469.0 million due to the weakness of the market. (Details of the operating segments from page 46).

In terms of divisions, Automotive Powerise® business generated organic revenue growth of +3.3%, thanks in particular to high customer demand for the product series. Moreover, this figure is significantly higher than global vehicle production, which rose by only +1.3% in fiscal 2024. The Automotive Gas Spring business segment also saw a positive trend, with organic revenue growth of +1.4% compared with fiscal 2023. The Industrial business segment, by contrast, saw its organic revenue decline by (2.8)% to €517.6 million compared to fiscal 2023.

The DESTACO Group, which has been part of the Stabilus Group since March 31, 2024, was fully included in the basis of consolidation and contributed revenue of €95.4 million to the Stabilus Group in the 2024 fiscal year. The Americas region generated revenue of €52.7 million, the EMEA region of €27.9 million and the APAC region of €14.8 million. The Stabilus Group closed fiscal 2024 overall with an adjusted operating result (adjusted EBIT) of €157.1 million (September 30, 2023: €158.4 million). This corresponds to an adjusted EBIT margin of 12.0% relative to revenue (September 30, 2023: 13.0%) and thus meets the guidance as adjusted in June 2024.

Geopolitical developments and their associated effects, including high inflation rates worldwide, partially led to cost increases in procurement markets for individual precursors, such as in the cost of materials for electronic components. Inflation-related increases in staff costs also had a negative effect, which we were unable to fully offset by passing on price rises to our customers. The risks of possible reduced availability of key production components were avoided thanks to strict supply chain management. The supply problems and partial price increases described above have led to cost inflation, which was countered by measures including increasing customer prices and through stringent cost management.

The financial covenants of the facility agreement were complied with at all times. The net debt ratio is 2.8x (September 30, 2023: 0.3x). The increase can primarily be attributed to the business combination with the DESTACO Group. The acquisition was financed using credit facilities that have been granted and own funds (please refer to the net leverage ratio on page 53). Of the committed revolving credit facility of €350.0 million, €250.0 million was utilized as of September 30. In addition, €250.0 million in promissory note loans were granted to finance the DESTACO acquisition. The settlement and therefore the payment of the promissory note loan took place on September 27, 2024. The promissory note loan consists of four tranches with maturities of three and five years, each with fixed and variable interest rates, and served to replace the €250.0 million bridge facility taken out in the second quarter of fiscal 2024. This commenced in October 2023 for financing the acquisition of DESTACO. The promissory note transaction was very well received in the market and met with strong interest from investors. Overall, the transaction was significantly oversubscribed. To achieve further stability in the uncertain interest situation for a promissory note loan taken out, the subsidiary Stabilus GmbH entered into an interest derivative contract for an existing promissory note loan of €55.0 million, which is accounted for as a cash flow hedge.

Goodwill and other intangible assets for which either no useful life can be determined or that are not yet ready for use at the end of the reporting period are tested for impairment annually. As in the prior year, no impairment was recognized on goodwill in fiscal 2024. The respective underlying assumptions are described in Note 15. The groups of cash-generating units (CGUs) identified for the impairment testing of goodwill are the EMEA, Americas and APAC reporting segments. The recoverable amount is determined based on fair value less costs to sell.

The consolidated financial statements were prepared on a going concern basis. From the current perspective, there are no risks to the continued existence of the Stabilus Group.

The Management Board of Stabilus SE still considers the economic situation of the Stabilus Group to be consistently solid. However, the uncertainty for the new fiscal year remains challenging due to geopolitical and macroeconomic factors.

### 2024 Annual General Meeting decides to pay a dividend of €1.75 per share

Stabilus SE held its Annual General Meeting for fiscal 2023 on February 7, 2024. With a registration rate of 91.7% (previous year: 88.91%) of the share capital, the Annual General Meeting was again met with great interest by Stabilus' shareholders. The Annual General Meeting was held virtually, without shareholders attending in person. The shareholders who had registered in advance were able to watch the live stream of the entire Annual General Meeting in the password-protected Internet portal and to cast their votes on the items of the agenda. The shareholders approved all of the items of the agenda by a very large majority (further information can be found on our website at: IR.STABILUS.COM/INVESTORS/GENERAL-MEETING/).

The Annual General Meeting approved the dividend payment of €1.75 per share for fiscal 2023 and thus confirmed the proposal of the Management Board and the Supervisory Board. The distribution ratio for fiscal 2023 was 42.5% of the consolidated profit attributable to the shareholders of Stabilus SE. Furthermore, the election of an additional member of the Supervisory Board (Susanne Heckelsberger) was approved by a very large majority of the shareholders. The Supervisory Board now comprises six members. The Annual General Meeting also approved entering into a profit transfer agreement between Stabilus SE and Stabilus Motion Controls GmbH. Stabilus Motion Controls GmbH was formally entered in the Commercial Register in the course of fiscal 2024.

### Acquisition and integration of DESTACO into the Stabilus Group

Stabilus acquired 100% of the industrial automation specialist DESTACO from the Dover Corporation after entering into the agreement, signed in October 2023, to acquire DESTACO with effect from March 31, 2024 (combination of asset and share deal). All conditions were met and the necessary regulatory approvals were issued. DESTACO was consolidated for the first time as of March 31, 2024. The final purchase price for the acquisition of the DESTACO Group was $681.7 million (see Note 4, "Business combination" for details). The Stabilus Group has significantly strengthened its business in the area of industrial automation with the integration of DESTACO. Moreover, the integration is an important step in the further expansion of the Stabilus Group's industrial business. The acquisition that has now been completed thus marks an important milestone in achieving the balance in revenue between the industrial and the automotive business that we are pursuing as part of our STAR 2030 strategy. With respect to the business units, the DESTACO Group is fully embedded in the new Industrial Automation business unit and therefore in the industrial business. The existing Industrial business unit is now called Industrial Components. The product ranges of Stabilus and DESTACO complement each other and can be combined to the benefit of our customers to create integrated solutions. While the Stabilus Group's products enable controlled motion sequences and precise vibration isolation, DESTACO's strengths include pneumatic and electronic grippers, clamps and end-of-arm tools for robots, as well as indexers and conveyors. Other synergies between Stabilus and DESTACO can also be expected in addition to technological expertise. DESTACO's core competence lies in precisely gripping, clamping, placing, moving, and repositioning components in a production system. DESTACO's products can help customers significantly increase their productivity, which makes them the perfect complement to the Stabilus product range. DESTACO serves customers around the world in a wide variety of markets, such as consumer goods, packaging, aerospace, automotive engineering, life sciences and nuclear technology. Based on this, the Stabilus Group expects further significant growth in the coming years, supported by the megatrends of industrial automation in response to the global issue of a growing lack of skilled workers.

### Expansion of the Management Board to three members as part of the growth strategy and early contract renewal for CFO Stefan Bauerreis

In view of the growth of the Company and the acquisition of DESTACO, the Supervisory Board of Stabilus SE has appointed Mr. David Sabet to the Management Board of Stabilus SE with effect from October 1, 2024. Mr. Sabet will be Head of Americas and Chief Technology Officer (CTO). The Supervisory Board is thus taking account of the significant importance of the Americas region and the essential role of innovation in the STAR 2030 corporate strategy. According to Stabilus' planning, a significant portion of the desired revenue growth is to be achieved through innovations, which are expected to increase Group revenue to over €2 billion by 2030.

Consequently, the Management Board will be composed of three members as of the 2025 fiscal year beginning on October 1: CEO Dr. Michael Büchsner, CFO Stefan Bauerreis and CTO David Sabet.

Furthermore, the contract of the Executive Board member Stefan Bauerreis (CFO) was extended by a period of three years until June 2028, following approval by the Supervisory Board.

### Sustainability strategy / management

The endeavors to ensure our actions are ecologically, economically and socially sustainable so that we can help shape the future as a leading technology partner, supplier and employer form the core of Stabilus' sustainability strategy. Stabilus reports on sustainability matters in four defined action areas, with specific goals up to 2030 set out for each of them: "Environment & Climate Protection", "Employee & Social Commitment", "Products & Supply Chain", and "Governance & Compliance". The Stabilus sustainability strategy focuses on reducing $CO_2$ emissions and improving water intensity, along with diversity targets with a focus on women in management positions. This year's priorities in Governance & Compliance include rolling out the two central Stabilus guidelines, namely the Code of Conduct for Employees and the Code of Conduct for Business Partners (hereinafter: Business Partner Code of Conduct), which have been fundamentally revised and supplemented to include human rights and environmental obligations in particular. In relation to the integration of the DESTACO Group, its companies are also part of the Stabilus sustainability strategy.

In fiscal 2024, a variety of projects aimed at boosting the use of renewable energies, saving energy and increasing efficiency were launched, as a contribution towards reducing carbon emissions. The expansion of in-house photovoltaic systems was driven forward on a global scale to increase the share of renewable electricity generated in-house. Stabilus is also gradually pushing ahead with the switchover to renewable energy sources. For example, during the course of the fiscal year, some plants were able to switch entirely to renewable electricity sources. In addition to initiatives aimed at reducing carbon emissions, Stabilus has also developed a global water reduction roadmap in this fiscal year for achieving the long-term goals for 2030. The roadmap is based on a water risk analysis of all Stabilus production sites (for more information on non-financial reporting, visit our website at IR.STABILUS.COM/INVESTOR-RELATIONS/NON-FINANCIAL-REPORTS).

## Forecast and actual performance of the Stabilus Group

On November 10, 2023, when publishing the preliminary figures for fiscal 2023, the Management Board of the Stabilus Group had projected guidance for revenue of between €1.4 billion and €1.5 billion, as well as an adjusted EBIT margin in the range of 13% to 14% for fiscal 2024.

On May 8, 2024, as part of the H1 FY 2024 interim report, the Management Board specified the annual forecast within the range of its previous guidance announced at the start of the year for revenue (€1.4 billion to €1.5 billion) and the adjusted EBIT margin (13% to 14%), based on the results achieved and the expectations of global automotive and industrial production. For fiscal 2024, revenue and the adjusted EBIT margin were expected to come in at the lower end of the respective ranges.

On June 11, 2024, the Management Board adjusted its annual forecast in light of the results achieved in the first eight months of fiscal 2024 as well as massively reduced customer orders in the short term and for the remaining four months of the fiscal year, expecting revenue of between €1.3 billion and €1.35 billion and an adjusted EBIT margin of between 11.7% and 12.3%. This means that expectations were lower than the initial forecast of €1.4 billion to €1.5 billion for revenue and 13% to 14% for the adjusted EBIT margin.

The revised forecast was based on a weaker-than-expected revenue performance in Q3 of fiscal 2024 and a subdued outlook for Q4 of fiscal 2024. Lower release quantities in the automotive and commercial vehicles segments are the main reason behind this downturn.

With substantial revenue growth of +7.5% to €1,305.9 million, the Stabilus Group has met the revenue forecast of €1.3 billion to €1.35 billion adjusted on June 11, 2024. The adjusted EBIT margin of the Stabilus Group was 12.0% in fiscal 2024, thus reaching the earnings forecast of June 11, 2024, in the middle of the range of 11.7% to 12.3%.

### Comparison of actual and forecast performance in fiscal 2024

T_004

| Stabilus Group | Forecast November 10, 2023 | Forecast June 11, 2024 | Actual performance 2024 | Comparison[1] |
|---|---|---|---|---|
| Revenue | €1,400 million to €1,500 million | €1,300 million to €1,350 million | €1,305.9 million | Achieved |
| Adjusted EBIT margin | 13% to 14% | 11.7% to 12.3% | 12.0% | Achieved |

[1] Compared to the adjusted forecast in June 2024.

## Overall statement on business performance and the economic situation of Stabilus SE

Stabilus SE closed the fiscal year with a loss. The past fiscal year 2024 was significantly affected by the acquisition of the DESTACO Group and the associated increased interest expense for refinancing, €(17.7) million, foreign currency losses from the valuation of loans to affiliated companies, €(13.1) million, and strategic consulting costs €(12.7) million. Income of €8.3 million was received for the first time through the profit transfer agreement concluded in the 2024 fiscal year between Stabilus SE and Stabilus Motion Controls GmbH. Other operating income amounted to €22.1 million (September 30, 2023: €8.1 million), thus exceeding that of the previous year. Overall, this resulted in a net loss of EUR (14.7) million for fiscal 2024 due to the effects of the acquisition (September 30, 2023: net loss for the year €(7.1) million).

Taking all the facts and circumstances into account, the Management Board of Stabilus SE still considered the economic situation (financial position and financial performance) of Stabilus SE to be solid, including after the opening weeks of fiscal 2025.

## Results of operations of the Stabilus Group

### Analysis of revenue development

The following table shows the revenue development of the Stabilus Group for fiscal 2024 compared to fiscal 2023.

**Revenue by region and business unit** T_005

| IN € MILLION | Fiscal year ended September 30, 2024 | 2023 | % change | % acquisition effect | % currency effect | % organic growth |
|---|---|---|---|---|---|---|
| **EMEA** | | | | | | |
| Automotive Gas Spring | 124.5 | 120.2 | 3.6% | 6.6% | (1.2)% | (1.8)% |
| Automotive Powerise® | 111.5 | 113.1 | (1.4)% | – | (0.8)% | (0.6)% |
| Industrial Components | 261.5 | 263.3 | (0.7)% | 2.0% | (1.6) % | (1.1)% |
| Industrial Automation (DESTACO) | 27.9 | – | n/a | n/a | – | n/a |
| **Total EMEA[1]** | **525.5** | **496.6** | **5.8%** | **8.3 %** | **(1.3)%** | **(1.2)%** |
| **Americas** | | | | | | |
| Automotive Gas Spring | 118.8 | 119.4 | (0.5)% | – | (0.4)% | (0.1)% |
| Automotive Powerise® | 161.1 | 171.5 | (6.1)% | – | 1.4% | (7.5)% |
| Industrial Components | 136.4 | 159.6 | (14.5)% | – | (6.6)% | (7.9)% |
| Industrial Automation (DESTACO) | 52.7 | – | n/a | n/a | – | n/a |
| **Total Americas[1]** | **469.0** | **450.5** | **4.1%** | **11.7%** | **(1.9)%** | **(5.7)%** |
| **APAC** | | | | | | |
| Automotive Gas Spring | 106.2 | 101.8 | 4.3% | 1.5% | (4.1)% | 6.9% |
| Automotive Powerise® | 166.2 | 144.7 | 14.9% | – | (4.3)% | 19.2% |
| Industrial Components | 24.3 | 21.7 | 12.0% | 1.7% | (4.3)% | 14.6% |
| Industrial Automation (DESTACO) | 14.8 | – | n/a | n/a | – | n/a |
| **Total APAC[1]** | **311.5** | **268.2** | **16.1%** | **6.2%** | **(4.2)%** | **14.1%** |
| **Stabilus Group** | | | | | | |
| Total Automotive Gas Spring | 349.5 | 341.4 | 2.4% | 2.8% | (1.8)% | 1.4% |
| Total Automotive Powerise® | 438.8 | 429.3 | 2.2% | – | (1.1)% | 3.3% |
| Total Industrial Components | 422.2 | 444.6 | (5.0)% | 1.2% | (3.5)% | (2.7)% |
| Industrial Automation (DESTACO) | 95.4 | – | n/a | n/a | – | n/a |
| **Revenue[1]** | **1,305.9** | **1,215.3** | **7.5%** | **9.1%** | **(2.2)%** | **0.6%** |

[1] Revenue breakdown by location of Stabilus company (i.e., "billed-from view").

The revenue of the Stabilus Group amounting to €1,305.9 million (September 30, 2023: €1,215.3 million) increased in fiscal 2024 by +€90.6 million or +7.5% compared with fiscal 2023. Adjusting for the exchange rate effect of €(26.4) million and the acquisition effect of +€110.4 million, the Stabilus Group achieved organic revenue growth of +€6.6 million or +0.6% in fiscal 2024. The increase in organic revenue results here, on the one hand, from a volume effect thanks to higher demand for parts from the Stabilus Group, and on the other hand, from a price effect in relation to customers, aimed at offsetting the sometimes high cost hikes due to inflation, particularly increases in staff costs.

While the EMEA and Americas regions experienced decline organically in revenue in fiscal 2024, and nominal growth can be attributed to the acquisition of DESTACO, the APAC region was able to achieve positive revenue growth rates in fiscal 2024. Revenue growth in the EMEA and Americas regions is primarily attributable to the reduced releases in the automotive segment and in the commercial vehicles market segment. The increase in the Stabilus Group revenue in fiscal 2024 was largely thanks to the first-time inclusion of the DESTACO Group. In addition, revenue growth was fueled by strong customer demand for the Stabilus product portfolio in the APAC region. Revenue in the APAC region rose by +€43.3 million, or +16.1%, to €311.5 million. The organic revenue growth rate, adjusted for currency and acquisition effects, was +14.1%.

Revenue in the EMEA region climbed by +€28.9 million or +5.8%. The organic revenue growth rate, adjusted for currency and acquisition effects, was (1.2)%. Despite the challenging market environment in the region, which was significantly influenced by geopolitical uncertainties and their accompanying effects as well as the development of the automotive industry, Stabilus was able to maintain its market position.

## Income statement

T_006

| IN € MILLION | Fiscal year ended September 30, 2024 | 2023 | % change |
|---|---|---|---|
| Revenue | 1,305.9 | 1,215.3 | 7.5% |
| Cost of sales[1] | (963.6) | (894.1) | 7.8% |
| **Gross profit** | **342.3** | **321.2** | **6.6%** |
| Research and development expenses[1] | (34.4) | (31.1) | 10.6% |
| Selling expenses | (126.2) | (104.4) | 20.9% |
| General administrative expenses | (77.7) | (48.4) | 60.5% |
| Other income | 10.6 | 5.8 | 82.8% |
| Other expenses | (1.3) | (6.7) | (80.6)% |
| Net result from equity-accounted investments | – | 0.8 | >(100.0)% |
| **Profit from operating activities (EBIT)** | **113.3** | **137.1** | **(17.4)%** |
| Finance income | 19.7 | 6.9 | >100.0% |
| Finance costs | (32.7) | (24.7) | 32.4% |
| **Profit/(loss) before income tax** | **100.4** | **119.3** | **(15.8)%** |
| Income tax income/(expense) | (28.3) | (16.0) | 76.9% |
| **Profit/(loss) for the period** | **72.0** | **103.3** | **(30.3)%** |

[1] See description of change in reporting.

In the Americas region, revenue increased by +€18.5 million, or +4.1%, to €469.0 million. In contrast, the organic revenue growth rate adjusted for currency and acquisition effects was (5.7)%. The US economy was also confronted with challenging economic market conditions, partly as a result of geopolitical uncertainties and the decisions from the US presidential election.

## Earnings analysis

The table above shows the condensed consolidated income statement of the Stabilus Group for fiscal 2024 compared to fiscal 2023.

### Cost of sales

The cost of sales increased by +€69.5 million or +7.8% from €(894.1) million in fiscal 2023 to €(963.6) million in fiscal 2024. This increase is mainly due to the first-time inclusion of the DESTACO Group in the amount of €(61.4) million (since April 1, 2024) and of the Cultraro Group in the amount of €(9.4) million (since August 1, 2023). Revenue costs were impacted by the substantial rise in staff costs due to inflation compared with the same period of the previous year, which had an impact on the cost basis and, in turn, the margin. Although conditions on the procurement markets for individual raw materials and components are continuing to ease slightly as the fiscal year progresses, the procurement of materials remains a challenge. Compared with the +7.8% rise in the cost of sales, the revenue increased less sharply by +7.5%. As a percentage of revenue, the cost of sales increased slightly by +0.2 percentage points, from 73.6% in fiscal 2023 to 73.8% in fiscal 2024. Adjusted for the acquisitions (DESTACO and Cultraro), the cost of sales rose by +1.1 percentage points to 74.7% in relation to the adjusted revenue. The efficiency enhancements initiated in production have started to yield results, but in fiscal 2024 were only partially able to offset the inflation-induced cost increases. The gross profit margin thus declined slightly from 26.4% in fiscal 2023 to 26.2% in fiscal 2024.

### Research and development expenses

R&D expenses (less capitalized development costs) increased by +€3.3 million or +10.6% from €(31.1) million in fiscal 2023 to €(34.4) million in fiscal 2024. The first-time inclusion of the DESTACO Group (since April 1, 2024) and the Cultraro Group (since August 1, 2023) led to an increase in costs of €(2.3) million (less deferred development costs). The Stabilus Group is continuing to invest in research and development so that it can keep on offering new products and product applications moving ahead. This is particularly true for the ongoing development of the Powerise® product range and the cultivation of new innovation potential and forward-facing business areas such as radar technology and smart door opening technology, as well as LOMx – an innovative method for temperature compensation. This is also reflected by the higher headcount in research and development. The capitalization of development costs (less customer payments) rose from +€22.9 million in fiscal 2023 to +€28.0 million in fiscal 2024. As a percentage of revenue, R&D expenses remained unchanged year-on-year at 2.6%. Adjusted for the acquisitions (DESTACO and Cultraro), R&D costs rose by +0.1% to 2.7% in relation to the adjusted revenue.

### Selling expenses

Selling expenses rose by +€21.8 million or +20.9% as against fiscal 2023, from €(104.4) million to €(126.2) million in fiscal 2024. The increase compared with the same period of the previous year can be attributed to the first-time inclusion of the acquisitions (DESTACO and Cultraro) in the amount of €(19.7) million. In addition, the reason for the increase compared with the same period of the previous year is increased business volume. Higher freight costs for transporting goods and inflation-related salary increases compared to the previous year also had an impact on selling expenses. As a percentage of revenue, selling expenses rose by +1.1 percentage points from 8.6% in fiscal 2023 to 9.7% in fiscal 2024. Adjusted for the acquisitions (DESTACO and Cultraro), selling expenses rose by +0.3 percentage points to 8.9% in relation to the adjusted revenue.

### General administrative expenses

General administrative expenses rose by +€29.3 million or +60.5% as against fiscal 2023, from €(48.4) million to €(77.7) million in fiscal 2024. The significant year-on-year increase is due to the one-off consulting costs of €14.2 million in connection with the acquisition of the DESTACO Group announced in October 2023. Furthermore, the increase was caused by the first-time inclusion of the DESTACO Group and Cultraro Group in the amount of €12.8 million, the growth in headcount compared to the previous year and higher salaries due to inflation. As a percentage of revenue, general administrative expenses rose by +1.9 percentage points from 4.0% in fiscal 2023 to 5.9% in fiscal 2024. Adjusted for the one-off consulting costs in connection with the acquisition of the DESTACO Group and the inclusion of the DESTACO Group and Cultraro Group, general administrative expenses declined to 3.9%. This figure includes non-recurring integration costs of €3.8 million for the DESTACO Group.

### Other income and expenses

Other income rose by +€4.8 million from +€5.8 million in fiscal 2023 to +€10.6 million in fiscal 2024. This primarily included income in the amount of +€2.3 million from a government subsidy program in China and income as a result of foreign currency translation gains from operating business in the amount of +€1.5 million, which mainly occurred in the Americas region and resulted from the USD/MXN correlation. In addition, the increase is also due to a one-off effect of +€1.0 million from an earn-out agreement in connection with the Cultraro Group, and miscellaneous other revenue stems, mainly from scrap revenue.

Other expenses decreased by €(5.4) million, from €(6.7) million in fiscal 2023 to €(1.3) million in fiscal 2024. The decrease is primarily due to currency translation losses from operating business from the same period in the previous year of €(3.9) million, which were mainly incurred in the Americas region and resulted from the USD/MXN correlation. In addition, other expenses in the same period of the previous year were influenced by the recognition in profit or loss of the provision for the remediation of contaminated sites (EPA Colmar) on the basis of new findings at the time, which led to a revaluation of €(2.6) million.

### Finance income and costs

Finance income rose by +€12.8 million from +€6.9 million in fiscal 2023 to +€19.7 million in fiscal 2024. The increase is partly due to net currency gains of +€5.8 million (September 30, 2023 net currency losses: €(11.8) million), partly due to non-recurring exchange rate gains from currency forwards of €3.4 million entered into to hedge the exchange risk in connection with the payment of the acquisition price for the DESTACO Group, and partly due to interest income of €0.6 million from interest derivatives. In addition, the change in the carrying amounts of other financial assets and liabilities (put option) resulted in gains of €5.3 million. The major effect from the previous year resulted from the interest refunds on income tax receivables (restructuring clause) amounting to +€3.4 million.

Finance costs increased by €(8.0) million, from €(24.7) million in fiscal 2023 to €(32.7) million in fiscal 2024. The main effect in the same period of the previous year stemmed from the net currency losses in the amount of €(11.8) million (September 30, 2024: net currency gains).

Finance costs also contain ongoing interest expenses. The interest expense for financial liabilities of €(29.3) million in fiscal 2024 (September 30, 2023: €(10.5) million) relates in particular to the term loan facility, €(29.1) million (September 30, 2023: €(10.8) million) of which relates to interest paid. Interest on provisions for pensions and early retirement contracts amounted to €(2.0) million (September 30, 2023: €(1.5) million).

### Income taxes

Following an income tax expense of €(16.0) million in fiscal 2023, the Stabilus Group reported an expense of €(28.3) million in fiscal 2024. The tax expense was influenced by withholding taxes on Group dividends amounting to €2.4 million. In the previous year, the income tax expenses were lower due to the amended tax assessments for the years 2010 to 2014 following the conclusion of the appeal proceedings in connection with the application of the restructuring clause. The effect of the restructuring clause in the second quarter of fiscal 2023 amounted to +€19.9 million. The effective tax rate of the Stabilus Group is 28.2% in fiscal 2024 (September 30, 2023: 13.4%).

## Revenue and earnings development by segment

The Stabilus Group is organized and managed primarily on a regional level. The three reportable operating segments of the Group are EMEA (Europe, Middle East and Africa), the Americas (North and South America) and APAC (Asia-Pacific). The following table shows the development of the revenue and adjusted EBIT of the operating segments of the Stabilus Group for fiscal 2024 and fiscal 2023:

### Operating segments

T_007

| IN € MILLION | Fiscal year ended September 30, 2024 | 2023 | % change |
|---|---|---|---|
| **EMEA** | | | |
| External revenue [1] | 525.5 | 496.6 | 5.8% |
| Intersegment revenue [1] | 42.6 | 38.4 | 10.9% |
| Total revenue [1] | 568.1 | 535.0 | 6.2% |
| Adjusted EBIT | 54.8 | 60.5 | (9.4)% |
| as % of total revenue | 9.6% | 11.3% | |
| as % of external revenue | 10.4% | 12.2 % | |
| **Americas** | | | |
| External revenue [1] | 469.0 | 450.5 | 4.1% |
| Intersegment revenue [1] | 29.8 | 30.9 | (3.6)% |
| Total revenue [1] | 498.8 | 481.3 | 3.6% |
| Adjusted EBIT | 47.7 | 48.6 | (1.9)% |
| as % of total revenue | 9.6% | 10.1% | |
| as % of external revenue | 10.2% | 10.8% | |
| **APAC** | | | |
| External revenue [1] | 311.4 | 268.2 | 16.1% |
| Intersegment revenue [1] | 9.9 | 1.8 | >100.0% |
| Total revenue [1] | 321.3 | 270.0 | 19.0% |
| Adjusted EBIT | 54.6 | 49.4 | 10.5% |
| as % of total revenue | 17.0% | 18.3% | |
| as % of external revenue | 17.5% | 18.4% | |

[1] Revenue breakdown by location of Stabilus company (i. e., “billed-from view”).

### EMEA

External revenue in the EMEA region increased as against fiscal 2023 by +€28.9 million or +5.8% from €496.6m to €525.5m in fiscal 2024. Adjusted for exchange rate effects of €(6.5) million and acquisition effects (from the DESTACO Group and Cultraro Group) of +€41.0 million, organic revenue growth amounts to (1.2)%. The Stabilus Automotive Powerise® business shrank by €(1.6) million or (1.4)% from €113.1 million to €111.5 million. Organic revenue growth in the Automotive Powerise® business amounted to (0.6)%. Revenue in the Automotive Gas Spring division increased, growing by +€4.3 million or +3.6% from €120.2 million to €124.5 million, whereas the organic revenue growth rate for the Automotive Gas Spring business was (1.8)%. According to S&P Global Mobility (as of October 2024), passenger car production in the EMEA automotive market in fiscal 2024 decreased year-on-year by (1.1)% to 19.7 million units produced, whereas in Germany, the number of new cars produced was the same as the previous year (+0.0 million units produced). The macroeconomic environment resulted in widespread consumer restraint. Geopolitical uncertainties continue to impact the market environment. Despite these negative factors and the restrained macroeconomic environment, the Stabilus automotive business held its own.

Industrial business (Industrial Components and Industrial Automation) boosted revenue by +€26.1 million or +9.9% in fiscal 2024, from €263.3 million to €289.4 million, whereas the organic revenue growth of the industrial business was (1.0)%. The significant increase is due to the first-time inclusion of the DESTACO Group in the amount of +€27.9 million. Although the economic conditions that influence Stabilus’ Industrial business unit are gradually stabilizing, growth in the European industrial sector is still low. This is also due to the effects of inflation and geopolitical uncertainties. The aerospace, marine and rail market segment is notable in this respect, as it achieved above-average growth in revenue.

The market segments energy & construction and health, recreation & furniture reported growth. By contrast, the commercial vehicles and industrial machinery market segments experienced declines. The trend in revenue in the other market segments is in line with the prior-year levels. The division's performance shows that the Stabilus Group is benefiting from its broad product range and can more easily offset any declines in the individual areas through other market segments. The adverse effects of higher staff costs due to inflation and the geopolitical factors were only partially reduced by passing on price increases to our customers. The efficiency improvement measures initiated in production also took effect after a delay. Adjusted EBIT in the EMEA region decreased by €(5.7) million or (9.4)%, from €60.5m in fiscal 2023 to €54.8m in fiscal 2024, of which +€5.0 million results from the DESTACO acquisition and +€2.5m from the Cultraro acquisition. However, the adjusted EBIT margin was down by (1.8) percentage points from 12.2% in fiscal 2023 to 10.4% in fiscal 2024.

### Americas

The external revenue of the Americas region rose by +€18.5 million or +4.1% as against fiscal 2023, from €450.5 million to €469.0 million in fiscal 2024. Adjusted for exchange rate effects of €(8.6) million and acquisition effects (from the DESTACO Group) of +€52.7 million, organic revenue growth amounts to (5.7)%. The Automotive Gas Spring business fell slightly by €(0.6) million or (0.5)% from €119.4 million to €118.8 million. The organic growth rate in revenue for the Automotive Gas Spring business was (0.1)%. By contrast, the Stabilus Automotive Powerise® business declined by €(10.4) million or (6.1)% from €171.5 million to €161.1 million, which corresponds to an organic revenue growth rate of (7.5)%. Strikes at some Stabilus customers in the US in the previous quarters, as well as the high inventories among automotive OEMs of vehicles produced, were a major cause of this. According to S&P Global Mobility (as of October 2024) the US automotive market grew slightly compared with the same period of the previous year, achieving growth rates of +0.3% to 18.5 million units produced (September 30, 2023: 18.4 million units produced). The US economy was confronted in the first half of the 2024 calendar year by a renewed rise in inflation, however, which had an adverse impact on general market conditions. After recording growth in the 2023 calendar year and showing a corresponding catch-up effect thanks to fewer supply problems and improved availability of electronic components (semiconductors), the US economy steadily began to lose steam from the fourth quarter of the 2023 calendar year onwards. This weakness will likely stretch into the 2025 calendar year. There are a variety of reasons for the downturn: Consumer demand is waning as a result of the substantial increase in interest rates on consumer loans. This is slowing employment and income growth, prompting a decline in consumer spending. Despite the Fed's interest rate cuts in September 2024, the economic upturn appears to be delayed. In addition, the ongoing trade conflict between the US and China is weighing heavily on procurement markets.

Industrial business (Industrial Components and Industrial Automation) developed well, with revenue growing by +€29.5 million or +18.5% from €159.6 million to €189.1 million. The increase is primarily due to the first-time inclusion of the DESTACO Group in the amount of +€52.7 million. Organic revenue growth in industrial business amounted to (7.9)%. Incoming orders in US industrial business flattened off sharply in fiscal 2024 and, in some cases, customers have high stock levels; this was accompanied by a decline in revenue in virtually all of the market segments Stabilus operates in. Stabilus recorded a slight decline in the commercial vehicles market segment owing to the weakening market environment in the Americas region. The industrial machinery & automation, energy & construction, distributors, independent aftermarket, and e-commerce market segments are even seeing double-digit declines in revenue. Furthermore, revenue in energy & construction decreased by more than 35% year-on-year. This was compensated for by the positive development of the health, recreation & furniture segment with single-digit revenue growth rates. The Americas region was similarly rocked by increases in staff costs due to inflation. It was not entirely possible to compensate for these with price increases. These effects further reduced the adjusted EBIT margin. Adjusted EBIT in the Americas region declined by €(0.9) million or (1.9)% from €48.6 million in fiscal 2023 to €47.7 million in fiscal 2024; +€10.0 million is from the DESTACO acquisition. The adjusted EBIT margin was down by (0.6) percentage points from 10.8% in fiscal 2023 to 10.2% in fiscal 2024.

### APAC

External revenue in the APAC region increased by +€43.3 million or +16.1%, from €268.2 million to €311.5 million in fiscal 2024. Adjusted for exchange rate effects of €(11.3) million and acquisition effects (from the DESTACO Group and Cultraro Group) of +€16.7 million, organic revenue growth amounts to +14.1%. This strong increase was thanks in particular to the Automotive Powerise® business, which recorded revenue growth of +€21.5 million or +14.9%, increasing from €144.7 million to €166.2 million. Organic revenue growth amounted to +19.2%. The Automotive Gas Spring business also saw a positive trend, growing by +€4.4 million or +4.3%, from €101.8 million to €106.2 million. The organic growth rate in revenue for the Automotive Gas Spring business was even +6.9%. Economic developments in the APAC region, particularly in China, showed strong growth in fiscal 2024 compared to the same period of the previous year. The Chinese automotive market picked up by about +7.5% year-on-year (CAAM – China Association of Automobile Manufacturers). Vehicle production and sales volumes reached new highs and the previously estimated annual targets were exceeded. According to S&P Global Mobility data (as of October 2024), China's passenger car production in fiscal 2024 increased by +7.1% to 29.2 million units produced compared to fiscal 2023, while the number in the APAC region rose by +2.7% to a total of 51.3 million units produced. This is also reflected in the sales figures for the Automotive Powerise® product range and the Automotive Gas Spring business, which have also been bolstered by high sales figures for the door actuator. Revenue growth is also driven by rising demand for electric and hybrid vehicles in the region, including in automotive mass markets. Nevertheless, the market is still affected by uncertainty around the ongoing housing crisis and general economic developments in the future: whether the Chinese economic recovery will be able to maintain the desired momentum.

Industrial business (Industrial Components and Industrial Automation) revenue also enjoyed an upward trajectory in fiscal 2024 compared to fiscal 2023, rising by +€17.4 million, or +80.2%, from €21.7 million to €39.1 million. The increase is primarily due to the first-time inclusion of the DESTACO Group in the amount of €14.8 million. Organic revenue growth for industrial business amounts to +14.4%. This trend is also reflected in the development of revenue growth rates of the market segments in the APAC region, where revenue rose in nearly all market segments. Industrial machinery & automation along with aerospace, marine and rail all posted double-digit growth rates. In contrast, the revenue growth rates in the health, recreation & furniture segment are declining slightly compared with the same period of the previous year. The APAC region was also squeezed by a higher cost base as a result of an increase in material prices and staff costs. The region is also subject to increased price pressure on the market. Adjusted EBIT for the APAC region rose by +€5.2 million or +10.5% from €49.4 million in fiscal 2023 to €54.6 million in fiscal 2024, with +€4.5 million from the DESTACO acquisition and +€0.4 million from the Cultraro acquisition. The adjusted EBIT margin decreased by (0.9) percentage points from 18.4% in fiscal 2023 to 17.5% in fiscal 2024.

### Reconciliation of adjusted EBIT

The following table shows the reconciliation to adjusted EBIT for fiscal 2024 and fiscal 2023. Adjusted EBIT is EBIT adjusted for non-recurring items (for example, restructuring expenses or non-recurring M&A consulting expenses) and depreciation/amortization of fair value adjustments from purchase price allocations (PPA). The Stabilus Group reports adjusted EBIT as its management is of the opinion that adjusted EBIT is more meaningful and therefore contributes to a better understanding of the operating performance of the Stabilus Group on the part of users of the financial statements. Further details of segment reporting (Note 37) can be found in the supplementary financial information.

The effects of PPAs from previous company acquisitions came to €15.9 million in fiscal 2024 (September 30, 2023: €14.4 million). For the business acquisition of the DESTACO Group, €14.4 million was recognized for the first time. The straight-line depreciation of the remeasurement of assets is assigned to the fiscal years as follows:

In addition to PPA effects, expenses of €14.2 million incurred mainly in connection with the acquisition of the DESTACO Group were adjusted for in fiscal 2024. Furthermore, an amount of €(0.7) million from earn-out agreements for prior acquisitions was adjusted for.

## Reconciliation of EBIT to adjusted EBIT

T_008

| IN € MILLION | Fiscal year ended September 30, 2024 | 2023 | % change |
|---|---|---|---|
| **Profit from operating activities (EBIT)** | **113.3** | **137.1** | **(17.4)%** |
| PPA adjustments – depreciation and amortization | 30.3 | 14.4 | >100.0% |
| Consulting | 14.2 | 4.1 | >100.0% |
| Bioremediation (EPA Colmar) | – | 2.6 | n/a |
| Purchase price adjustments | (0.7) | 0.2 | <(100.0)% |
| **Adjusted EBIT** | **157.1** | **158.4** | **(0.8)%** |

## Reconciliation of PPA adjustments

T_009

| IN € MILLION | Fiscal year ended September 30, 2024 | 2023 | % change |
|---|---|---|---|
| PPA in fiscal 2010 | 4.7 | 4.7 | 0.0% |
| PPA in fiscal 2016 | 8.0 | 8.4 | (5.2)% |
| PPA in fiscal 2019 | 0.7 | 0.7 | 0.0% |
| PPA in fiscal 2023 | 2.6 | 0.6 | >100.0% |
| PPA in fiscal 2024 | 14.4 | – | n/a |
| **PPA adjustments** | **30.3** | **14.4** | >100.0% |

# Financial position of the Stabilus Group

## Analysis of net assets

### Total assets

The Stabilus Group's total assets increased by +€576.6 million or 43.2%, from €1,334.3 million as of September 30, 2023, to €1,910.9 million as of September 30, 2024. This resulted primarily from the acquisition and the first-time consolidation of the DESTACO Group as of March 31, 2024 (for further details, see Note 4 "Business combination").

### Non-current assets

The non-current assets of the Stabilus Group rose by +€604.7 million or +82.4% from €734.3 million as of September 30, 2023, to €1,339.0 million as of September 30, 2024. The increase can primarily be attributed to the business combination with the DESTACO Group. Purchase price allocation resulted in goodwill of €311.2 million. Moreover, other non-current assets identified from the acquisition, including in the areas of customer relationships, technologies and trademarks, were recognized in the amount of €272.0 million. In addition, property, plant and equipment in the amount of €50.9 million and right-of-use assets in the amount of €13.9 million were recognized from the acquisition (for further details, please refer to Note 4 "Business combination"). Non-current assets were significantly influenced by carrying amount adjustments due to exchange rate effects (e.g., a decrease in goodwill of €(7.8) million). In addition, non-current assets were affected by amortization on other intangible assets of €(45.3) million, partly as a result of the current purchase price allocation and the purchase price allocation in previous fiscal years, as well as depreciation of property, plant and equipment in the amount of €(47.3) million. This was countered by capital expenditure of +€61.4 million, of which +€7.9 million related to new leases and +€53.5 million to equipment and machinery. Furthermore, a total of +€29.4 million was capitalized in intangible assets in connection with research and development costs. In total, the Stabilus Group made capital expenditure payments (CAPEX) of €82.9 million.

### Statement of financial position

T_010

| IN € MILLION | Sept 30, 2024 | Sept 30, 2023 | % change |
|---|---|---|---|
| **Assets** | | | |
| Non-current assets | 1,339.0 | 734.3 | 82.4% |
| Current assets | 571.9 | 600.1 | (4.7)% |
| **Total assets** | **1,910.9** | **1,334.3** | **43.2%** |
| | | | |
| **Equity and liabilities** | | | |
| Equity | 677.7 | 712.0 | (4.8)% |
| Non-current liabilities | 942.5 | 395.4 | >100.0% |
| Current liabilities | 290.7 | 226.9 | 28.1% |
| Total liabilities | 1,233.2 | 622.3 | 98.2% |
| **Total equity and liabilities** | **1,910.9** | **1,334.3** | **43.2%** |

### Current assets

As of September 30, 2024, the current assets of the Stabilus Group reduced by €(28.2) million or (4.7)% as against September 30, 2023, from €600.1 million to €571.9 million. This resulted primarily from the acquisition of – and business combination with – the DESTACO Group, which was partly paid for in cash. Furthermore, the level of cash and cash equivalents was influenced by the dividend of €43.23 million paid to the Stabilus shareholders in February 2024. Cash and cash equivalents declined by €(83.7) million to €109.4 million. Income tax receivables fell by €(3.3) million to €5.6 million. By contrast, inventories increased by +€46.3 million, with +€49.8 million resulting from the first-time consolidation of the DESTACO Group as of March 31, 2024. Trade receivables rose by +€5.4 million, with +€31.9m due to the first-time consolidation of the DESTACO Group as of March 31, 2024. Other assets increased by +€7.0 million, mainly due to advance payments and VAT receivables.

### Equity

As of September 30, 2024, the equity of the Stabilus Group reduced by €(34.3) million or (4.8)% as against September 30, 2023, from €712.0 million to €677.7 million. This decline is due mainly to the payment of dividends to our shareholders in the amount of €(43.23) million in the second quarter of fiscal 2024 and the distribution of dividends in the amount of €(1.1) million to minority shareholders. At +€72.0 million, profit for fiscal 2024 partially offset this. Other reserves (accumulated other comprehensive income) increased by €(53.4) million, from €(4.4) million to €(57.8) million, as a result of unrealized losses from foreign currency translation of €(47.4) million, unrealized actuarial losses from pensions (after tax) of €(3.5) million, and the remeasurement in equity of derivatives acquired for hedging purposes, which changed by €(2.5) million.

### Non-current liabilities

The non-current liabilities of the Stabilus Group rose by +€547.1 million, from €395.4 million as of September 30, 2023, to €942.5 million as of September 30, 2024. This is essentially the result of taking out a promissory note loan for €250.0 million and the drawdown of €257.2 million from the revolving credit facility, which was utilized to finance the business combination with the DESTACO Group. Deferred tax liabilities rose by +€19.6 million. This increase results primarily from the first-time recognition of deferred tax liabilities in the amount of +€27.5 million as of March 31, 2024, as part of the business combination. An opposite effect was caused by the amortization on a straight-line basis of the purchase price allocations made in previous financial years. Other financial liabilities increased by +€11.8 million; due to the first-time consolidation of the DESTACO Group as of March 31, 2024, +€12.3 million originates from the takeover of lease liabilities from the business combination. In addition, +€1.6 million is derived from the remeasurement of the minority shareholder's put option relating to shares in the Cultraro Group that are not controlled by Stabilus. Pension obligations increased by +€9.7m due to changes in actuarial assumptions; as a result of the first-time consolidation of the DESTACO Group as of March 31, 2024, +€4.6m in retirement plans and similar commitments were taken over.

### Current liabilities

The current liabilities of the Stabilus Group rose by +€63.8 million or +28.1% from €226.9 million as of September 30, 2023, to €290.7 million as of September 30, 2024. Current liabilities were influenced by multiple transactions. Trade payables increased by +€13.0 million in conjunction with the growth in business activities; due to the first-time consolidation of the DESTACO Group as of March 31, 2024, trade payables of +€22.6 million were assumed. Current financial liabilities rose by +€13.6 million, mainly due to the take-up of local loans in China. Other liabilities increased by +€11.9 million; +€11.4 million was assumed due to the first-time consolidation of the DESTACO Group as of March 31, 2024. Provisions also increased by +€5.9 million. From the business combination with the DESTACO Group as of March 31, 2024, +€3.2 million resulted from the first-time consolidation and mainly concern other provisions for personnel expenses of €1.1 million, other risks of €0.8 million and provisions for purchase commitments of €0.7 million. Income tax liabilities decreased by €(5.9) million.

## Analysis of the financial position

### Cash flow from operating activities

Cash flow from operating activities changed by +€18.9 million or +10.6%, from €178.1 million in fiscal 2023 to €197.0 million in fiscal 2024. In addition to the operating result, this is due, among other things, to the change in working capital. This was countered by higher income tax payments of €(10.4) million. In the same period of the previous year, an amount of €12.1 million was received in cash in connection with the restructuring clause as a one-off effect.

### Cash flow from investing activities

Compared with the 2023 fiscal year, cash flow from investing activities changed in fiscal 2024 by €(636.0) million, from €(81.4) million to €(717.4) million. This is due in particular to the acquisition of the DESTACO Group. In addition, purchases of intangible assets rose by +€3.3 million and capital expenditure for property, plant and equipment increased by +€5.9 million compared with the same period in the previous year.

### Cash flow from financing activities

Compared with the 2023 fiscal year, cash flow from financing activities changed in fiscal 2024 by +€507.1 million, from €(66.4) million to +€440.7 million. This is primarily due to the cash inflow from the available credit facilities and promissory note loan totaling €526.3 million, which were used to pay the purchase price for the DESTACO Group. Excluding the cash inflow from the credit facilities granted and promissory note loans taken out as well as the increased interest payments (+€18.3 million), the cash flow from financing activities changed by €(1.0) million, from €(66.4) million to €(67.4) million. The payment for the acquisition of non-controlling shares (20%) in New Clevers S.A., Argentina, in the amount of €1.4 million also affected the cash flow from financing activities.

**Cash flows** T_011

| | Fiscal year ended September 30, | | |
|---|---|---|---|
| IN € MILLION | 2024 | 2023 | % change |
| Cash flow from operating activities | 197.0 | 178.1 | 10.6% |
| Cash flow from investing activities | (717.4) | (81.4) | >100.0% |
| Cash flow from financing activities | 440.7 | (66.4) | >(100.0)% |
| **Net increase / (decrease) in cash and cash equivalents** | **(79.7)** | **30.2** | **>(100.0)%** |
| Effect of movements in exchange rates on cash and cash equivalents held | (3.9) | (5.5) | (29.1)% |
| Cash and cash equivalents as of beginning of the reporting period | 193.1 | 168.4 | 14.7% |
| **Cash and cash equivalents as of end of the reporting period** | **109.4** | **193.1** | **(43.3)%** |

## Reconciliation of free cash flow, adjusted free cash flow and net leverage ratio

### Free cash flow

Free cash flow is defined as the total of cash flows from operating activities and cash flows from investing activities. Management reports free cash flow because this alternative performance measure aids in assessing the ability of the Stabilus Group to generate cash flows that can be used for further investment or distributions. Compared with fiscal 2023, the free cash flow for fiscal 2024 changed by €(617.1) million, from +€96.7 million to €(520.4) million. The free cash flow has been significantly affected by the acquisition of the DESTACO Group and the resulting cash outflow. The payments from investing activities that are not related to acquisitions increased by €(9.3) million in fiscal 2024. The calculation of free cash flow for fiscal 2024 and fiscal 2023 is shown in the adjacent table.

### Adjusted free cash flow

Adjusted free cash flow is defined as the total of cash flows from operating activities and cash flows from investing activities before acquisitions, divestments and factors considered in EBIT adjustment (e.g., restructuring costs or non-recurring M&A consulting costs). Management reports adjusted free cash flow because this alternative performance measure aids in assessing the ability of the Stabilus Group to generate cash flows from organic growth (i.e., disregarding acquisitions and divestments). Adjusted free cash flow changed by +€25.5 million, from €107.3 million in fiscal 2023 to +€132.8 million in fiscal 2024, largely as a result of the significant change in working capital from operating activities and the one-off effect of the cash received from the tax refund in the previous year (restructuring clause). The adjustment of €16.2 million in fiscal 2024 relates to the consulting costs paid in connection with the DESTACO acquisition and to bioremediation (EPA Colmar). The adjustment of €9.1 million in fiscal 2023 relates mainly to the purchase price payment for the Cultraro Group and the last subsequent purchase price payment to Piston for the share purchase (53%) in fiscal 2019. The calculation of adjusted free cash flow for fiscal 2024 and fiscal 2023 is shown in the table below.

**Free cash flow** T_012

| IN € MILLION | Fiscal year ended September 30, 2024 | 2023 | % change |
|---|---|---|---|
| Cash flow from operating activities | 197.0 | 178.1 | 10.6% |
| Cash flow from investing activities | (717.4) | (81.4) | >100.0% |
| **Free cash flow** | **(520.4)** | **96.7** | **>(100.0)%** |

**Adjusted free cash flow** T_013

| IN € MILLION | Fiscal year ended September 30, 2024 | 2023 | % change |
|---|---|---|---|
| Cash flow from operating activities | 197.0 | 178.1 | 10.6% |
| Cash flow from investing activities | (717.4) | (81.4) | >100.0% |
| **Free cash flow** | **(520.4)** | **96.7** | **>(100.0)%** |
| Acquisition of assets and liabilities within the business combination, net of cash acquired | 637.0 | 9.1 | >100.0% |
| Consulting | 15.8 | 0.8 | >100.0% |
| Bioremediation | 0.4 | 0.2 | 93.8% |
| Purchase price adjustments | – | 0.5 | (100.0)% |
| **Adjusted FCF** | **132.8** | **107.3** | **23.7%** |

## Net leverage ratio

T_014

| IN € MILLION | Fiscal year ended September 30, 2024 | 2023 | % change |
|---|---|---|---|
| Financial liabilities | 777.8 | 258.0 | >100.0% |
| Cash and cash equivalents | (109.4) | (193.1) | (43.3)% |
| Net financial debt | 668.4 | 64.9 | >100.0% |
| Adjusted EBITDA | 241.2 | 215.3 | 12.0% |
| **Net leverage ratio** | **2.8x** | **0.3x** | |

## Financial liabilities

T_015

| IN € MILLION | Fiscal year ended September 30, 2024 | 2023 | % change |
|---|---|---|---|
| Financial liabilities (non-current) | 757.2 | 251.1 | >100.0% |
| Financial liabilities (current) | 20.5 | 6.9 | >100.0% |
| **Financial liabilities** | **777.8** | **258.0** | **>100.0%** |

## Adjusted EBITDA

T_016

| IN € MILLION | Fiscal year ended September 30, 2024 | 2023 | % change |
|---|---|---|---|
| **Profit from operating activities (EBIT)[1)]** | **132.8** | **137.1** | **(3.2)%** |
| Depreciation | 46.3 | 39.1 | 18.5% |
| Amortization | 18.3 | 17.7 | 3.4% |
| PPA adjustments – depreciation and amortization | 28.1 | 14.4 | 94.8% |
| **EBITDA** | **225.4** | **208.3** | **8.2%** |
| Consulting | 14.2 | 4.1 | >100.0% |
| Bioremediation (EPA Colmar) | – | 2.6 | n/a |
| Purchase price allocation (PPA) adjustments – increase in inventories | 2.3 | 0.2 | >100.0% |
| Purchase price adjustment | (0.7) | 0.2 | <(100.0)% |
| **Adjusted EBITDA** | **241.2** | **215.3** | **12.0%** |

[1)] The operating result (EBIT) was calculated pro forma to include the result of the DESTACO Group from October 1, 2023, to March 31, 2024.

### Net leverage ratio

The net leverage ratio is defined as net financial debt divided by adjusted EBITDA. Net financial debt is the nominal amount of financial liabilities, i.e., current and non-current financial liabilities less cash and cash equivalents. Adjusted EBITDA is defined as adjusted EBIT before depreciation / amortization and before extraordinary non-recurring items (e.g., restructuring expenses or non-recurring M&A consulting expenses). Management reports the net leverage ratio because this alternative performance measure is a useful indicator for assessing the debt and financing structure of the Stabilus Group. The net leverage ratio increased from 0.3x in fiscal 2023 to 2.8x in fiscal 2024. This is mainly due to the acquisition of the DESTACO Group, which was financed by means of credit facilities granted and own funds. The earnings of the DESTACO Group from October 1, 2023, to March 31, 2024, were included on a pro forma basis in the EBITDA LTM (last twelve months) calculation. The calculation of the net leverage ratio for fiscal 2023 and fiscal 2024 is shown in the adjacent table.

### Principles and objectives of financial management

At the Stabilus Group, financial management mainly means liquidity management, capital structure management and the management of interest and currencies. The objective of financial management at the Stabilus Group is to preserve financial independence by ensuring sufficient liquidity. This is intended to keep the Stabilus Group's financial capacity at a high level at all times. Risks should be largely avoided, while the risks of operating activities should be effectively protected against. For instance, the Stabilus Group does not trade in futures for speculative purposes and has entered into two derivate financial instruments at this time to hedge the interest on promissory note loans. The Group has also entered into currency hedging arrangements for operational business. Another key area of financial management is to monitor compliance with the covenants of corporate financing. Financing and liquidity risks are presented in the opportunity and risk report.

## Financial position and financial performance of Stabilus SE

As a holding company, Stabilus SE is responsible for the uniform management, economic control and financing of the Stabilus Group. The principal management functions of the Stabilus Group are the responsibility of the Management Board of Stabilus SE. The situation of Stabilus SE is essentially determined by the business success of the Stabilus Group. The following disclosures relate to the annual financial statements of Stabilus SE prepared in accordance with the German Commercial Code (Handelsgesetzbuch (HGB)) and the German Stock Corporation Act (Aktiengesetz (AktG)).

### Key financial performance indicator

The planning and management of Stabilus SE is based on the annual result. The key performance indicator for financial targets is:

- Annual result

The key financial performance indicator is analyzed, planned and monitored with regard to achievement and its impact on forecasts.

### Analysis of the results of operations

The following table shows the condensed income statement of Stabilus SE for fiscal 2024 compared to fiscal 2023.

**Income statement of Stabilus SE (condensed)** T_017

| | Fiscal year ended September 30, | | |
|---|---|---|---|
| IN € THOUSANDS | 2024 | 2023 | % change |
| Other operating income | 22,138 | 8,063 | >100.0% |
| Personnel expenses | (3,784) | (4,140) | (8.6)% |
| Depreciation and amortization | (47) | (25) | 88.0% |
| Other operating expenses | (39,865) | (9,956) | >100.0% |
| Net interest income | (17,590) | (786) | >100.0% |
| Income from loans of financial assets | 16,953 | – | n/a |
| Income from profit transfer agreements | 8,279 | – | n/a |
| Income taxes | (834) | (258) | >100.0% |
| **Result after taxes** | **(14,750)** | **(7,103)** | **>100.0%** |
| Net loss for the period | (14,750) | (7,103) | >100.0% |

In performing the duties of a holding company for the Stabilus Group, Stabilus SE incurred other operating income of €22,138 thousand (2023: €8,063 thousand). This includes, on the one hand, charges of €11,741 thousand for costs of exceptional importance in connection with the acquisition of DESTACO and, on the other hand, charges of €9,242 thousand for subsidiaries under the Service Agreement. In addition, profits from the translation of foreign currency transactions in the amount of €1,154 thousand (September 30, 2023: €0) were recognized in profit or loss.

Other operating expenses mainly contain expenses of exceptional importance for the acquisition of the DESTACO Group announced in October 2023 in the amount of €14,062 thousand. Furthermore, €17,952 thousand (September 30, 2023: €0) foreign currency losses were incurred from the valuation of loans to affiliated companies. Also included are other consulting costs of €1,999 thousand, Group insurance of €1,223 thousand and audit fees for the half-year and annual financial statements of €1,300 thousand. Supervisory Board remuneration of €736 thousand (September 30, 2023: €666 thousand) is also included.

The profit transfer agreement with the subsidiary Stabilus Motion Controls GmbH, Langenfeld, was concluded in fiscal 2024. Income from profit transfers in the amount of €8,279 thousand was recognized under this contract in the fiscal year 2024 just ended.

Interest and similar expenses shown in net interest income include interest expenses of €17,692 thousand (September 30, 2023: €788 thousand) resulting primarily from interest expenses from existing debt financing, interest expenses from cash pooling with subsidiaries and guaranteed commissions.

The net loss for fiscal 2024 amounts to €(14,750) thousand (September 30, 2023: loss for the year €(7,103) thousand).

## Analysis of financial position and financial performance

### Statement of financial position of Stabilus SE (condensed)

T_018

| IN € THOUSANDS | Sept 30, 2024 | Sept 30, 2023 | % change |
|---|---|---|---|
| **Assets** | | | |
| Fixed assets | 1,346,356 | 775,305 | 73.7% |
| Current assets | 26,932 | 999 | >100.0% |
| Prepaid expenses | 107 | 137 | (21.5)% |
| **Total assets** | **1,373,395** | **776,440** | **76.9%** |
| | | | |
| **Equity and liabilities** | | | |
| Equity | 667,923 | 725,898 | (8.0)% |
| Provisions | 8,009 | 7,008 | 14.3% |
| Liabilities | 697,464 | 43,535 | >100.0% |
| **Total assets** | **1,373,395** | **776,440** | **76.9%** |

The Stabilus Group's total assets as of September 30, 2024, were up on the previous year by +76.9% to €1,373,395 thousand (September 30, 2023: €776,440 thousand) due to the DESTACO acquisition. Fixed assets comprise shares in affiliated companies, which amount to €775,218 thousand and are unchanged year-on-year. There are also loans to affiliated companies that include a loan of €207.3 million to Stabilus Motion Controls GmbH, Langenfeld, Germany, and a loan of €360.0 million to Stabilus US Holding Corporation, Wilmington, USA (originated in USD), as well as a loan of €3.7 million to ACE Stoßdämpfer GmbH, Langenfeld, Germany. The loans granted are solely connected with the acquisition of the DESTACO Group.

Current assets rose from €999 thousand as of September 30, 2023, to €26,932 thousand as of September 30, 2024. This was caused by an increase in cash pool receivables from an affiliated company of €9,200 thousand as well as interest receivables from loans granted in the amount of €16,580 thousand. For the purpose of centralized liquidity management, a cash concentration agreement was concluded with Stable Beteiligungs GmbH, Koblenz, Germany, as the cash pool leader and Stabilus Motion Controls GmbH, Langenfeld, Germany, which results in a daily transfer of bank balances to Stable Beteiligungs GmbH, Koblenz, Germany.

The Company's equity declined from €725,898 thousand as of September 30, 2023, to €667,923 thousand as of September 30, 2024, as a result of the net loss for fiscal 2024 of €(14,750) thousand and the dividend payment to the shareholders of Stabilus SE of €(43,225) thousand (September 30, 2023: €(43,225) thousand). Other provisions rose from €7,008 thousand as of September 30, 2023, to €8,009 thousand as of September 30, 2024, essentially as a result of provisions for consulting costs in connection with the acquisition of the DESTACO Group and audit fees. Non-current liabilities to banks are in the amount of €500,000 thousand (September 30, 2023: –) and are exclusively related to the acquisition of the DESTACO Group. Current liabilities rose significantly from €43,535 thousand as of September 30, 2023, to €197,464 thousand as of September 30, 2024, as a result of cash pooling liabilities to subsidiaries.

For fiscal 2024, the Management Board and Supervisory Board propose to the Annual General Meeting to distribute a dividend of €1.15 (September 30, 2023: €1.75) per share and to carry forward the remaining net retained profits of €213,037 thousand (September 30, 2023: €256,192 thousand) to a new account.

### Principles and objectives of financial management

The same principles for financial management apply at Stabilus SE as at the Stabilus Group.

### Outlook of Stabilus SE

The financial position and financial performance of Stabilus SE depend to a large extent on economic developments and the success of its operating subsidiaries, in whose development it participates through distributions. The management of Stabilus SE expects to report a slightly positive net income for fiscal 2025 after the net loss in fiscal 2024. We anticipate intragroup distributions and distributions from the profit transfer agreement concluded with Stabilus Motion Controls GmbH, as well as interest income from loans with affiliated companies, which should have a slightly positive result.

### Risks and opportunities

As a strategic management holding company, Stabilus SE is essentially dependent on the development of its global subsidiaries and is therefore essentially exposed to the same risks and opportunities as the Stabilus Group. Risks and opportunities are presented accordingly in the Group's report on risks and opportunities.

# REPORT ON RISKS AND OPPORTUNITIES

## Risk and opportunity management system

As a leading provider of gas springs, dampers, vibration isolation products, pneumatic and electronic grippers, clamps and end-of-arm tools for robots, as well as indexers and conveyors for automotive and industrial customers, and as an international enterprise, the Stabilus Group is exposed to a number of risks and opportunities that arise from its entrepreneurial activities and the market environment. On the basis of systematic risk management, the goal of the management of the Stabilus Group is to identify risks and opportunities as early as possible, to assess them appropriately, and to mitigate or avoid risks by implementing suitable procedures or to leverage opportunities. At the Stabilus Group, risk management is a component of the Group-wide corporate governance structure.

## Risk strategy

The Stabilus Group takes calculated business risks with caution in order to implement its corporate strategy and achieve the associated opportunities. Business success typically requires opportunities to be leveraged and the associated risks to be identified, assessed and managed at an early stage. Specific risks that can jeopardize the Company as a going concern must be avoided. This also applies to compliance violations. Using the Group-wide risk management system that has been implemented, the Stabilus Group manages all identified material risks and takes suitable, appropriate and mitigating measures to reduce the risk or ameliorate the consequences.

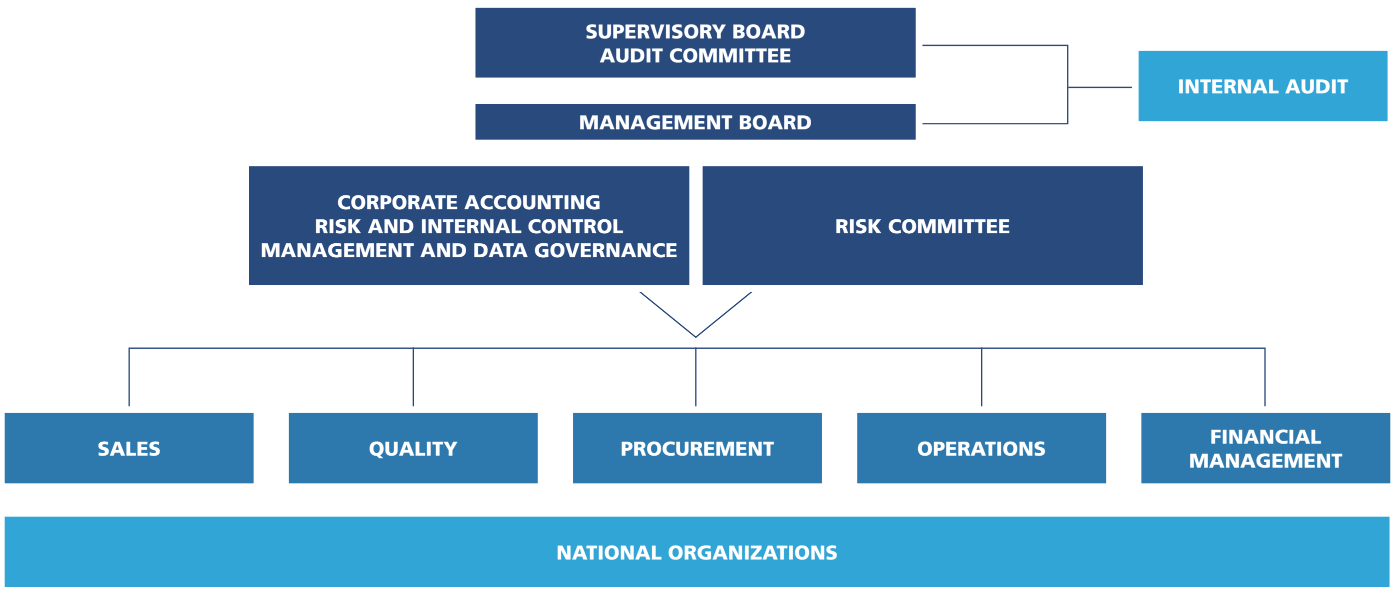
The information gathered from the risk and opportunity management system thus contributes to improved decisions by corporate management.

## Risk management principles

### Organization of risk management and responsibilities

Risk management at the Stabilus Group comprises all activities for a systematic approach to risks. In this context, risks are identified and analyzed early on according to a uniform system, and procedures for the optimization of net risks are derived. Risk management is essentially based on the regulatory requirements of the "Audit Standard 340 new version" of the Institute of Auditors (IDW PS 340 n. F.).

The Management Board of Stabilus SE is responsible for an effective risk management system. Risk management is organizationally and systematically embedded in the Corporate Accounting department (risk manager), which allows the risk management system to be holistically designed and integrated into planning, controlling and reporting processes. This enables the Stabilus Group to detect and actively identify potential risks at an aggregate level early on and enhances the planning security of future developments. The top priority when using risk management instruments is to assess possible deviations in the key performance indicators of revenue and the adjusted EBIT margin.



Responsibility for risks, risk tracking and risk control is distributed among the managers of the operating legal entities of the Stabilus Group. The central risk manager (Corporate Accounting) is responsible for the ongoing development and definition of processes as well as the coordination of overall process execution. Corporate Accounting reports quarterly in conjunction with established risk management, coordinates the determination and calculation of risk-bearing capacity and reports this to the Management Board.

A Risk Committee has been established to ensure a targeted flow of information and integrative coordination between the various organizations. The Risk Committee is chaired by the Management Board CFO and consists of regional managers and representatives of the functions of operations, controlling, Group accounting, legal and compliance ESG and internal audit. This interdisciplinary panel not only ensures a sustainable risk culture in operating and central business areas, but is also responsible for ensuring the completeness and risk assessment, reviewing the risk position for interdependencies, and also reviewing and monitoring the measures initiated. The Risk Committee meets regularly in conjunction with the quarterly review. The reviewed risk position serves as the basis for reporting to the Management Board and Supervisory Board, and includes all financial risks as well as risks relating to non-financial reporting.

It is the duty of the Audit Committee of the Supervisory Board to monitor the activities of the Management Board and the effectiveness of the risk management system. The Management Board reports to the Audit Committee of the Supervisory Board. In addition, the review of compliance with the Group's internal risk management provisions at the Group's companies and functional areas is integrated into regular Internal Audit activities in accordance with section 91(2) of the German Stock Corporation Act (Aktiengesetz (AktG)).

### Process of risk management in the Stabilus Group

The risk management process of the Stabilus Group consists of the core elements of risk identification, risk assessment, risk control and risk monitoring. The risk management process is fully mapped in an integrated software solution, which the central risk officers use to record the identified and reported risks and assess them based on probabilities of occurrence. The next step is the review and approval of risks by mirroring the recorded risks to the local risk managers. The central risk managers also carry out controls and plausibility checks on the reported risks. Responsibility for risk identification, assessment, management and communication is continuously assumed by the central risk officers.

Risks are identified on a bottom-up basis at the Stabilus Group by the respective risk officers and risk managers at business unit and functional level at the end of each quarter. Risk officers and risk managers are required to regularly examine whether all risks have been recorded. The process of quarterly risk evaluation is initiated by central Group risk management. In conjunction with risk assessment, the identified risks are assessed using systematic processes and quantified in terms of their financial impact (revenue and adjusted EBIT margin) as well as their probability of occurrence, i.e., their gross and net impact on planned targets.

As part of risk control, suitable risk-mitigating countermeasures are devised and initiated and their implementation is tracked. In particular, this includes the strategies for avoiding, reducing or hedging risks. It includes developing and creating procedures that reduce the financial impact/ probability of occurrence of the respective risks.

The Group-wide recording and assessment of risks, as well as reporting to the Management Board by functional area and individual companies, are quarterly processes. The Audit Committee of the Supervisory Board is also informed of the risk situation of the Stabilus Group on a quarterly basis. Furthermore, risks that could potentially have a material impact on the results of units of the Group are reported to the Management Board, and to the Supervisory Board if necessary, without delay.

To analyze the overall risk situation of the Stabilus Group and take suitable countermeasures, all individual risks of the local business units, functional areas and Group-wide risks are aggregated into a risk portfolio. Since fiscal 2023, risks have been aggregated using a Monte Carlo simulation as a scenario simulation method based on the net risks identified, which are non-financially assessed risks and not part of the quantitative assessment; however, these are considered qualitatively. Financially assessed risks are quantified using the criteria of probability of occurrence and economic impact in the event of occurrence. In addition to the financial quantitative risks, the Group also considers non-financially measurable qualitative risks in its risk management. Qualitative risks are based on the same damage impact classes (impact classes and earnings effect).

Risk management essentially covers the companies included in the consolidated financial statements, with the particular exception of the existing sales offices, which are exposed to no or only immaterial risks. This allows the structured aggregation of individual risks to the risk groups. In addition to individual risk management, this structured aggregation also facilitates the identification and controlling of trends in order to thereby influence and reduce the risk factors for certain risk types. In this context, the overall risk position thus calculated is examined in relation to Stabilus' risk-bearing capacity for the period under review for developments that could pose a threat to going concern and is monitored by the Management Board continuously.

For the internal management of extreme risks (i.e., natural disasters, incidents at nuclear power plants, droughts and cold snaps, political instability), the Stabilus Group assesses all locations on the basis of qualitative dimensions (probability of occurrence and impact class). In fiscal 2024, there were no material effects of such extreme risks that would be expected to have severe adverse consequences.

The Stabilus Group's internal capital adequacy is linked firstly to the Group's financial covenants (net leverage ratio) and thereby liquidity monitoring. The liquidity bottleneck is determined mathematically by the maximum loss that does not result in this covenant being breached. The net leverage ratio is defined as net financial debt divided by adjusted EBITDA for the last twelve months (LTM). Secondly, internal capital adequacy is used as a benchmark in the form of the "equity" indicator (Stabilus' equity, including non-controlling interests). The risks are therefore presented once according to their financial impact, based on the expected value, and measured against the theoretical liquidity outflow. This is supplemented by a comparison of the total impact of all (cash and non-cash) risks to equity. A holistic risk analysis is ensured with this two-pillar principle.

**Probabilities of occurrence** T_019

| | |
|---|---|
| Very likely | >50% to 100% |
| Likely | >20% to 50% |
| Possible | >5% to 20% |
| Unlikely | >0% to 5% |

**Risk matrix** T_020

| **Probability of occurrence** | | | | |
|---|---|---|---|---|
| Very likely (>50% to 100%) | | | | |
| Likely (>20% to 50%) | | | High risk | |
| Possible (>5% to 20%) | | Medium risk | | |
| Unlikely (>0% to 5%) | Low risk | | | |
| | Low | Moderate | Material | High |
| | | | | **Impact** |

## Risk profile of the Stabilus Group

Our Group-wide risk and opportunity management system tracks strategic, operational, legal, financial, and sustainability risks and opportunities. The Stabilus Group assesses the identified risks (net, i.e., taking any risk-mitigating countermeasures into account) in terms of their probability of occurrence and their impact on the financial position and financial performance as per the overviews below.

In addition to the Group's own experience and external opinions, comparative data from other market participants are also included in these assessments.

The severity of the identified risks and their extent of damage can extend from "low" to "high" according to the scale above. Qualitative and quantitative classification is based on the methods described below, which have been applied consistently throughout the Group. This approach also enables better comparability of risk developments over multiple years, in particular if the financial position and financial performance should change more significantly. The period for risk identification is three years. Risks that are more difficult to classify, such as reputation risks, can be tracked and controlled more consistently as well. The period of impact assessment is at least the forecast period indicated in the report on expected developments (the fiscal year: October 1, 2024 – September 30, 2025). The Stabilus Group combines the two assessments – probability of occurrence and severity as well as extent of damage – in the form of risk priority indicators in the risk matrix above. This way, the corresponding risk class can be determined for each individual risk. This extends from "low risk" to "medium risk" to "high risk".

The impact classes are assigned to the following ranges based on the corresponding severity / extent of damage in € million (adjusted EBIT):

| Impact classes | Earnings effects |
|---|---|
| High | >€10 million |
| Material | >€5 million to €10 million |
| Moderate | >€2.5 million to €5.0 million |
| Low | >€0 million to €2.5 million |

The following risk atlas of the Stabilus Group provides an overview of the main potential risks, divided into the areas of operational risks, strategic, legal, financial, and sustainability risks, which are continuously monitored by the Stabilus Group:

**Risk atlas** T_021

| STRATEGIC RISKS |
|---|
| Market and sector risks |
| Risks of competitive situations with strategic partners |
| Risks of social, political, macroeconomic, and regulatory developments |
| Russia-Ukraine war / geopolitical risks |
| Insufficient strategy implementation |

| OPERATING RISKS |
|---|
| Pandemic |
| Energy risks |
| IT risks (hardware / software / cyber risks) |
| Customer risks |
| Supplier risks |
| Materials risks (procurement risks, ability to deliver) |
| Staff risks / human resources risks |
| Price risks |
| Quality risks |
| Bioremediation |

| LEGAL RISKS |
|---|
| Legal and compliance risks |
| Regulatory risks |

| FINANCIAL RISKS |
|---|
| Credit and liquidity risks |
| Pension commitments |
| Risks of bad debts and customer insolvencies |
| Tax risks |
| Inflation risks |
| Currency risks |
| Interest rate risks |

| SUSTAINABILITY RISKS |
|---|
| Environmental / social / governance |

The respective risks identified by the Stabilus Group in conjunction with its risk management system for fiscal 2024 are listed below and – these may differ from the risk atlas in terms of quantity due to relevance and potential monetary damage – monitored on an ongoing basis:

**Individual risks[1)]** T_022

| | Probability of occurrence in € | Severity / extent of damage in % | Risk class | Change compared with previous year |
|---|---|---|---|---|
| **Strategic risks** | | | | |
| Market and sector risks | Possible | Moderate | Medium | Unchanged |
| Geopolitical risks | Likely | Material | High | Increased |
| Russia-Ukraine war (acts of war) | – | Material | High | Unchanged |
| **Operating risks** | | | | |
| Materials risks (procurement risks, ability to deliver) | Likely | Moderate | Medium | Increased |
| Price risks | Likely | Low | Medium | Reduced |
| Pandemic | Unlikely | Material | Low | Unchanged |
| Energy risks | Possible | Low | Low | Reduced |
| IT infrastructure / cyber risks | Possible | Material | Medium | Increased |
| Bioremediation | Very likely | Moderate | High | Unchanged |
| Quality risks | Very likely | Moderate | Medium | Increased |
| Staff risks / human resources risks | Possible | Moderate | Medium | Unchanged |
| **Legal risks** | | | | |
| Legal and compliance risks | Unlikely | Material | Medium | Unchanged |
| Regulatory risks | Possible | Moderate | Medium | New |
| **Financial risks** | | | | |
| Currency risks | Very likely | Moderate | High | Reduced |
| Non-usability of tax interest and loss carryforwards | Likely | Low | Medium | Reduced |
| Pension commitments | Likely | Low | Medium | Unchanged |
| Credit risks / liquidity risks | Possible | Moderate | Medium | Increased |
| Interest rate risks | Likely | Material | High | Increased |
| **Sustainability risks** | | | | |
| Environmental / social / governance | Possible | Moderate | Medium | Unchanged |

1) The risk assessment applies equally to all three business segments (EMEA, Americas, APAC).

## Internal control system

### Accounting-related internal controlmanagement system

In accordance with section 315(4) HGB and section 289(4) HGB, Stabilus SE is required to describe the key features of its accounting-related internal control management system in its management report. The aim of the internal control management system for the accounting process is to identify and assess risks that could jeopardize the objective of the compliance of the financial statements. This is intended to provide reasonable assurance that the financial reporting is produced in accordance with the statutory provisions and the generally accepted principles of accounting.

The internal control management system for the accounting process comprises principles, processes, and procedures to ensure the effectiveness, efficiency, and compliance of the Company's accounting, and to ensure adherence to the applicable laws and standards. The material elements of this are clearly defined control mechanisms (in the form of automatic and manual coordination processes), the separation of functions (four-eyes principle), and the existence of / compliance with policies and work instructions. However, it is true for any internal control system (ICS), regardless of its specific design, that only relative – but not absolute – assurance that material misstatements in the accounting will be prevented or identified is possible. Reasons for material misstatements can include, for example, faulty judgment, insufficient controls, or criminal conduct. The Management Board of Stabilus SE bears overall responsibility for the internal control management system for the accounting process.

The companies of the Stabilus Group prepare their financial statements locally and are thus responsible both for compliance with local regulations and for correctly converting the local single-entity financial statements to the IFRS reporting packages produced according to uniform consolidated accounting policies. The Group's internal IFRS financial reporting guidelines govern the uniform accounting policies for the international and domestic companies included in the consolidated financial statements. By providing clear regulations, the IFRS Accounting Manual of the Stabilus Group is intended to limit employees' discretion in the recognition, measurement, and reporting of assets and liabilities, and thereby to minimize the risk of inconsistent accounting practices within the Group. Corporate Accounting uses a schedule and activity plan to centrally coordinate and monitor the process of preparing the consolidated financial statements.

The effects of material changes in accounting processes due to new laws, legal amendments, or changes to internal processes are promptly analyzed by Corporate Accounting and, if relevant, integrated into the Accounting Manual. Specific accounting issues or complex matters that either concern particular risks or require special expertise are monitored and processed centrally. External experts are consulted if necessary, in particular in conjunction with the measurement of pension provisions, which are measured on the basis of actuarial assumptions.

All processes material to accounting have been defined uniformly throughout the Group and are mapped in the Stabilus IT landscape. The financial reporting of the Group companies uses the COGNOS (IBM) reporting system, for which a function-based authorization concept has been set up. The integration of all material financial systems ensures data integrity regarding the single-entity financial statements and the consolidated financial statements. In connection with the Group-wide Accounting Manual, uniform accounting for transactions of the same type is guaranteed by the use of a Group-wide chart of accounts and the centrally updated accounting framework. Above all, this standardization ensures the uniform and compliant recognition of material transactions. This also serves as a basis for a rule-compliant consolidation within the Group.

Specific accounting-related risks can arise, for example, from the performance of unusual or complex transactions. Transactions that are not performed routinely also entail elevated risk. A limited group of people can necessarily exercise judgment in the recognition and measurement of assets and liabilities, which can give rise to accounting-related risks.

Consolidation procedures and necessary coordination work are performed centrally by Corporate Accounting. The subsidiaries report their financial data to Corporate Accounting for consolidation according to the uniform, Group-wide reporting calendar. The financial statement data transferred by the Group companies are reviewed on the basis of automatic controls. The single-entity financial statements provided by the companies included in consolidation are also reviewed centrally in compliance with the reports produced by the auditors. The complete and compliant elimination of intercompany transactions is ensured by the automatic deduction / formalized retrieval of information relevant to consolidation.

The internal control system in place at the Stabilus Group is based on the globally recognized "Committee of Sponsoring Organizations of the Treadway Commission" ("COSO model"). The adequacy and effectiveness of the controls within the ICS is reviewed on an ongoing basis by Internal Audit in terms of risk and they are revised if material vulnerabilities are identified.

The accounting-related internal control system and the early warning system in accordance with section 91(2) AktG are also inspected by the external auditor in conjunction with the audit of the financial statements. The auditor is required to inform the Supervisory Board of accounting-related risks or control vulnerabilities as well as any other material vulnerabilities in the accounting-related internal control system and the early warning system in accordance with section 91(2) AktG that may be identified in conjunction with the audit of the financial statements.

### Risk reporting in relation to the use of financial instruments

The risks of financial instruments are explained in detail in Note 34 of the notes to the IFRS consolidated financial statements of the Stabilus Group.

## Opportunities of future business performance

### Opportunities in connection with the Stabilus Group's operating activities

Demand for Stabilus Group products is closely linked to the course of global economic development. If market conditions develop better than expected as a result of economic improvements, the Stabilus Group assumes a stronger trend in demand for its product portfolio. This would lead to an increase in the Group's revenue and possibly also to a related positive development of the operating profits due to additional fixed cost recovery potential and higher utilization of production capacity.

As a result of the constantly rising demand for convenience as well as factors such as the skills shortage and decisions made by some companies to reshore sites to Europe and the United States ("reshoring"), sector-specific megatrends are emerging for the establishment and expansion of production capacity that are reflected in rising demand for automation processes. The ongoing development of the product range, system solutions, and software expertise is a central pillar of the Stabilus Group's corporate strategy. Thanks to its actuator expertise, demand for high-quality electromechanical drives in other sectors beyond the automotive sector also entails a major opportunity to tap into new markets.

The Stabilus Group has significantly strengthened its business in the area of industrial automation with the acquisition of DESTACO. Moreover, the integration is an important step in the further expansion of the Stabilus Group's industrial business. The acquisition therefore marks an important milestone in achieving the balance in revenue between the industrial and the automotive business that we are pursuing as part of our "STAR 2030" strategy. DESTACO's strengths include pneumatic and electronic grippers, clamps, and end-of-arm tools for robots and grippers as well as indexers and conveyors for automation solutions in various industries. Other synergies between Stabilus and DESTACO can also be expected in addition to the technological expertise. DESTACO's core competence lies in precisely gripping, clamping, placing, moving, and repositioning components in a production system. DESTACO products can help customers significantly increase their productivity.

In addition to entering new markets, opportunities for more rapid growth can arise from selective acquisitions. Acquisitions performed in the past, including in particular HAHN-Gasfedern GmbH, the ACE Group, and the Cultraro Group, have sustainably accelerated and boosted profitable growth.

## Risks of future business performance of the Stabilus Group

## Strategic risks

### Market and sector risks

The Stabilus Group is exposed to risks associated with the development of the global economy in countries in which the Stabilus Group operates. In general, demand for products of the Stabilus Group is dependent on demand for automotive products as well as for commercial vehicles, agricultural machinery, medical equipment, renewable energy (in particular solar and wind energy), aerospace, and furniture components as well as products in the industrial automation sector, which in turn is directly related to the strength of the global economy. Therefore, the earnings power and financial performance of the Stabilus Group has been influenced, and will continue to be influenced, to a significant extent by the general state and the performance of the global economy. Management can give no assurance that:

- the Stabilus Group will be successful in developing new products or systems or in bringing them to market in a timely manner, or at all;
- products or technologies developed by others will not render the Stabilus Group's offerings obsolete or non-competitive;
- customers of the Stabilus Group's will not substitute Stabilus products for competing products or alternate technologies;
- the market will accept the Stabilus Group's innovations;
- the competitors of the Stabilus Group will not be able to produce non-patented Stabilus products at lower costs; or
- the Stabilus Group will be able to fully adjust its cost structure in the event of a contraction of demand.

The Stabilus Group develops appropriate strategies as a response to these or similar risks and market trends and to enhance existing products, develop new products, or keep pace with developing technologies, to counter the loss of growth opportunities, pressure on margins, or the loss of existing customers. In addition, technological advances and wider market acceptance of the Stabilus Group's Powerise® automatic drive systems (or the development and wider market acceptance of similar automatic lid drive systems by the Stabilus Group's competitors) could result in the cannibalization of the gas spring applications marketed by the Stabilus Group. The business environment in which the Stabilus Group operates is characterized by strong competition, which affects some Stabilus products and markets, and which could reduce the revenue of the Stabilus Group and / or put continued pressure on sales prices. The markets in which the Stabilus Group operates are competitive and have been characterized by changes in market penetration, increased price competition, the development and launch of new products, product designs, and technologies by existing and new competitors. With the acquisition of the DESTACO Group, the product portfolio has been expanded to include pneumatic and electronic grippers, clamps, and end-of-arm tools for robotics as well as indexers and conveyors. The majority of gas springs and electromechanical lifting and closing systems manufactured globally are used for either automotive, industrial, or commercial furniture applications, which are core markets for the Stabilus Group. The Stabilus Group primarily competes on the basis of price, quality, delivery punctuality, and design as well as the ability to provide engineering support and services on a global basis. If the Stabilus Group fails to secure the quality of Stabilus products and the reliability of supply in the future, current customers of the Stabilus Group could decide to procure products from competitors.

The Stabilus Group's efforts to expand in certain markets are subject to a variety of specific risks. The Group manufactures its products in several countries and sells Stabilus products worldwide. The Stabilus Group is actively working on expanding its operations in various markets, with a focus on the rapidly growing and emerging markets in the APAC region, where the Group has production facilities (in China, South Korea, and Thailand) as well as a wide network of sales offices and its own distribution network. The Stabilus Group plans to expand its Asian and North American production capacity to meet rising growth expectations and to extend the range of Stabilus products with other regional production facilities. The probability of occurrence is classified as "possible" with a "moderate" extent of damage.

### Russia-Ukraine war / geopolitical risks (acts of war)

The geopolitical risks and tension in connection with the Russia-Ukraine war continue to persist. Given the potential negative impact of the Russia-Ukraine war and its repercussions, inefficiencies and cost increases can arise throughout the value chain. The sanctions imposed on Russia and Belarus as a result of the war had only a minor impact on the Stabilus Group in terms of lost revenue. Nonetheless, other effects cannot be foreseeably ruled out and could affect the future business performance of the Stabilus Group.

Ongoing geopolitical tensions in the Middle East, as well as Houthi militia attacks in the Red Sea and the resulting uncertainty regarding the global economy could have significant side effects. Moreover, the outcome of the US presidential election may have a material impact on macroeconomic and geopolitical developments.

Furthermore, potential social, political, legal, and economic instability could pose a significant risk to the Stabilus Group's ability to conduct business and expand its activities on certain markets. The Stabilus Group's international operations entail the inherent risk that the following circumstances could, potentially significantly, affect the Stabilus Group's operations:

- underdeveloped infrastructure;
- currency exchange controls, exchange rate fluctuations and / or devaluations;
- changes in local economic conditions;
- governmental restrictions on foreign investment, transfer or repatriation of funds;
- protectionist trade measures, such as anti-dumping measures, tariffs, or embargoes;
- prohibitions or restrictions on acquisitions or joint ventures;
- changes in laws or regulations and unpredictable or unlawful government actions;
- the difficulty of enforcing agreements and collecting receivables through foreign legal systems;
- variations in protection of intellectual property or comparable legal rights;
- potential nationalization of enterprises or other expropriations; as well as
- political or social unrest or acts of sabotage or terrorism.

The financial risks of this have been classified as having a "material" extent of damage. Regarding the geopolitical risks, the extent of damage has been classified as "material" with a probability of occurrence of "likely".

## Operating risks

### Materials risks (procurement risks, ability to deliver)

The Stabilus Group is exposed to fluctuations in prices of materials and components. The Stabilus Group procures large quantities of materials and components from third-party suppliers. The prices for these materials, components, and production services that the Stabilus Group purchases from suppliers are dependent on a number of factors. These include the development of prices of raw materials used in Stabilus products (such as steel, copper, rubber, water, and energy), which have already been volatile in the past. The development of the raw material and procurement markets has led to price increases, some of them considerable, compared to the previous year. It cannot be ruled out that the prevalent volatility on the raw materials and supplier markets could result in future cost increases (including as a result of geopolitical conflicts). The Stabilus Group therefore began making its supply chains more resilient early on in order to guarantee its high flexibility in production and sales activities. To counteract unavoidable price increases, the Stabilus Group has entered into price negotiations with its customers. If the Stabilus Group is unable to compensate for potential cost increases or pass them on to customers, such price increases could have a material adverse impact on the operating results of the Stabilus Group. Even to the extent that the Stabilus Group is successful in compensating for or passing on its increased costs to customers by increasing prices on new products, the positive effects of such price increases may not occur in the periods in which the additional expenses have been incurred, but rather in later periods. The costs of raw materials and energy could rise if the Stabilus Group is unable to implement cost-cutting measures elsewhere in its operations or to increase the selling prices of Stabilus products to an adequate level, which could have a material adverse effect on the business, financial position, and financial performance of the Stabilus Group. The long-term increase in costs (and the resultant rise in the price of Stabilus products) could also negatively impact demand for products of the Stabilus Group. The probability of occurrence is classified as "likely" with a "moderate" extent of damage.

### Price risks

The cost structure of the Stabilus Group also includes significant fixed costs. If the facilities of the Stabilus Group were to go underutilized, this could result in idle costs, write-downs of inventories, and losses on products due to falling average sales prices. Furthermore, declining production volumes typically lead to declines in revenue and earnings. On the other hand, the facilities of the Stabilus Group might have insufficient capacity in the event of a sudden and unexpected significant increase in customer demand for Stabilus products if the markets on which the Stabilus Group operates grow faster than anticipated.

The Stabilus Group generated approximately 60% of its revenue from automotive business in fiscal 2024 (September 30, 2023: 63%). In its automotive business, the Stabilus Group primarily sells its products to original equipment manufacturers (OEMs) in the automotive industry. These sales are cyclical and, among other things, are dependent on general economic conditions as well as consumer spending and preferences, which can be affected by a number of additional factors, including employment, consumer confidence and income, energy costs, interest rates, and the availability of consumer financing. Given the variety of such economic parameters influencing global automotive demand, the volume of automotive production has historically been, and will continue to be, characterized by a high level of fluctuation, making it difficult for the Stabilus Group to accurately predict demand levels for products aimed at automotive OEMs.

The Stabilus Group generated approximately 40% (September 30, 2023: 37%) of its revenue from sales to industrial customers in fiscal 2024 (industrial business). In its industrial business, the Stabilus Group sells its products to customers in various industries, including agricultural machinery, renewable energy (the solar and wind energy sector in particular), railway, aircraft applications, commercial vehicles, marine, mechanical engineering, automation, furniture, and healthcare. The acquisition of the DESTACO Group has expanded the product range in the industrial sector, thereby substantially strengthening the industrial automation business. While the Stabilus Group's products enable controlled motion sequences and precise vibration isolation, DESTACO's strengths include pneumatic and electronic grippers, clamps, and end-of-arm tools for robots and grippers as well as indexers and conveyors for industrial automation solutions in various industries. The revenue generated from industrial business is dependent on the industrial production level in general and, specifically, the development of new products and technologies by customers of the Stabilus Group that include Stabilus products and components. The Stabilus Group manages and diversifies these risks as well by operating in various regions and markets for local and global customers. The probability of occurrence of this risk is classified as "likely" with a "low" extent of damage.

### Pandemic

The global impact of the COVID-19 pandemic and the resulting uncertainty in the market landscape have shown how susceptible the world economy is to the handling of pandemics. Even though the economy has recovered, the overall performance of the world economy has been characterized by uncertainty and future developments are no longer possible to predict. The risk of a new pandemic is classified as "unlikely" with a "material" extent of damage.

### Energy risks

While the availability of energy and the impact on the cost structure continued to develop positively in fiscal 2024, these factors may still potentially influence the cost structure of the Stabilus Group. Government action in Europe, such as the price caps on gas and electricity, significantly minimized risk. Independently of this, Stabilus has prepared corresponding countermeasures in production that could be implemented at short notice if the risk of a gas shortage were to once again become significant. In connection with their significant easing, energy risks have been assigned a probability of occurrence of "possible" and an expected severity of "low".

### IT infrastructure / cyber risks

The business processes of the Stabilus Group are largely dependent on its IT infrastructure. Failures or malfunctions can be caused by external or internal circumstances and have a significant impact on business performance. Countermeasures to reduce the possible operating risks included various infrastructural procedures such as the modernization of IT devices and cloud migration. Stabilus relies on accepted international standards for information security management systems (ISMS) to reduce information security risks, such as ISO 27001 and the Trusted Information Security Assessment Exchange (TISAX). Despite all the measures in relation to security risks, an emergency situation is possible on account of the constant changes in technical progress. The probability of occurrence is classified as "possible" with a "material" extent of damage.

### Bioremediation

It cannot be completely ruled out that the Stabilus Group could be held liable for soil, water, or groundwater contamination or for risks related to hazardous materials. Many of the sites at which the Stabilus Group operates have been used for industrial purposes for many years, which could lead to risks of contamination and the resulting site restoration obligations. In addition, the Stabilus Group could be held responsible for the remediation of areas adjacent to its sites if these areas were potentially contaminated due to its activities. Groundwater contamination was discovered at a site in Colmar, Pennsylvania, United States, operated by the Stabilus Group from 1979 to 1998. In June 2012, the US Environmental Protection Agency (EPA) issued an administrative order against the US subsidiary of the Stabilus Group in question. The subsidiary, together with the other responsible parties, is requested to reimburse the EPA for past and current expenses and to bear the remediation costs. If additional contamination is discovered in the future, the competent authorities could make further claims against the Stabilus Group in relation to the examination or remediation of such soil or groundwater contamination. The Stabilus Group could also be required to indemnify the owners of plots leased or of other properties, if the authorities were to pursue claims against the relevant owner of the property and if the Stabilus Group caused the contamination. Costs typically incurred in connection with such claims are generally difficult to predict. Furthermore, at some of the sites at which the Stabilus Group operates or at which it has operated in the past, small quantities of hazardous materials were used in the past (such as asbestos-containing building materials used for heat insulation). While our top priority lies in avoiding contamination and management considers it unlikely, it cannot be ruled out that other claims could be made, and the Stabilus Group could therefore be exposed to related claims for damages in the future. Even though the Stabilus Group has contractually excluded or limited its liability in connection with the sale of such properties, the Stabilus Group could be held responsible for currently unknown contamination on properties which it previously owned or used. The legal department of the Stabilus Group monitors these risks continuously and reports to the Management Board and the Supervisory Board of Stabilus SE. The probability of occurrence in the specific case of Colmar is classified as “very likely” with a “moderate” extent of damage. Corresponding provisions have therefore been established in response.

### Quality risks

The future business success of the Stabilus Group is dependent on its ability to maintain the high quality of Stabilus products and processes. For customers, one of the determining factors in purchasing the components and systems of the Stabilus Group is the high quality of its products and manufacturing processes. Any decline in the actual or perceived quality of these products and processes could damage the image of the “Stabilus” brand and the reputation of the Company and its products. Any errors or delays caused by miscalculations in project management could negatively affect customers’ own production processes, resulting in reputational damage to the Stabilus Group as a supplier and to the customer concerned as a manufacturer. Furthermore, defective products could result in loss of sales, loss of customer relationships, or a loss of market acceptance.

As a manufacturer, the Stabilus Group is subject to product liability lawsuits and other proceedings alleging violations of due care, safety provisions, and claims arising from breaches of contracts (such as delivery delays, recall actions). Fines or similar measures may be imposed by government or non-government authorities in relation to Stabilus products. Any such lawsuits, proceedings, or other claims could result in increased costs for the Stabilus Group.

The aforementioned scenarios could result in a loss of revenue and additional costs, particularly given the fact that many of Stabilus’ products are components which often have a significant impact on the overall safety, durability, and performance of the end product. The risks arising from warranties, product liability, and other claims are insured upwards of a certain amount. Nevertheless, insurance cover could prove insufficient in an extreme scenario. Any major defect in a Stabilus product could also have an adverse effect on the reputation and market perception of the Stabilus Group, which in turn could have an adverse effect on revenue and operating earnings.

As the products of the Stabilus Group are often developed for specific customers, delays in delivery or quality defects in production can lead to production delays for customers (such as OEMs). Such OEM customers might then, in some cases, be able to claim damages from the Stabilus Group as a result.

The probability of occurrence is classified as “highly likely” with a “moderate” extent of damage.

### Staff risks / human resources risks

For the Stabilus Group, lasting business success is closely tied to highly qualified and motivated employees. Systematic and sustainable HR development is therefore a central pillar of the Stabilus Group's strategy. The management of the Stabilus Group thus wishes to preserve and promote its employees' great commitment to outstanding service quality and high customer satisfaction, while also tailoring human resources to growth plans.

Nevertheless, there is a risk that it will not be possible to adequately fill vacancies within the Group and that skilled and experienced employees will leave the Company. This could cause a lack of qualified management or adequately trained personnel. As staff costs have a significant effect on business, the Stabilus Group is exposed to the risks of labor cost inflation and limited employment contract flexibility in the countries in which the Stabilus Group's production facilities are located and where the Stabilus Group has sales personnel as well. Any of these risks could have an adverse effect on the financial position and financial performance of the Stabilus Group.

As an attractive employer, the management of the Stabilus Group is therefore strongly committed to the development of its employees and thus makes an important contribution to reducing the skills shortage. The Stabilus Group is highly committed to training. Throughout the Group, apprenticeships are offered for various vocations and there are cooperations with local universities. Promoting employee satisfaction is rated very highly in the Stabilus Group. Automation, in particular, will benefit in the long term from the existing megatrend, reshoring production to Europe and the USA, and from the global shortage of skilled workers. The probability of occurrence of this risk is classified as "possible" with a "moderate" extent of damage.

## Legal risks

### Legal and compliance risks

The Stabilus Group is exposed to certain risks with regard to its intellectual property, its validity, and the intellectual property of third parties. Stabilus' products and services are highly dependent on the technological expertise of the Stabilus Group and the scope and limitations of its proprietary rights. The Stabilus Group has obtained or applied for a number of intellectual property rights, which can be difficult, lengthy, and expensive to procure. In addition, where the development of Stabilus products incorporates the input of an individual customer, there is also the risk that such customer will claim ownership rights in the associated intellectual property. Competitors, suppliers and customers of the Stabilus Group, and other third parties also submit a large number of intellectual property protection applications. Such other third parties could hold effective and enforceable intellectual property rights to certain processes, methods, or applications and, consequently, could enforce these against the Stabilus Group. A significant amount of the Stabilus Group's expertise is not patented and cannot be protected by intellectual property rights. Consequently, there is a risk that third parties, including competitors in particular, could utilize this expertise without incurring the relevant costs.

The realization of any of these risks could give rise to intellectual property claims against the Stabilus Group. If successful, such claims could require the Stabilus Group to cease manufacturing, using, or marketing the relevant technologies or products in certain countries or force it to make changes to manufacturing processes or products. In addition, the Stabilus Group could be liable to pay compensation or damages for infringements or could be forced to purchase licenses to use third-party technology. This could have a material adverse effect on the financial position and financial performance of the Stabilus Group.

The market share of Stabilus products is high in most of the markets in which the Stabilus Group operates, which can lead to third parties attempting to assert claims for violations of competition law. This could adversely affect the Stabilus Group in a variety of ways. For example, it could result in the imposition of fines by one or more authorities and / or in third parties (such as competitors or customers) initiating civil litigation, claiming damages caused by anti-competitive practices. In addition, anti-competitive behavior may give rise to reputational risk for the Stabilus Group. The realization of this risk could have a material effect on the financial position and financial performance of the Stabilus Group.

Overall, legal and compliance risks have been quantified with a probability of occurrence of "unlikely" and a "material" extent of damage.

### Regulatory risks

As an international enterprise, the Stabilus Group is bound by various legal and regulatory requirements, in particular with regard to regulations on environment and hazardous substances as well as in health protection regulations. Changes in the regulatory environment may present risks to the Group's business activities and may have an impact on the business situation, financial position, and financial performance of the Stabilus Group. Stabilus continuously monitors regulatory updates in order to take immediate action in response and adapt the Group's strategy moving forward. A proposal to ban per- and polyfluoroalkyl substances (PFAS) is currently being discussed in the EU. If adopted, this ban could have a negative impact on our product portfolio. The risk at present lies in the uncertain legal situation. As a result, the expected extent of damage is considered "moderate" with a "possible" probability of occurrence.

## Financial risks

### Currency risks

The Stabilus Group is exposed to risks associated with changes in currency exchange rates. The Stabilus Group operates worldwide and is therefore exposed to financial risks that arise from changes in exchange rates. Currency exchange fluctuations could cause losses if assets denominated in currencies with a falling exchange rate lose value, or if liabilities denominated in currencies with a rising exchange rate appreciate. In addition, fluctuations in foreign exchange rates could enhance or minimize fluctuations in the prices of materials as the Stabilus Group purchases a considerable share of its prefabricated materials in foreign currency. As a result of these factors, fluctuations in exchange rates could affect the results of operations of the Stabilus Group. External and internal transactions involving the delivery of products and services to and / or by third parties result in cash inflows and outflows, which are denominated in currencies other than the functional currency of the respective company of the Stabilus Group. In particular, the Stabilus Group is exposed to fluctuations of net inflows in US dollars and net outflows in Romanian leu. In order to hedge the risk arising from currency fluctuations, the Stabilus Group partially hedged currency risks in fiscal 2024 with currency forwards. Although the Stabilus Group has entered into certain hedging arrangements, there can be no assurance that hedging will be available on commercially reasonable terms. In addition, such transactions can result in mark-to-market losses. The net foreign investments of the Stabilus Group are not generally hedged against exchange rate fluctuations. The foreign currency risk, the market values of the currency derivatives, as well as developments on currency exchange markets are monitored continuously in conjunction with risk management. The Stabilus Group uses financial instruments exclusively to hedge the underlying transactions and not for speculative purposes. In addition, a number of consolidated companies report their results in currencies other than the euro, which requires the Stabilus Group to convert the relevant items into euro when preparing the IFRS consolidated financial statements. Such translational risks are not hedged. With a “very likely” probability of occurrence, the expected potential extent of damage of currency fluctuations is considered “moderate”.

### Non-usability of tax interest and loss carryforwards

The Stabilus Group is exposed to tax risks with regard to tax and legal requirements and, where applicable, with regard to the usability of tax loss carryforwards. Uncertainties may arise in the interpretation and application of tax provisions, which may lead to unexpected tax burdens. In addition, changes to tax legislation or tax disputes with tax authorities can occur, which may result in subsequent payments and penalties. A subsequent payment as a result of the tax bases may have a negative impact on the assets, liabilities, financial performance, and financial position of the Stabilus Group. In order to reduce these risks, the Group continuously monitors tax regulations and adjusts its tax strategy accordingly. In addition, external experts, such as tax consultants, are engaged in special situations. Some Stabilus subsidiaries have taxable interest and loss carryforwards as a result of applying the statutory interest ceiling rules that limit the deduction of net interest expenses for tax purposes. The absence of such tax loss and interest carryforwards would increase the tax payable by the relevant subsidiary. The lost usability of loss carryforwards is considered to have a “low” extent of damage, but with a “likely” probability of occurrence.

### Pension commitments

The Stabilus Group has a substantial portfolio of pension obligations, especially in Germany. In connection with the acquisition of the DESTACO Group, the Stabilus Group has taken on pension plans and similar commitments, including in Germany, France, and Thailand. Pension obligations are calculated on the basis of external actuarial valuations. These are based on possible future events such as changes in discount factors and life expectancy. In order to mitigate future liquidity risks, the Group’s pension policies for one major plan granted to employees who joined the Group prior to January 1, 2006, were amended as of December 21, 2010, and the entitlement earned in the former defined benefit plan was frozen. In this scenario, going forward, no additional defined benefit entitlements can be earned except by certain older employees. At the same time, the Group introduced a defined contribution plan in which direct payments to an external insurer are made. The probability of occurrence is classified as “likely” with a “low” expected extent of damage.

### Credit and liquidity risks

The liquidity risk entails the fact that the Stabilus Group does not have sufficient cash to meet its future payment obligations. The Stabilus Group has established an appropriate liquidity risk management framework for the management of the short-, medium-, and long-term funding and liquidity requirements of the Group as a whole. Nevertheless, in an extreme situation, the cash flow from operating activities, current cash resources and existing sources of external financing could be insufficient to meet the further capital requirements of the Stabilus Group, especially in the event of an extreme reduction in revenue. Moreover, disruptions on the financial markets, including the bankruptcy, insolvency, or restructuring of financial institutions, and the restricted availability of liquidity could adversely impact the availability and cost of additional financing for the Stabilus Group and could adversely affect the availability of financing already arranged or committed. Furthermore, the liquidity of the Stabilus Group could be adversely impacted if suppliers tighten terms of payment as the result of any decline in the financial condition of the Stabilus Group or if customers were to extend their agreed payment terms. The Stabilus Group continually monitors compliance with financial covenants and regularly reports to the lenders. The lenders have an extraordinary right of termination in the case of certain conditions or in the case of non-compliance with the financial covenants, which would in principle entitle them to make the loans due immediately. To date, Stabilus has complied with all the financial covenants of the facility agreement at all times. In the future, the Stabilus Group will also assume that the financial covenants will be consistently adhered to. The management of the Stabilus Group has taken measures and manages its liquidity risk by conducting regular reviews and by maintaining certain cash reserves and open credit lines. The expected extent of damage as a result of this is considered "moderate" with a "likely" probability of occurrence.

### Interest rate risks

The Stabilus Group is exposed to interest rate risks through its financing activities and, as a result, is subject to future interest rate risks due to the dependence on the development of Euribor (Euribor-related loan agreements). Interest rate swaps are used in certain cases to reduce interest rate fluctuations in order to hedge the mainly variable-rate debt. The financial liabilities were expanded according to plan in connection with the DESTACO acquisition and its financing. Nevertheless, negative effects can arise from its market value and influence the financial position and results of operations. Derivatives are managed centrally and the developments on the interest markets are monitored continuously in conjunction with risk management. The Stabilus Group uses derivative financial instruments exclusively to hedge the underlying operational and financial transactions and not for speculative purposes.

As a result of the DESTACO acquisition and the increased indebtedness, the expected extent of the damage is considered "material" with a probability of occurrence of "likely".

## Sustainability risks

### Environmental / social / governance

Non-financial reporting is fully mapped in an integrated software solution in the risk management system.

Non-financial risks in the categories of environmental and climate protection, employees and social engagement, supply chain, products, and governance and compliance (including human rights) are of key significance to the Stabilus Group. Please refer to the risk atlas described in the non-financial report (IR.STABILUS.COM/INVESTOR-RELATIONS/NON-FINANCIAL-REPORTS).

The Stabilus Group reviews potential non-financial risks and assesses their potential impact on the Stabilus Group on the basis of qualitative dimensions (probability of occurrence, impact class). The process firstly involves the gross assessment of non-financial risks and secondly the definition of remedial action to mitigate the risk's probability of occurrence and the severity of its impact. A conclusive net analysis of the non-financial risks is produced on this basis.

No non-financial risks were identified in connection with Stabilus' business activities, products, services, or business relations in fiscal 2024 that would be expected to have severe adverse consequences. The risk analysis and its results were assessed and approved by the Management Board. The expected extent of damage is considered "moderate" with a "possible" probability of occurrence.

## Risks and opportunities in connection with the acquisition and integration of the DESTACO Group

In preparation for the anticipated closing of the acquisition of the DESTACO Group, Stabilus set up a project in which the integration process for all work areas is carefully planned and organized to ensure that the transaction can be completed smoothly once all the official permits are in place. Identifying both opportunities and risks is a very high priority so that they can be managed at as early a stage as possible and appropriate countermeasures can be initiated in line with our risk management approaches. The integration process began after the transaction was closed on March 31, 2024, and key technical integration projects were successfully completed in fiscal 2024. In addition, the service agreements concluded with Dover for the closing have since been largely terminated.

### Opportunities

The Stabilus Group expects to be exposed to various risks and opportunities as a result of the acquisition of the DESTACO Group. The merger with the DESTACO Group will create the prerequisites for the significant expansion of our business in the mechanical engineering and automation market segment. As a result of factors such as the shortage of skilled labor and the decisions of some companies to reshore sites to Europe and the USA, sector-specific megatrends are emerging for the establishment and expansion of production capacities, which will be reflected in rising demand for automation processes over the coming years. Stabilus already offers automation components and will further grow its position on the market when it takes over DESTACO. Therefore, after the acquisition, the Group expects a significant increase in revenue with a direct positive effect on its adjusted EBIT margin. By fiscal 2027, Stabilus expects the acquisition to lead to revenue synergies of €50 million per year, which will result from a combined market presence, a larger customer base, and a complementary product range. Stabilus also expects cost synergies. Moreover, the transaction structure is expected to result in tax benefits of a present value of approximately USD 50 million (approx. €46 million) for Stabilus.

Furthermore, a swifter integration of the DESTACO Group into the structures of the Stabilus Group could allow the synergies anticipated from the transaction to be achieved sooner. In addition, synergies (both sales and costs), in particular from a better integration into the global production capacity of the Stabilus Group, might be higher than originally expected. Additionally, the automation segment in particular stands to benefit in the long term from the ongoing megatrend of reshoring production to Europe and the US and from the global skills shortage, and could develop on the market faster than expected and therefore have a positive effect on the Stabilus Group's revenue and earnings performance.

### Risks

Given the size and significance of the acquisition, the material risks that could have a negative impact on the current or future business and the financial position and financial performance of the Stabilus Group are presented below.

### Failure to achieve strategic and operating goals

Our strategic and operational goals regarding the acquisition and integration of the DESTACO Group are based on our assumptions and estimates that could subsequently prove inaccurate. These include DESTACO's earnings capability and cost structure, its synergy and innovation potential as well as future economic developments and market changes. Furthermore, it might happen in isolated cases that existing Stabilus customers, as competitors of DESTACO, scale back or break off their business relationship with Stabilus.

### Risks in connection with integration

In connection with the DESTACO acquisition, an integration project was set up to assist and achieve the sustained implementation of synergies. Despite the highly structured approach chosen, it cannot be ruled out that it may take longer than planned for the synergies to occur.

Employees in key positions at Stabilus and DESTACO will be largely affected by the success of the integration. It is therefore important to retain all relevant persons in the company. However, it cannot be entirely ruled out that individuals will make professional changes in the course of such an integration. The associated loss of expertise and experience therefore constitutes a corresponding risk. Despite the implementation of these activities in conjunction with a project that enjoys a high degree of attention from management, additional costs and delays in implementation cannot be ruled out.

## Overall assessment of risks and opportunities

The Management Board does not anticipate any individual risk or risk resulting from the aggregation of opportunities and individual risks of all categories that could endanger the future of Stabilus SE or the Stabilus Group as a going concern in a material way. The risk-bearing capacity of the Stabilus Group is linked to the Group's financial covenants (net leverage ratio) and equity and is monitored on an ongoing basis. The aggregated total risk level had no material impact on the risk-bearing capacity in fiscal 2024, as the Group's overall risk profile did not change significantly year-on-year.

# REPORT ON EXPECTED DEVELOPMENTS

## General economic outlook

As in the previous year, the development of the global economy in fiscal 2025 (Stabilus fiscal year from October 1, 2024 to September 30, 2025) will be accompanied by considerable challenges and depend on the stability of the key markets such as the US, EU, and China. The ongoing Russia-Ukraine war, the Israel conflict and the effects thereof, such as the shortage of energy, raw materials, and subcontracted products, are expected to influence general economic performance. The macroeconomic outlook may be volatile in the context of various uncertainties and geopolitical risks stemming from current developments. Declining inflationary momentum and foreseeable cuts in key interest rates go hand in hand with moderate economic activity. Nevertheless, the economic outlook remains subject to significant downside risks – the current geopolitical crises in particular harbor high risks to economic growth and inflation. However, a tightening or a delayed loosening of monetary policy and the associated high interest rates could also influence the development of the world economy.

The macroeconomic challenges are reflected in the forecast recently published by the International Monetary Fund (October 2024 World Economic Outlook). In light of the forecast, an increase in global gross domestic product of 3.2% is expected for the 2025 calendar year. Within the European Union, very low growth of +1.2% is forecast for the euro area, while even lower growth of just +0.8% is expected for Germany. Within the Americas region, growth of +2.2% is assumed for the United States with Central and South America expected to grow by +2.5% (Brazil: +2.2%; Mexico: +1.3%). Significantly higher growth rates are projected in the APAC region. For instance, gross domestic product of +4.5% is expected for Stabilus' core market of China. The latest OECD forecast issued in September 2024 likewise anticipates only a moderate recovery in global economic activity. The world economy is expected to grow by +3.2% in both the current calendar year and the coming year. Within the European Union, very low growth of just +0.7% is now anticipated for the euro area in this calendar year and the economy is expected to grow by a mere +1.3% in the coming year. In the Americas region, growth of +2.6% is forecast for the United States this calendar year, with the economy expected to grow by +1.6% in the coming year. The OECD also expects the emerging economies to deliver considerably more in the way of momentum for the world economy, with growth in the core market of China forecast at +4.9% in this calendar year and 4.5% for the coming year.

Future inflation rates will continue to affect general economic performance as well. The global rate of inflation for the 2024 calendar year is forecast by the ifo Institute ("Institut für Wirtschaftsforschung" – ifo) to average +4.0%, before falling slightly to an average level of around +3.9% in the 2025 calendar year. In the long term, the inflation rate is expected to fall to an average level of around +3.6% by 2027.

A key factor in this will be the ongoing development in the lending rates of the ECB and the US Federal Reserve. To counteract inflation, the ECB raised interest to 4.5% in September 2023. The ECB left the key interest rate unchanged in the euro area from October 2023 to May 2024 after ten consecutive increases. In June 2024, the ECB reduced the key interest rate by (0.25) percentage points to 4.25% for the first time since the Covid-19 pandemic. In September 2024, the ECB decided to cut the interest rate for

**Latest growth projections for selected national economies** T_023

| % YEAR-ON-YEAR CHANGE IN THE CALENDAR YEAR | 2024[1] | 2025[1] |
|---|---|---|
| **World** | **3.2%** | **3.2%** |
| **European Union** | **1.1%** | **1.6%** |
| thereof euro area | 0.8% | 1.2% |
| thereof Germany | 0.0% | 0.8% |
| **United Kingdom** | **1.1%** | **1.5%** |
| **United States** | **2.8%** | **2.2%** |
| **Latin America** | **2.1%** | **2.5%** |
| thereof Brazil | 3.0% | 2.2% |
| thereof Mexico | 1.5% | 1.3% |
| **Emerging and Developing Asia** | **5.3%** | **5.0%** |
| thereof China | 4.8% | 4.5% |

Source: International Monetary Fund, World Economic Outlook, October 2024.
[1] Projections.

a second time and even lowered the key interest rate by (0.6) percentage points to 3.65%. Following the steps taken in June and September, the ECB decided to further reduce interest rates by (0.25) percentage points to the present 3.4% in October 2024.

The Fed similarly left its key interest rate unchanged at 5.5% in the period from October 2023 to August 2024. In September 2024, however, the Fed also lowered the key interest rate by (0.5) percentage points to 5.0%. In November 2024, the Fed enacted a second interest rate cut and lowered the key interest rate by (0.25) percentage points to 4.75%. Further changes to rates by the ECB and the Fed cannot be ruled out.

The Stabilus Group counters all these burdens with ongoing process optimizations in order to compensate as far as possible for the forecast cost increase in the entire business model through efficiency programs.

The global economy has lost momentum recently. Overall, the latest economic indicators show no sign of a recovery in the coming months. The subdued macroeconomic environment as well as the economic trend are unlikely to lead to any significant improvement after the end of the year.

## Forecast industry development

### Forecast development in the automotive industry

Based on the S&P Global Mobility forecasts for the automotive sector (October 2024), the Stabilus Group is anticipating a slight decline in global automotive production of around (0.3)%, to approximately 89.1 million units in fiscal 2025. According to S&P Global Mobility, the APAC region is expected to produce more vehicles in fiscal 2025 than in fiscal 2024. S&P Global Mobility anticipates lower production figures in the EMEA and Americas regions. The APAC region is expected to take the lead with

**Production of light vehicles[1)]** T_024

| IN MILLIONS OF UNITS PER FISCAL YEAR | 2024[2)] | 2025[2)] | 2026[2)] | 2027[2)] | 2028[2)] | 2029[2)] |
|---|---|---|---|---|---|---|
| **EMEA** | **19.7** | **19.0** | **19.5** | **20.2** | **20.7** | **21.2** |
| thereof Germany | 4.2 | 4.2 | 4.3 | 4.3 | 4.4 | 4.5 |
| **Americas** | **18.5** | **18.3** | **18.7** | **19.1** | **19.1** | **19.7** |
| thereof United States | 10.3 | 10.0 | 9.9 | 10.3 | 10.3 | 10.6 |
| **APAC** | **51.3** | **51.8** | **53.4** | **54.5** | **55.2** | **55.2** |
| thereof China | 29.2 | 29.7 | 31.0 | 31.6 | 32.1 | 32.1 |
| **Worldwide production of light vehicles[1)]** | **89.4** | **89.1** | **91.6** | **93.8** | **95.0** | **96.1** |

Source: S&P Global Mobility / Light Vehicle Production Forecast (October 2024).
1) Passenger cars and light commercial vehicles (<6t).
2) S&P Global Mobility Forecast, October 2024.

around +0.5 million more vehicles produced, followed by the Americas ((0.2) million) and EMEA ((0.7) million) regions with fewer vehicles produced.

### Forecast development in the industrial sector

Sustained geopolitical tension and the resulting uncertainty affecting the global markets will continue to shape the development of the industrial sector. In addition to the structural challenges (e.g., the geopolitical turning point) in conjunction with pronounced global economic downturn and the increasingly perceptible effects of a more restrictive monetary policy (e.g., changing interest rates), companies are also facing waning demand. The supply bottlenecks in the industrial sector that had an impact in the previous year eased in fiscal 2024 and supply chains are now functioning. However, the industrial sector now has some high inventories, which can lead to risks if economic growth slows down.

### Forecast development on the procurement markets

Compared with the previous year, the situation on the procurement markets for raw materials and intermediate products appears to be improving slightly as supply bottlenecks ease. This slow process of change will affect procurement prices for the Stabilus Group. The procurement prices for the key individual raw materials and components used by Stabilus will take some time to come down. However, global conflicts and geopolitical tensions could once again affect supply chain stability and create uncertainty. By its own estimate, the Stabilus Group forecasts that the price of direct materials such as plastics, metals, and steel will decline slightly in fiscal 2025. Prices on the energy market have settled further as a result of government intervention along with lower procurement and distribution costs, in Germany in particular, and Stabilus estimates that average energy prices will be similar to the level of late summer 2021.

## Forecast development of the Stabilus Group and Stabilus SE

In consideration of the slowing momentum of the economic landscape, negative repercussions are possible for the business performance of the Stabilus Group in fiscal 2025. The range of the guidance communicated by the Management Board for revenue and adjusted EBIT reflects the current macroeconomic and geopolitical uncertainty.

Given the uncertainties in the market at present, the guidance for fiscal 2025 is based on a revenue range of approximately €1,300.0 million to €1,450.0 million and adjusted EBIT of between 11% and 13% of revenue. In addition, the Stabilus Group expects adjusted free cash flow in a range of €90 million to €140 million.

The revenue and earnings forecasts for the Stabilus Group are based on the assumptions of S&P Global Mobility with regard to the expected development of global light vehicle production in 2025 (decline by approximately (0.3)% to 89.1 million light vehicles) and S&P Global Mobility's forecast with respect to the development of the global gross national product for the industrial business. The existing price pressure with a focus on the automotive sector will continue, resulting in expected price reductions in the future. In contrast, individual price increases have been possible in recent years driven by general inflation (increases in labor costs) and inflationary developments as a result of the of the Russia-Ukraine war (high material prices, shortages). In the industrial business, the price level is expected to remain constant in 2025.

The Stabilus Group expects material prices to fall slightly in fiscal 2025. In contrast, Stabilus estimates average increases in worldwide staff costs of 5%. In the 2025 budget year, the Group plans to invest around €60 million in property, plant and equipment. In addition to supporting existing growth potential, one key focus behind this investment is also on rationalizing and optimizing production.

The Stabilus Group has made a commitment to profitable and sustainable growth in its new STAR 2030 strategy. The Stabilus Group's goal in this regard is to achieve revenue of €2 billion with an adjusted EBIT margin of around 15% by fiscal 2030.

For the EMEA region (Europe, Middle East, and Africa), the Stabilus Group is anticipating external revenue within a range of €515.0 million to €575.0 million in fiscal 2025. At the same time, management management expects an adjusted EBIT margin in the range of 9.5% to 11.5% in fiscal 2025. The adjusted EBIT margin is based on the total revenue for the region (external and intersegment revenue). The revenue growth in the EMEA region is based on the S&P Global Mobility forecast (car sales down 0.6 million year-on-year to 19.0 million units). The Stabilus Group expects higher staff costs in fiscal 2025 with a slight decline in the cost of materials. In addition to the wage cost increases in Germany that can be expected on the basis of the negotiations with the trade unions, significant percentage increases are to be expected, particularly in Romania. Efficiency enhancements were initiated by the Group to compensate for rising costs.

For the Americas region (North and South America), the Stabilus Group is anticipating revenue with external customers within a range of €475.0 million to €535.0 million in fiscal 2025. At the same time, management is assuming an adjusted EBIT margin in the range of 10.0% to 12.0% in fiscal 2025. The adjusted EBIT margin is based on the total revenue for the region (external and intersegment revenue). The revenue growth in the Americas region is based on the S&P Global Mobility forecast (car sales slightly down at (0.2) million lower year-on-year to 18.3 million units). In the Americas region, the Group faces a very volatile market environment, which is accompanied by the US presidential election and the political changes that can be expected, at least in the short term. We expect costs of materials to decline slightly in fiscal 2025. We expect to see mid-single-digit increases in staff costs, with particular attention to Mexico, which is expected to see high wage cost increases. The Group has launched extensive efficiency enhancements intended to compensate for the effects on the adjusted EBIT margin in the Americas region as well.

### Forecast of expected development in fiscal 2025

T_025

| IN € MILLION (UNLESS INDICATED OTHERWISE) | Forecast for 2025 | Actual performance 2024 |
|---|---|---|
| **Stabilus Group** | | |
| Revenue | 1,300 to 1,450 | 1,305.9 |
| Adjusted EBIT margin | 11.0% to 13.0% | 12.0% |
| Adjusted free cash flow | 90 to 140 | 132.8 |

For the APAC (Asia-Pacific) region, the Stabilus Group is anticipating revenue with external customers within a range of €310.0 million to €340.0 million in fiscal 2025. At the same time, management is assuming an adjusted EBIT margin in the range of 15.5% to 17.5% in fiscal 2025. The adjusted EBIT margin is based on the total revenue for the region (external and intersegment revenue). The revenue growth in the APAC region is based on the S&P Global Mobility forecast (car sales up 0.6 million year-on-year to 51.8 million units). In the APAC region, we also expect to see increased price pressure in the automotive sector due to the highly dynamic market. We plan to counter this price pressure with efficiency enhancement programs and the proportionately passing on costs to suppliers. Under staff costs, the Stabilus Group expects increases of a mid-single-digit percentage in wages and salaries.

### Outlook of Stabilus SE

The financial position and financial performance of Stabilus SE depend to a large extent on economic developments and the success of its operating subsidiaries, in whose development it participates through distributions. The management of Stabilus SE expects to report a slightly positive net income for fiscal 2025 after the net loss in fiscal 2024. We anticipate intragroup distributions and distributions from the profit and loss transfer agreement concluded with Stabilus Motion Controls GmbH, as well as interest income from loans with affiliated companies, which should have a slightly positive result.

### Overall statement of the Management Board on the expected development

In view of the demanding and challenging market conditions and macroeconomic and geopolitical uncertainties, the Management Board of the Stabilus Group considers fiscal 2025 to be very challenging. The uncertainty remains for the new fiscal year. The range of revenue and earnings forecasts is intended to reflect this macroeconomic and geopolitical uncertainty as this significantly influences forecast accuracy.

# TAKEOVER DISCLOSURES

## Disclosure of takeover-related information and explanatory report of the Management Board on information pursuant to sections 289a and 315a of the Handelsgesetzbuch (HGB – German Commercial Code)

### Composition of issued capital (no. 1)

As of September 30, 2024, the share capital of Stabilus SE amounts to €24,700,000.00 and is divided into 24,700,000 no-par value bearer shares each with a notional value of €1.00 each. Each such share is eligible for dividends, and grants one vote at the Annual General Meeting.

### Restrictions on voting rights or the transfer of shares of stock (no. 2)

The articles of association impose no restrictions on voting rights or transfers of shares of stock. Likewise, the Management Board is not aware of agreements among shareholders from which restrictions concerning voting rights or transfers of shares of stock could result. Restrictions of voting rights may result from provisions under stock corporation law, such as section 136 AktG. At this time, Stabilus SE does not hold any shares of its own from which it cannot derive any rights pursuant to section 71b AktG, particularly voting rights.

### Direct or indirect participating interests in the capital comprising more than 10% of the voting rights (no. 3)

According to the voting rights notifications received by September 30, 2024, the following shareholders held more than 10% of the total voting rights associated with Stabilus shares of stock: The Goldman Sachs Group, Inc., Wilmington, USA (11.02%), Allianz Global Investors GmbH, Frankfurt am Main, Germany (10.06%), NN Group N.V., Amsterdam, Netherlands (10.05%), and Teleios Capital Partners GmbH, Zug, Switzerland (Igor Kuzniar, 10.01 %).

### Holders of shares of stock endowed with special rights granting powers of control (no. 4)

There were and are no Stabilus SE shares of stock endowed with special rights granting powers of control.

### Type of voting rights control in case of employee participation (no. 5)

No employee who invested in the share capital of Stabilus SE exercises any indirect voting rights control within the meaning of sections 289a (1) no. 5 and 315a (1) no. 5HGB.

### Legal provisions and clauses in the articles of association concerning the appointment of members of Management Board or their removal from office, or amendments to articles of association (no. 6)

#### a) Appointment of members of the Management Board

The appointment and removal of members of the Stabilus SE Management Board are governed by arts. 39 (2) and 46 of the Council Regulation (EC) on the Statute for a European Company (SE Regulation), section 16 of the SE Implementation Act, sections 84 and 85 AktG, as well as article 8 of the Stabilus SE articles of association. Accordingly, the Management Board shall be composed of at least two members; The Supervisory Board may increase the number of members of the Management Board. The Supervisory Board may appoint a chairperson as well as a deputy chairperson of the Management Board. Members of the Management Board shall be appointed for a term of no more than four years; Reappointments of members of the Management Board are admissible. The Supervisory Board may remove a member of the Management Board if and when there is cause for removal.

#### b) Amending the Company's articles of association

As a rule, changes to the Stabilus SE articles of association are determined pursuant to art. 59 of the SE Regulation, section 179 AktG as well as article 21 of the Stabilus SE articles of association. Pursuant to article 21 of the Stabilus SE articles of association, a resolution adopted by the Annual General Meeting – with two thirds of valid votes cast or, provided that at least half of the share capital is represented, a simple majority of valid votes cast – is required for changes to the articles of association unless applicable legal provisions mandate otherwise. Insofar as applicable law prescribes a capital majority for resolutions of the Annual General Meeting in addition to a majority of votes, a simple majority of the share capital represented for purposes of the resolution suffices to the extent permitted by law. Additional provisions of stock corporation law may be applicable in certain cases of changes to articles of association, modifying the aforementioned regulations, including sections 182 et seqq. AktG in cases of capital increases, or sections 222 et seqq. AktG in cases of capital decreases. Pursuant to article 13 para. 4 of the Stabilus SE articles of association, changes that concern only the wording of the articles of association may be enacted by the Supervisory Board without a resolution of the Annual General Meeting.

## Powers of the Management Board to issue or repurchase shares of stock (no. 7)

### a) Issuing shares of stock

Authorized Capital 2022

Pursuant to article 5 para. 3 of the articles of association, the Management Board is authorized, subject to Supervisory Board approval, to increase the Company's share capital in the period until August 10, 2027, either at once or in installments, by up to €2,470,000.00 by issuing new shares of stock against cash and / or non-cash contributions (2022 authorized share capital).

As a rule, new shares of stock are to be offered to the Company's shareholders for subscription. They may also be transferred to one or several credit institutions or other enterprises within the meaning of Art. 5 of Council Regulation (EC) 2157 / 2001 in conjunction with section 186 (5) sentence 1 AktG on the condition that they be offered to the shareholders for subscription (indirect pre-emption right).

Subject to Supervisory Board approval, the Management Board is authorized, however, to exclude shareholders' subscription rights with a view to:

– exempting fractional shares from the subscription right;
– issuing shares of stock against cash contributions if (i) the issue amount of the new shares of stock does not fall materially (within the meaning of sections 203 (1) and (2), 186 (3) sentence 4 AktG) short of the exchange price of shares of the same class and rights that are already listed, and (ii) the pro-rated amount of share capital attributable to new shares of stock issued to the exclusion of the subscription right in accordance with section 186 (3) sentence 4 AktG does not exceed 10% of the share capital, although this maximum limit could be subject to adjustment by certain shares of the Company; or
– issuing shares of stock against non-cash contributions, especially for the purpose of granting shares of stock as part of corporate mergers, or for the purpose of the acquisition of enterprises, parts of enterprises, stakes in enterprises, or other assets or claims for the acquisition of assets, including claims against the Company or its Group divisions.

The pro-rated amount of share capital attributable to shares of stock issued during the term of such authorization to the exclusion of shareholders' subscription rights against cash and / or non-cash contributions must not exceed 10% of the Company's share capital in total, although this maximum limit could be subject to adjustment by certain shares of the Company. Subject to Supervisory Board approval, the Management Board is authorized to determine the other details of capital increases. The 2022 authorized share capital has not been exhausted to date.

Authorized Capital 2023

Furthermore, pursuant to article 5 para. 4 of the articles of association of the Company, the Management Board is authorized, subject to Supervisory Board approval, to increase the Company's share capital in the period until February 14, 2028, either at once or in installments, by up to €4,940,000.00 by issuing new shares of stock against cash contributions (2023 authorized share capital).

Shareholders are to be granted pre-emption rights. With the approval of the Supervisory Board, the Management Board can stipulate that the new shares be offered to one or more credit institutions, securities institutions, or other undertakings as referred to by section 186 (5) sentence 1 AktG with the obligation to offer them to shareholders for subscription (indirect pre-emption right). With the approval of the Supervisory Board, the Management Board is authorized to disapply shareholders' pre-emption rights to the extent necessary to compensate for fractional amounts. The Management Board is also authorized, with the approval of the Supervisory Board, to determine the further content of the shares' rights and the conditions for their issue. The 2023 authorized share capital has not been exhausted to date.

### b) Authorization to acquire treasury shares

By way of the resolution of the Annual General Meeting on February 15, 2023, the Company is authorized to acquire treasury shares of up to 10% of the lower of Stabilus SE's share capital as of the date of the resolution or the date that this authorization is exercised, in the period until February 14, 2028. At the discretion of the Management Board, the shares can be acquired either on the stock exchange or by way of a public tender offer / invitation to submit offers. If acquired on the stock exchange, the price paid per share must not be more than 10% higher or lower than the price determined by the opening auction in Xetra trading on the trading date. If acquired by way of a public purchase offer or a public invitation to submit offers, the purchase price offered or the range of purchase prices per share must not be more than 10% higher or lower than average closing price of Stabilus SE shares in Xetra trading on the last three trading days before the day on which the offer or the invitation to submit offers is published. The shares acquired on the basis of this authorization, together with other treasury shares held by Stabilus SE or attributable to it in accordance with sections 71a et seqq. AktG, must not exceed 10% of the share capital at any time. The authorization cannot be used for the purposes of trading in treasury shares. The Management Board is authorized to use the shares acquired on the basis of this authorization for all purposes permitted by law, with shareholders' pre-emption rights disapplied in certain cases. The shares can also be redeemed without a further resolution by the Annual General Meeting. The authorization to acquire and use treasury shares has not been exercised to date.

### Material agreements contingent on change of control following takeover bid (no. 8)

Stabilus SE is currently party to a syndicated loan agreement and several promissory note loan agreements, which can be terminated by the respective lenders in the event of a change of control. A change of control as defined by the syndicated loan agreement and the promissory note loan agreements occurs, for instance, if a shareholder or multiple shareholders acting in concert have acquired more than 50% of the voting rights in the Company, or hold more than 50% of the voting rights in the Company, or have achieved control through the composition of the Management Board.

Furthermore, the syndicated loan agreement stipulates a termination of the credit facility/facilities if the respective lender is prohibited from continuing as a creditor on legal grounds (e.g., due to sanctions). The promissory note loan agreements stipulate a termination of the loans by the respective lender should Stabilus SE or one of its subsidiaries have violated sanctions, among other grounds.

### Compensation agreements in event of takeover bid (no. 9)

There are compensation agreements in place that the Company has concluded with the members of the Management Board in the event of a takeover bid. Should a change of control occur, members of the Management Board are given the right to resign for cause on three months' notice within six months of the change of control, and to terminate the employment agreement with effect at such time (special right of termination). According to the contractual provision, a change of control is to be assumed whenever a shareholder or several shareholders acting in concert have acquired control by holding more than 50% of the voting rights for the Company. When exercising such special right of termination or if the service agreement is suspended by mutual agreement within six months of the time that the change of control occurred, members of the Management Board are entitled to have their contractual claims for compensation under the service agreement for the remainder of the term of the service agreement disbursed in a single payment. Such claims are capped at 150% of the severance payment limit. There are no compensation agreements that the Company has concluded with employees in the event of a takeover bid.

# CORPORATE GOVERNANCE STATEMENT*

in accordance with section 289f and section 315d HGB

As a European Company (Societas Europaea, SE) with its seat in Frankfurt am Main, Germany, Stabilus SE (the "**Company**") is governed by European and German SE regulations as well as German (stock corporation) law. The Company's shares are admitted to trading on the regulated market at the Frankfurt Stock Exchange. Accordingly, Stabilus SE's corporate governance is aligned with the German Corporate Governance Code, and the Company is obligated under sections 289f and 315d HGB to submit a corporate governance statement. This declaration follows the declaration of December 13, 2023. At Stabilus SE, corporate governance stands for the kind of leadership and control of the Company and its Group divisions that is geared toward responsible and sustainable value creation, and the effective implementation of the corporate governance principles is a central element of the Company's policy.

With this statement, the Management Board and the Supervisory Board of Stabilus SE present a report pursuant to sections 289f and 315d HGB on the Company's corporate governance, the diversity concept as well as the work and composition of both the Management Board and the Supervisory Board (including its committees) in the fiscal year from October 1, 2023, until September 30, 2024.

*Unaudited.

## 1. Statement of compliance with German Corporate Governance Code

On November 28, 2024, the Management Board and the Supervisory Board of Stabilus SE issued the following statement pursuant to section 161 of the German Stock Corporation Act (**"AktG"**):

**Statement of compliance with the German Corporate Governance Code by the Management Board and the Supervisory Board of Stabilus SE in accordance with section 161 AktG**

The Management Board and the Supervisory Board of Stabilus SE declare in accordance with section 161 AktG that they have complied with the recommendations of the Government Commission on the German Corporate Government Code (as amended April 28, 2022, also referred to as the "Code") since their last declaration of compliance on December 13, 2023, and will continue to do so in the future, barring the following exceptions:

- **Recommendation B.1 of the Code:** Pursuant to Recommendation B.1 of the Code, the Supervisory Board is to be mindful of diversity when it comes to the composition of the Management Board. The Supervisory Board expressly welcomes the Code's commitment to diversity on the Management Board and at all levels of the enterprise, and considers the prospective increase in the representation of women and therefore – also gender-specific – diversity an important cause. With respect to the composition of the Management Board, however, the Supervisory Board is primarily concerned with the personal qualifications, including experience, skills, and knowledge, of candidates, with the criterion of diversity being given secondary consideration. The presiding members of the Management Board represent a mix of experience and educational backgrounds, providing critical competencies and qualifications for the individual Management Board areas and the composition of the Management Board as a whole.
- **Recommendation C.2 of the Code:** Pursuant to Recommendation C.2 of the Code, an age limit is to be set for members of the Supervisory Board and disclosed in the corporate governance statement. This recommendation has not been and is not being implemented as the introduction of a rigid age limit would indiscriminately and improperly restrict the selection of suitable candidates. The members of the Stabilus SE Supervisory Board are chosen solely on the basis of such personal and professional knowledge, skills, and experience as may be needed for them to discharge their responsibilities. The Supervisory Board should be able to continue to tap into the expertise of experienced and proven members, as well.

Koblenz, November 28, 2024

The Management Board The Supervisory Board

The current statement of compliance is published on the Company's website under IR.STABILUS.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE. The substitute statements of compliance with the Code from recent fiscal years and the Articles of Association of the Company as well as the Rules of Procedure for the Management Board and the Supervisory Board can also be accessed there.

## 2. Remuneration Report / Remuneration System

The remuneration report pursuant to section 162 AktG for the fiscal year from October 1, 2023, until September 30, 2024, including the audit opinion, may be viewed on the Company's website under IR.STABILUS.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE/; you can also find it in the corresponding chapter of this annual report. The Company's website also features the remuneration system in effect for the Management

Board as well as the most recent compensation resolution concerning the remuneration of the members of the Supervisory Board under IR.STABILUS.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE.

## 3. Relevant information on corporate governance practices

Stabilus' global business activities are characterized by entrepreneurial action in compliance with applicable law and regulations as well as ethical standards and principles. Stabilus has embedded these principles and standards in its code of conduct as the central document of the Stabilus compliance regime. The Stabilus code of conduct defines the corporate culture as well as the rules applicable to all employees, thereby creating a framework for lawful and responsible action. It governs all of the Stabilus Group's business activities, both internally and in interaction with external parties such as stakeholders, customers, suppliers, and other business partners. The Stabilus code of conduct is available at GROUP.STABILUS.COM/COMPANY/COMPLIANCE-AT-STABILUS. The guidelines laid down in the Business Partner Code of Conduct are mandatory for business partners of the Stabilus Group and compliance with them is ensured by appropriate control measures. The Business Partner Code of Conduct is available to view at GROUP.STABILUS.COM/MEDIA/DEFAULT/STABILUS/PDF/COMPLIANCE/SCC_01-24_006E_-_BUSINESS_PARTNER_CODE_OF_CONDUCT.PDF.

Stabilus has put in place a Group-wide compliance management system and has defined compliance as a key management task. The compliance management system in place at the Stabilus Group is described in the "Compliance Rules of Procedure." The system was rolled out within the DESTACO Group this fiscal year, together with the Code of Conduct, the Business Partner Code of Conduct, and the basic compliance guidelines, immediately after the acquisition was complete. This follows an in-depth review of these key elements of the compliance management system in order to meet new regulatory requirements. The whistleblower system has also been updated and now also includes all employees and business partners of the DESTACO Group. In cooperation with the local compliance officers and the HR department, all employees once again received training on the new Code of Conduct. Training was also provided on how to use the whistleblower system, which was also expanded to include the languages used at the new DESTACO sites.

Stabilus SE's Chief Compliance Officer, who reports to the Chief Executive Officer (CEO) and, at least twice annually, directly to the Audit Committee of the Stabilus SE's Supervisory Board, bears responsibility across the Group for all matters arising in connection with compliance, particularly in the areas of anti-trust law, corruption, and insider trading.

In addition, the corporate leadership is committed to sustainability. This is also helped by the increased integration of sustainability aspects into important processes and at various levels of the Stabilus Group – with regard to the entire value chain. The Management Board has set up a comprehensive sustainability strategy to this end, which focuses in particular on reducing carbon emissions, the careful use of water resources, and social responsibility in the supply chain. For details, please see our non-financial statement, which may be viewed under IR.STABILUS.COM/INVESTOR-RELATIONS/NON-FINANCIAL-REPORTS/.

## 4. Description of the functioning of Management Board and Supervisory Board

Stabilus SE is subject to the German Stock Corporation Act and has a dual governance structure characterized by the organizational separation of management (represented by the Management Board) and supervision (represented by the Supervisory Board). Aside from applicable legal regulations, both the functioning and the cooperation of the Management Board and the Supervisory Board are governed by the articles of association, the rules of procedure and, in the case of the Management Board, the schedule of responsibilities.

### Management Board

The Management Board of Stabilus SE currently has three members, Dr. Michael Büchsner (Chief Executive Officer), Stefan Bauerreis (Chief Financial Officer), who formed the Management Board of Stabilus SE throughout the whole of the fiscal year from October 1, 2023, to September 30, 2024, and David Sabet (Chief Technology Officer), who was appointed to the Management Board with effect from October 1, 2024. No members of the Management Board held a position at a company outside the Group.

The Supervisory Board appoints the members of the Management Board. The Supervisory Board also passes rules of procedure, including a schedule of responsibilities, for the Management Board, which governs the cooperation of members of the Management Board among themselves but also with the Supervisory Board. The rules of procedure for the Management Board may be viewed under IR.STABILUS.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE/MANAGEMENT-BOARD. The age limit for members of the Management Board has been set at 65 years.

The Management Board directs the enterprise on its own responsibility in the service of sustainable value creation. It ensures compliance with legal provisions, settles fundamental issues of business policy, develops the corporate strategy – which also incorporates sustainability topics – and consults with the Supervisory Board in these matters.

The Management Board is responsible for the preparation of the annual accounts and the consolidated accounts, the combined management report for Stabilus SE and the Group, as well as the separate non-financial statement. Insofar as individual members of the Management Board have been assigned certain divisions under the schedule of responsibilities, they direct such divisions on their own responsibility. Measures and transactions of critical importance to the enterprise require the consent of all members of the Management Board, even if they fall within a division's purview.

The Management Board conducts meetings regularly, generally every two weeks, to discuss questions related to the general business situation. Meetings must be convened whenever the Company's wellbeing so requires, or a member of the Management Board so demands.

The Supervisory Board and the Management Board work together closely and based on mutual trust in directing the enterprise. The Supervisory Board is regularly informed by the Management Board about relevant issues of general business performance as well as strategy and planning. The Management Board likewise addresses matters such as compliance, the internal control systems, and risk management, and reports to the Supervisory Board on these issues and the Company's financial performance indicators. The internal control system and the risk management system are dynamic systems that are constantly reviewed for changes to the business model, the type and scope of business transactions or responsibilities and, if necessary, adapted, to continuously improve the adequacy and effectiveness of the systems in the individual areas. Both systems also cover sustainability-related aspects. However, due to the complex internal process landscape, the integration of DESTACO, and changes in the legal requirements, the maturity of the internal control system in terms of sustainability aspects does not yet correspond to that of the accounting-related internal control system. As part of the fulfillment of the reporting requirements under the CSRD (Corporate Sustainability Reporting Directive), measures to formalize and increase maturity are planned for the upcoming fiscal year.

### Supervisory Board

Pursuant to article 11 para. 1 of the Company's current articles of association, the Stabilus SE Supervisory Board is composed of six members elected by the Annual General Meeting.

The Supervisory Board of Stabilus SE had five members in the fiscal year from October 1, 2023, to September 30, 2024, until the Annual General Meeting on February 7, 2024. At the Annual General Meeting on February 7, 2024, one person was added to the Supervisory Board with the appointment of Susanne Heckelsberger as the sixth member of the Supervisory Board. Since then, the Supervisory Board has been composed as follows:

- Dr. Stephan Kessel (born 1953, German citizen), independent consultant, has served as member of the Supervisory Board since 2014 and as Chairman of the Supervisory Board since 2018. Dr. Kessel's appointment ends with the Annual General Meeting tasked with the discharge for the fiscal year from October 1, 2024, to September 30, 2025. He also serves as the Chairman of the Supervisory Board of Novem Group S.A. and as a member of the Advisory Board of svt GmbH. In addition, he is a member of the Management Board of Hitched Holdings 1 B.V., the holding company of ACPS.
- Dr. Ralf-Michael Fuchs (born 1958, German citizen), independent consultant, has served as member of the Supervisory Board since 2015 and as Deputy Chairman of the Supervisory Board since September 2022. Dr. Fuchs' appointment ends with the Annual General Meeting tasked with the discharge for the fiscal year from October 1, 2025, to September 30, 2026.
- Dr. Joachim Rauhut (born 1954, German citizen), independent consultant, has served as member of the Supervisory Board since 2015. Dr. Rauhut's appointment ends with the Annual General Meeting tasked with the discharge for the fiscal year from October 1, 2023, to September 30, 2024. He was a member of the Supervisory Board and Head of the Audit Committee of MTU Aero Engines AG until May 8, 2024.
- Dr. Dirk Linzmeier (born 1976, German citizen), Chairman of the Management Board of TTTechAuto AG, has served as a member of the Supervisory Board since 2018. Dr. Linzmeier's appointment ends with the Annual General Meeting tasked with the discharge for the fiscal year from October 1, 2026, to September 30, 2027. He has undertaken to stand for re-election one year in advance at the Annual General Meeting that will adopt the resolution on official approval of the actions of the Supervisory Board for the fiscal year ending September 30, 2026.
- Inka Koljonen (born 1973, Finnish citizen), member of the Management Board of MAN Truck & Bus SE, has served as a member of the Supervisory Board since 2022. Ms. Koljonen's appointment ends with the Annual General Meeting tasked with the discharge for the fiscal year ended September 30, 2026. She has been a member of the Supervisory Board of OC Oerlikon Corporation AG, Pfäffikon, Switzerland (member of the Board Directors, Chair of the Audit & Finance Committee) since March 2023.
- Susanne Heckelsberger (born 1964, German citizen) has been a member of the Supervisory Board since February 2024. The independent consultant has served on the Supervisory Board of Villeroy & Boch AG since July 2020 and was a member of the Supervisory Board of Vitesco Technologies Group AG from September 2021 to October 1, 2024. Ms. Heckelsberger's appointment ends with the Annual General Meeting tasked with the discharge for the fiscal year ended September 30, 2027.

The Supervisory Board appoints, monitors, and advises the Management Board in matters related to management in accordance with applicable law, the articles of association as well as the respective rules of procedure for the Management Board and the Supervisory Board. The fundamental strategic issues and business development are discussed on the occasion of regular joint meetings. The rules of procedure for the Supervisory Board may be viewed under IR.STABILUS.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE/. Insofar as the rules of procedure for the Management Board tie business matters of great significance to Supervisory Board approval, such matters will be discussed at these meetings.

The Supervisory Board reviews the annual accounts and the consolidated accounts of Stabilus SE in addition to the combined management report of Stabilus SE and the Group as well as the non-financial Group report, approves the annual accounts, and endorses the consolidated accounts. It reviews the proposed appropriation of unappropriated surplus and submits the proposal to the Annual General Meeting for a decision together with the Management Board. Furthermore, the Supervisory Board proposes the auditor to be elected by the Annual General Meeting on the basis of the Audit Committee's reasoned recommendation. In particular, the Audit Committee of the Supervisory Board is concerned with the implementation, efficiency, and continued development of internal control and risk management, the accounting regulations, and compliance as well as with sustainability issues, in particular the related reporting requirements.

Furthermore, the Supervisory Board establishes the remuneration system for the members of the Management Board, including targets for the variable remuneration. Finally, it prepares the remuneration report in cooperation with the Management Board.

The Supervisory Board's meetings typically take the form of in-person meetings. However, members of the Supervisory Board may also attend meetings by video conference. When necessary, the Supervisory Board may also convene in the absence of the members of the Management Board. The members of the Supervisory Board are obligated to disclose any conflicts of interest. The Supervisory Board will state such conflicts of interest in its report, which also provides additional details on the activities of the Supervisory Board during the fiscal year from October 1, 2023, until September 30, 2024.

The members of the Supervisory Board are responsible for the training and further education measures required for their tasks, for example in responses to changes to the regulatory framework and sustainability-relevant topics, and are assisted in this by Stabilus SE.

### Supervisory Board committees

The Supervisory Board has constituted the Audit Committee and the Remuneration and Nomination Committee as permanent committees from its midst.

Pursuant to section 14 para. 1 of the current rules of procedure for the Supervisory Board, the **Audit Committee** is composed of three members of the Supervisory Board. At this time, they are: Dr. Joachim Rauhut as Chairman, Inka Koljonen, and Susanne Heckelsberger. Prior to the Annual General Meeting on February 7, 2024, the Audit Committee was composed of Dr. Joachim Rauhut, Inka Koljonen, and Dr. Stephan Kessel. The members of the Committee were re-elected following the Annual General Meeting.

At least one member of the Audit Committee must have expertise in the field of financial reporting and at least one other member must have expertise in the field of audits. Financial reporting and audits in this context also include the sustainability report and the corresponding audit. All of the members must be familiar with the industry in which the Company does business (sections 107 (4) and 100 (5) AktG). In Dr. Rauhut, the Audit Committee has a member with special knowledge in the field of financial reporting and audits. Dr. Rauhut acquired this special expertise and experience in the application of financial reporting standards, internal control and risk management systems, and auditing through his many years working in management and supervisory functions at various companies. The Audit Committee has a further member with special knowledge in the field of financial reporting and audits in Ms. Koljonen; Ms. Koljonen also acquired this special expertise and experience through her many years working for various companies, including in the position of CFO for a number of listed companies. As part of the specific succession plan, the Audit Committee now has another member with special knowledge of the accounting and auditing fields in Ms. Heckelsberger. Ms. Heckelsberger acquired this knowledge and experience primarily through her work as Chief Operating Officer for Allianz Capital Partners, as Chief Financial Officer of Zimmer AG, and as an auditor and tax consultant for several well-known auditing companies. In light of the aforementioned positions and ongoing training, the knowledge and skills described also include sustainability reporting and the corresponding audit.

The Audit Committee sets the stage for the Supervisory Board's negotiations and decisions, particularly with regard to the Company's annual accounts and consolidated accounts, including the non-financial Group report, the selection of the auditor to be nominated to the Annual General Meeting, and also enters into the contractual arrangements with the auditor regarding the fee for and the areas of emphasis of the audit. It discusses the audit plan for an internal review with the Management Board, along with questions related to the internal control system, risk management, and compliance.

Pursuant to section 15 para. 1 of the current rules of procedure for the Supervisory Board, the **Remuneration and Nomination Committee** is composed of three members of the Supervisory Board. At this time, they are: Dr. Ralf-Michael Fuchs as Chairman, Dr. Stephan Kessel, and Dr. Dirk Linzmeier. The Remuneration and Nomination Committee is tasked with selecting suitable candidates for positions on the Supervisory Board on the basis of extensive prior research as well as in accordance with the Supervisory Board's competence profile and the adopted diversity concept, and submitting the Supervisory Board's recommendations to the Annual General Meeting for purposes of the election of members of the Supervisory Board. The committee is further responsible for selecting candidates for the Company's Management Board. Finally, it creates the remuneration system for the Management Board in cooperation with the same, and reviews the remuneration of members of the Supervisory Board.

### Supervisory Board's self-assessment

Periodically, the Supervisory Board and its committees will – internally at its meetings, or as part of separate votes – review the effectiveness and efficiency of their work. These reviews attest to a professional and constructive manner of cooperation. In the future, the self-assessment is also to involve an independent external consultant and, if applicable, standardized questionnaires.

## 5. Targets for the representation of women on the Management Board and at the two upper management levels, diversity concept for the composition of Management Board, and long-term succession planning

### Representation of women on the Management Board

In the fiscal year from October 1, 2023, to September 30, 2024, the Supervisory Board extended the Management Board of two people to three with effect from October 1, 2024, with the addition of a Chief Technology Officer (CTO) in order to place a greater emphasis on the Company's innovation and development expertise and to strengthen the American business. After a thorough examination of the requirements profile – R&D expertise and US background – the Supervisory Board decided in favor of David Sabet, regardless of gender, as he was the most suitable candidate both in a professional and personal sense. David Sabet is the long-standing Head of the Development Department at the Stabilus Group and an American citizen. This also meant that a Management Board position could be filled internally for the first time in a long time.

In light of the above personnel decision, the Supervisory Board has therefore continued to set the target figure of zero for the representation of women on the Management Board up to 2027. Should a position on the Management Board become vacant in the future, the Supervisory Board will naturally give consideration to suitable female candidates as well, as it does for any appointment to the Management Board, and revisit the question of targets at that time as needed.

### Representation of women at upper management levels

When staffing leadership positions in the enterprise, the Management Board is mindful of diversity, especially as regards gender and internationality. The Group's diversity directive provides for target quotas for middle management in addition to the levels for target quotas set by the legal regulations. For both management levels just below the Management Board, the Management Board set a target of 10% and determined that such target is to be reached by September 30, 2027. Management level 1 is the Stabilus Management Board (SMB). This includes the executive positions of particular relevance to corporate governance, who also participate in the annual strategy meeting with the Management Board to advise and make decisions on long-term strategic objectives. Management level 1 currently has 13 members who are men and two members who are women, equivalent to a share of representation by women of 13.3%. Management level 2 is composed of employees who either report to Management level 1 and oversee staff of their own, or report directly to the Management Board without serving on the SMB. Management level 2 currently counts 75 employees, seven of whom are female, which corresponds to a current quota of 9% (rounded).

### Diversity concept for composition of Management Board

In staffing the Management Board, the Supervisory Board aims for an appropriate level of diversity in terms of professional background, professional expertise and experience, age, and gender, taking into account the following selection criteria in particular:

- Members of the Management Board should have multiple years of experience leading a global enterprise.
- If at all possible, members of the Management Board should combine various training and career paths.
- As a whole, the Management Board should command technical expertise, especially knowledge and experience in the manufacturing and the distribution of components for the automotive industry and industry in general, as well as in the areas of corporate development, R&D, production, finance, IT, law, and HR management.

In its current composition, the Management Board meets the requirements of the diversity concept. The members of the Management Board jointly cover a remarkably broad spectrum of knowledge and professional experience and even offer extensive international experience. Before joining Stabilus, Dr. Büchsner held a number of senior positions at auto parts supplier TRW in Austria, Germany, and the USA, and, following its takeover of TRW, at ZF Friedrichshafen AG. Stefan Bauerreis also held various management positions within the Schaeffler Group, most recently as the CFO for the Europe region. David Sabet has held various positions within the Development Department of the Stabilus Group and, as an American citizen, has always been employed at Stabilus' US sites. In recent years, he has also headed the Powerise business unit and the Development Department of the Stabilus Group.

### Long-term succession planning

Mindful of the criteria of the diversity concept and with the intention of elevating the female quota, the Supervisory Board and the Management Board are jointly engaging in long-term succession planning for the Management Board. In this context, special emphasis is placed on filling positions internally – i.e., by promoting from within the Company – in order to ensure the greatest degree of stability and continuity in corporate development.

## 6. Targets for representation of women on Supervisory Board, competence profile and diversity concept for Supervisory Board

### Representation of women on Supervisory Board

The Supervisory Board set a target of 20% for the proportion of women among its members and determined that this target must be achieved by the end of September 30, 2027. Inka Koljonen and Susanne Heckelsberger are current members of the Supervisory Board of Stabilus SE, which is currently composed of six persons. This represents a percentage of women of 33.3% and achieves the aforementioned target.

### Competence profile

The Supervisory Board takes care to ensure that the body combines any and all knowledge and experience deemed essential for the fulfillment of the responsibilities of the Stabilus SE Supervisory Board. These competencies required for the full board have been defined by the Supervisory Board as follows – and are met in its current composition:

- relevant leadership experience in an industrial enterprise of sufficient size and complexity (sales, organization and number of staff, product and service diversity, type of customers, and nationality);
- multiple years of operational experience in an industrial manufacturing enterprise with global operations, as well as with the strategic development of comparable enterprises;
- in-depth knowledge in the areas of IT, digitization, and Industry 4.0;
- multiple years of experience in research and development related to industrial products as a developer or manager;
- in-depth industry knowledge of the various applications, business fields, and distribution channels of Stabilus SE or similar enterprises;
- comprehensive financial experience with regard to controlling, corporate financing, financial accounting, and audits as well as risk management;
- specific qualifications in accounting and auditing;
- experience in corporate governance and compliance with enterprises listed on the capital market;
- experience with sustainability strategies relevant to the enterprise.

The body's competence profile is composed of its members' individual competencies listed in the table below:

**Competence profile of the body** T_026

| Member | Management experience | International character | Digitization | R&D | Industry knowledge | Finance | Corporate Governance & Compliance | Sustainability |
|---|---|---|---|---|---|---|---|---|
| S. Kessel | ● | ● | | ● | ● | ● | ● | |
| J. Rauhut | ● | ● | ● | | | ● | ● | ● |
| R.-M. Fuchs | ● | ● | ● | ● | ● | ● | ● | ● |
| D. Linzmeier | ● | ● | ● | ● | ● | | ● | ● |
| I. Koljonen | ● | ● | ● | | ● | ● | ● | ● |
| S. Heckelsberger | ● | ● | | | ● | ● | ● | ● |

### Diversity concept for composition of Supervisory Board

The composition of the Supervisory Board is to reflect an adequate level of diversity. Given this background, the Stabilus SE Supervisory Board established the following criteria with regard to internationality, professional background, professional expertise and experience, age, and gender, to which it gives consideration for purposes of its composition and succession planning – and which its current composition meets:

- at least two women and two men on a body of up to six members;
- at least half of the members have international experience given their origin or work;
- at least half of the members combine various training and professional backgrounds;
- at least one member is under 60 years of age; and
- as a rule, no member older than 70 years will be appointed or re-appointed.

### Independence

In the Supervisory Board's assessment, all of its members are to be regarded as independent from the Company and its Management Board. The fact that Dr. Stephan Kessel served as the enterprise's interim CEO from August 2018 until July 2019 does not, in the opinion of the Supervisory Board, compromise his independence from the Company and the Management Board. It is the Supervisory Board's assessment that this past interim tenure, which lasted less than a year, does not amount to a personal or business relationship with the Company or its Management Board that might give rise to a conflict of interest. Prior to serving as CEO, Dr. Kessel had already been a member of the Company's Supervisory Board for four years, and his tenure as interim Chief Executive Officer was only brief, at less than a year. In addition, the Supervisory Board believes that Dr. Kessel has enough experience and objectivity to act without prejudice in a critical situation or whenever controversial decisions are debated. In addition, more than five years separate his tenure as interim CEO from his membership on the Supervisory Board today. In addition, the newly introduced "Staggered Board System" ensures that no member has been on the Supervisory Board for more than 12 years.

## 7. Stock transactions of board members

Under Art. 19 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (market abuse regulation), members of the Management Board and the Supervisory Board are required by law to disclose transactions for their own account involving the Company's shares or debt instruments, or derivatives or other financial instruments related thereto, if the total amount of the transactions executed by a member or persons related to them reaches or exceeds €20,000 within a calendar year. The transactions reported to the Company for the past fiscal year have been properly disclosed and may be viewed under IR.STABILUS.COM/INVESTOR-RELATIONS/FINANCIAL-NEWS (register: Manager's Transactions).

## 8. Annual General Meetings, shareholder rights and communication

On the occasion of the Annual General Meeting, shareholders exercise their rights, particularly their rights to vote and to obtain information. At the Annual General Meeting, each share conveys one vote; the voting right may also be exercised by representatives. The Annual General Meeting ordinarily takes place within the first five months of the fiscal year. The Annual General Meeting will typically adopt resolutions on the use of profits, on approving the actions of both the members of the Management Board and of the Supervisory Board, on electing the auditor, and on endorsing the remuneration report. Furthermore, the Annual General Meeting may pass resolutions to amend the articles of association or adopt capital measures, among other items. In connection with the Annual General Meeting, shareholders are entitled to various rights; for instance, they may – subject to certain conditions – file motions with respect to resolutions proposed by the Management Board and the Supervisory Board, or challenge resolutions of the general meeting. On the Company's website, shareholders have access to all the documents and information on the Annual General Meeting that are required by law. With the approval of the Supervisory Board, the Management Board decided to hold the Annual General Meeting for the fiscal year ended September 30, 2024, as a virtual meeting.

As part of our investor relations work, we inform ourselves about developments in the Company. Aside from quarterly notices, six-month financial reports and annual reports, earnings releases, ad-hoc notifications, analyst presentations and press statements, manager's transactions and voting rights announcements are published along with the financial calendar for the current year, which contains the publication dates of significance to financial communications as well as the date of the Annual General Meeting. The corresponding information can be found at IR.STABILUS.COM.

# NON-FINANCIAL GROUP REPORT

## (UNAUDITED)

The management of Stabilus SE released the separate non-financial Group report for fiscal 2024 on December 5, 2024. The separate non-financial Group report is published on Stabilus SE's website at IR.STABILUS.COM/INVESTOR-RELATIONS/NON-FINANCIAL-REPORTS.

The parent company Stabilus SE has no statutory obligation to produce or publish non-financial reporting.

Koblenz, December 5, 2024

**DR. MICHAEL BÜCHSNER**

**STEFAN BAUERREIS**

**DAVID SABET**

Stabilus SE
Management Board

# CONSOLIDATED FINANCIAL STATEMENTS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# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the fiscal year ended September 30, 2024

## Consolidated statement of comprehensive income

T_027

| IN € THOUSANDS | Note | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|---|
| Revenue | 5 | 1,305,926 | 1,215,254 |
| Cost of sales | 6 | (963,635) | (894,061) |
| **Gross profit** | | **342,291** | **321,193** |
| Research and development expenses | 6 | (34,378) | (31,132) |
| Selling expenses | 6 | (126,204) | (104,421) |
| Administrative expenses | 6 | (77,679) | (48,382) |
| Other income | 7 | 10,550 | 5,775 |
| Other expenses | 8 | (1,250) | (6,693) |
| Net result from equity-accounted investments | 9 | – | 797 |
| **Profit from operating activities (EBIT)** | | **113,330** | **137,137** |
| Finance income | 10 | 19,675 | 6,869 |
| Finance costs | 11 | (32,650) | (24,681) |
| **Profit / (loss) before income tax** | | **100,355** | **119,325** |
| Income tax income / (expense) | 12 | (28,325) | (16,012) |
| **Profit / (loss) for the period** | | **72,030** | **103,313** |
| thereof attributable to non-controlling interests | | 1,852 | 1,529 |
| thereof attributable to shareholders of Stabilus | | 70,178 | 101,784 |
| **Other comprehensive income / (expense)** | | | |
| Foreign currency translation differences | 23 | (47,422) | (18,473) |
| Hedge of cash flows from financial instruments | 23 | (2,559) | 130 |
| **Items that can be reclassified to consolidated profit or loss in future periods** | | **(49,981)** | **(18,343)** |
| Unrealized actuarial gains and losses | 23 | (3,451) | (618) |
| **Items not to be reclassified to consolidated profit or loss in future periods** | | **(3,451)** | **(618)** |
| **Other comprehensive income / (expense), net of taxes** | | **(53,432)** | **(18,961)** |
| **Total comprehensive income for the period** | | **18,598** | **84,352** |
| thereof attributable to non-controlling interests | | 944 | 1,519 |
| thereof attributable to shareholders of Stabilus | | 17,654 | 82,833 |
| **Earnings per share (in €):** | | | |
| basic (EPS) | 13 | 2.84 | 4.12 |
| diluted (DEPS) | 13 | 2.84 | 4.12 |

The accompanying notes form an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as of September 30, 2024

## Consolidated statement of financial position

T_028

| IN € THOUSANDS | Note | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|---|
| **Assets** | | | |
| Property, plant and equipment | 14 | 300,311 | 247,151 |
| Goodwill | 15 | 539,999 | 236,621 |
| Other intangible assets | 16 | 477,903 | 229,962 |
| Other investments | 9 | 6,000 | 6,000 |
| Other financial assets | 17 | 41 | 455 |
| Other assets | 18 | 1,807 | 664 |
| Deferred tax assets | 12 | 12,960 | 13,402 |
| **Total non-current assets** | | **1,339,021** | **734,255** |
| Inventories | 19 | 223,590 | 177,255 |
| Trade and other receivables | 20 | 203,386 | 197,989 |
| Income tax receivables | 21 | 5,559 | 8,915 |
| Other financial assets | 17 | 759 | 601 |
| Other assets | 18 | 29,147 | 22,191 |
| Cash and cash equivalents | 22 | 109,426 | 193,099 |
| **Total current assets** | | **571,867** | **600,050** |
| **Total assets** | | **1,910,888** | **1,334,305** |

## Consolidated statement of financial position

T_028

| IN € THOUSANDS | Note | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|---|
| **Equity and liabilities** | | | |
| Issued capital | 23 | 24,700 | 24,700 |
| Capital reserves | 23 | 201,395 | 201,395 |
| Retained earnings | 23 | 476,948 | 458,285 |
| Other reserves | 23 | (53,174) | (650) |
| **Equity attributable to shareholders of Stabilus** | | **649,869** | **683,730** |
| Non-controlling interests | | 27,859 | 28,271 |
| **Total equity** | | **677,728** | **712,001** |
| Financial liabilities | 24 | 757,246 | 251,077 |
| Other financial liabilities | 25 | 58,626 | 46,806 |
| Provisions | 27 | 15,083 | 15,245 |
| Pension plans and similar obligations | 28 | 47,334 | 37,669 |
| Deferred tax liabilities | 12 | 64,180 | 44,579 |
| **Total non-current liabilities** | | **942,469** | **395,376** |
| Trade accounts payable | 29 | 159,652 | 124,291 |
| Financial liabilities | 24 | 20,546 | 6,920 |
| Other financial liabilities | 25 | 10,825 | 7,975 |
| Income tax liabilities | 30 | 14,194 | 20,069 |
| Provisions | 27 | 37,257 | 31,371 |
| Other liabilities | 31 | 48,217 | 36,302 |
| **Total current liabilities** | | **290,691** | **226,928** |
| **Total liabilities** | | **1,233,160** | **622,304** |
| **Total equity and liabilities** | | **1,910,888** | **1,334,305** |

The accompanying notes form an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the fiscal year ended September 30, 2024

## Consolidated statement of changes in equity

T_029

| IN € THOUSANDS | Note | Issued capital | Capital reserves | Retained earnings | Other reserves | Equity attributable to shareholders of Stabilus | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|
| **Balance as of September 30, 2022** | | **24,700** | **201,395** | **421,129** | **18,301** | **665,525** | **4,165** | **669,690** |
| Profit / (loss) for the period | | – | – | 101,784 | – | 101,784 | 1,529 | 103,313 |
| Other comprehensive income / (expense) | 23 | – | – | – | (18,951) | (18,951) | (10) | (18,961) |
| Total comprehensive income for the period | | – | – | 101,784 | (18,951) | 82,833 | 1,519 | 84,352 |
| Dividends | 23 | – | – | (43,225) | – | (43,225) | (257) | (43,482) |
| Change in non-controlling interests | | – | – | – | – | – | 22,629 | 22,629 |
| Liabilities from put / call options | | – | – | (21,403) | – | (21,403) | 215 | (21,188) |
| **Balance as of September 30, 2023** | | **24,700** | **201,395** | **458,285** | **(650)** | **683,730** | **28,271** | **712,001** |
| Profit / (loss) for the period | | | | 70,178 | – | 70,178 | 1,852 | 72,030 |
| Other comprehensive income / (expense) | 23 | | | | (52,524) | (52,524) | (908) | (53,432) |
| Total comprehensive income for the period | | | | 70,178 | (52,524) | 17,654 | 944 | 18,598 |
| Dividends | 23 | | | (43,225) | – | (43,225) | (1,082) | (44,307) |
| Change in ownership interest in subsidiaries without a change of control | | – | – | (1,168) | – | (1,168) | (274) | (1,442) |
| Liabilities from put / call options | 25 | – | – | (7,122) | – | (7,122) | – | (7,122) |
| **Balance as of September 30, 2024** | | **24,700** | **201,395** | **476,948** | **(53,174)** | **649,869** | **27,859** | **677,728** |

The accompanying notes form an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the fiscal year ended September 30, 2024

## Consolidated statement of cash flows

T_030

| IN € THOUSANDS | Note | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|---|
| Profit / (loss) for the period | | 72,030 | 103,313 |
| Income tax income / (expense) | | 28,325 | 16,012 |
| Net financial result | 10 / 11 | 12,975 | 17,812 |
| Interest received | | 5,142 | 6,867 |
| Net result from equity-accounted investments | 9 | – | (797) |
| Dividends received | 9 | – | 1,002 |
| Depreciation and amortization (incl. impairment losses) | 14 / 16 | 92,589 | 71,041 |
| Gains / losses from the disposal of assets | | (289) | (263) |
| Changes in inventories | | 3,462 | (6,089) |
| Changes in trade and other receivables | | 26,535 | 3,288 |
| Changes in trade payables | | 13,804 | 3,164 |
| Changes in other assets and liabilities | | (27,247) | (5,188) |
| Changes in provisions | | 5,593 | (6,542) |
| Income tax payments | 36 | (35,943) | (25,517) |
| **Cash flow from operating activities** | | **196,976** | **178,103** |
| Proceeds from disposal of property, plant and equipment | | 2,601 | 1,442 |
| Purchase of intangible assets | 16 | (29,444) | (26,126) |
| Purchase of property, plant and equipment | 14 | (53,548) | (47,616) |
| Acquisition of assets and liabilities within the business combination | 4 | (632,197) | (9,145) |
| Losses from currency hedging in connection with a business combination | 4 | (4,805) | – |
| **Cash flow from investing activities** | | **(717,393)** | **(81,445)** |
| Receipts under credit facility | 24 | 19,195 | – |
| Receipts under financial liabilities | 24 | 321,747 | – |
| Receipts under promissory note loans | 24 | 250,000 | – |
| Receipts under bridge financing | 24 | 250,000 | – |
| Payments for redemption of financial liabilities | 24 | (66,073) | (4,339) |
| Payments for redemption of bridge financing | 24 | (250,000) | – |
| Payments for the acquisition of non-controlling interests | | (1,442) | – |
| Payments for lease liabilities | 36 | (9,366) | (7,827) |
| Dividends paid | 23 | (43,225) | (43,225) |
| Dividends paid to non-controlling interests | | (1,082) | (257) |
| Payments for interest | 36 | (29,064) | (10,769) |
| **Cash flow from financing activities** | | **440,690** | **(66,417)** |
| **Net increase / (decrease) in cash and cash equivalents** | | **(79,727)** | **30,241** |
| Effect of movements in exchange rates on cash held | | (3,946) | (5,494) |
| Cash and cash equivalents as of beginning of the period | | 193,099 | 168,352 |
| **Cash and cash equivalents as of end of the period** | | **109,426** | **193,099** |

The accompanying notes form an integral part of these consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the fiscal year from October 1, 2023, to September 30, 2024

## 1 General information

### Reporting entity

By way of resolution of the Extraordinary General Meeting on March 24, 2022, and the subsequent entry in the Luxembourg Trade and Companies Register on April 5, 2022, Stabilus SE, Frankfurt am Main transformed its legal form from that of a Société Anonyme (S. A.) under Luxembourg law to a European Company (Societas Europaea (SE)). Its registered office was located at 2 rue Albert Borschette, 1246 Luxembourg, until September 1, 2022. Until that date, the Company was entered in the Luxembourg commercial register under no. B151589. The relocation of the registered office from Luxembourg to Frankfurt am Main, Germany, was resolved by the Extraordinary General Meeting on August 11, 2022. Since being entered in the commercial register of the Frankfurt am Main Local Court under no. HRB 128539 on September 2, 2022, the registered office of the Company has been in Frankfurt am Main with the business address Wallersheimer Weg 100, 56070 Koblenz, Germany. The company was originally founded as Servus HoldCo S.à r.l., Luxembourg, on February 26, 2010. The shares of Stabilus SE, Frankfurt / Main, (hereinafter referred to as "Stabilus SE") are listed in the MDAX of the Frankfurt Stock Exchange at the end of the reporting period.

The Company's fiscal year is from October 1 to September 30 of the following year (twelve-month period). The corresponding prior-year period (comparative period) therefore covers the period from October 1, 2022, to September 30, 2023. The consolidated financial statements of the Stabilus Group include Stabilus and its subsidiaries (hereafter also referred to as "Stabilus Group" or the "Group").

The Stabilus Group is a leading manufacturer of gas springs and dampers, as well as electric opening and closing equipment (Powerise® product portfolio). The products are used in a wide range of applications in the automotive and many other industrial applications, with a focus on industrial machinery & automation, energy & construction, distributors, independent aftermarket and e-commerce, as well as in the furniture industry. Typically, the products are used to support the lifting and lowering or dampening of movements. The acquisition of the DESTACO Group on March 31, 2024, expanded the Industrial Automation product portfolio. The product ranges of Stabilus and DESTACO complement each other and can be combined to the benefit of our customers to create integrated solutions, especially for industrial customers. While the Stabilus Group's products enable controlled motion sequences and precise vibration isolation, DESTACO's strengths include pneumatic and electronic grippers, clamps and end-of-arm tools for robots, as well as indexers and conveyors. DESTACO's core competence lies in precisely gripping, clamping, placing, moving, and repositioning components in a production system. DESTACO products can help customers significantly increase their productivity. DESTACO serves customers around the world in a wide variety of markets, such as consumer goods, packaging, aerospace, automotive engineering, life sciences, and nuclear technology.

As the world market leader for gas springs, the Group ships to all key vehicle manufacturers. Various Tier 1 suppliers of the global car industry, as well as large tech-focused distributors, further diversify the Group's customer base.

The consolidated financial statements are prepared in euro. Unless indicated otherwise, all amounts are shown in thousands of euro (€ thousand). For arithmetical reasons, the information presented in the notes to the consolidated financial statements may contain rounding differences of + / – one unit (€ thousand or %).

For the sake of simplicity, generally only one gender form is used in this report. All other gender forms are expressly intended.

We would like to point out that all links to the Company's website and the information to which the links refer have not been subject to the audit by the auditor.

The consolidated financial statements of Stabilus and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, for the fiscal year ended September 30, 2024, subject to the application of Section 315e of the Handelsgesetzbuch (HGB – German Commercial Code).

The consolidated financial statements were authorized for issue by the Management Board on December 5, 2024.

### Statement on the German Corporate Governance Code

The statements on the German Corporate Governance Code required under Section 161 of the AktG were submitted by the Management Board and Supervisory Board and made permanently available to shareholders on the Stabilus website (IR.STABILUS.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE/).

## 2 Basis for presentation

### Preparation

In the statement of financial position, assets and liabilities are classified as non-current and current. An asset is classified as current if: (a) the asset is expected to be recognized within the standard operating cycle or the asset is held for sale or consumption within that period; (b) the asset is held primarily for trading; (c) the asset is expected to be recognized within twelve months after the reporting period; or (d) it pertains to cash or cash equivalent, unless the asset is restricted from being exchanged or used to settle an obligation for a period of at least twelve months after the reporting period. All other assets are classified as non-current.

An entity classifies a liability as current when: (a) the liability is expected to be settled within the standard operating cycle; (b) the liability is held primarily for trading; (c) the liability is due to be settled within twelve months after the reporting period; or (d) the entity does not have the right to defer settlement of the liability at the end of the reporting period for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities, as well as provisions for defined benefit pension plans and similar obligations, are reported as non-current. The consolidated statement of comprehensive income is presented using the cost of sales method.

### Measurement

The consolidated financial statements have been prepared on a historical cost basis, except for certain items that are measured at fair value, such as derivative financial instruments. Exceptions are described below in the "Use of estimates and judgments" section.

## Use of estimates and judgments

The preparation of financial statements requires estimates that involve complex and subjective judgments and the use of assumptions for matters that are uncertain and are subject to change. Judgments and estimates can change from period to period and can have a material impact on financial positions, income and expenses. Estimates and judgments are reviewed by the Management on an ongoing basis and updated if necessary. Revisions to estimates are recognized prospectively.

Accordingly, estimates assume that costs will normalize and that inflation is expected to be lower overall.

The following list states matters for which assumptions and judgments have been made that could lead to an adjustment of the carrying amounts of the reported assets and liabilities in the future should there be changes in the current judgments and estimates made:

- Income taxes (Note 12)
- Property, plant and equipment and other intangible assets, in particular assumptions about the useful lives and impairment losses, if any (Notes 14 and 16)
- Estimates of impairment of goodwill, especially judgments underlying the recoverable amounts (Note 15)
- Estimates and judgments of impairment on inventories with regard to net realizable value (Note 19)
- Estimates and judgments of credit risk and expected credit loss on trade and other receivables (Note 20)
- Estimates and judgments regarding the approximation of fair value from the discounted cash flow method with regard to exercise and the final purchase price obligation (Note 25)
- Estimation uncertainties regarding the terms of leases, particularly with regard to renewal and termination options (Note 26)
- Estimates for provisions for guarantees and warranties, in particular regarding actual cash outflows due to utilization (Note 27)
- Pension obligations, in particular judgments of discount rates, pension increases and mortality rates (Note 28)
- Provisions and contingent liabilities, especially from the change in the probability estimate of a current obligation and the economic outflow of resources and the applicable cost increase rate based on the latest reliable market data (Note 27 and 32)

### Impairment of non-financial assets

Stabilus monitors whether there are indications that its non-financial assets may be impaired. Goodwill and other intangible assets for which either no useful life can be determined or that are not yet available for use at the end of the reporting period are tested for impairment annually. Further tests are carried out if there are indications of impairment. Other non-financial assets are tested for impairment if there are indications that the carrying amount may not be recoverable. If the fair value less costs to sell is calculated, the Management must estimate the expected future cash flows from the asset or the cash generating unit and select an appropriate discount rate in order to determine the present value. Please refer to Notes 15 "Goodwill" and 16 "Other intangible assets".

### Climate-related matters

Budgets are based on assumptions regarding the impact of climate change and other sustainability aspects on the Stabilus Group's business performance. For example, these assumptions relate to changes in customer demand, regulatory requirements and changes to production conditions. Climate-related risks for the Stabilus Group in this regard, inter alia due to the need to implement regulatory requirements to promote a circular economy and mitigate climate change, did not as a whole have a material impact on the determination of recoverable amounts for the CGUs or groups of CGUs.

### Trade and other receivables

The allowance for doubtful accounts requires judgment by Management and a review of individual receivables based on individual customer creditworthiness, current economic trends, analysis of historical allowances and determination of expected credit losses (ECL) on financial assets. Details of the bad debt allowance on trade receivables are presented in Note 20.

### Deferred tax assets

The measurement of deferred tax assets is based on medium-term business plans of the entities carrying the deferred tax asset. The medium-term business plans cover five-year periods and include various assumptions and estimates relating to the business development, strategic changes, cost optimization and business improvement, and also general market and economic development. Deferred tax assets are recognized to the extent that sufficient taxable profit will be available for the utilization of the deductible temporary differences. Stabilus recognizes valuation allowances for deferred tax assets when it is unlikely that sufficient future taxable profit will be generated. Please refer to Note 12.

### Provisions

Estimates are required in the determination of provisions related to pensions and other obligations, contract losses, warranty costs and legal proceedings. Please refer to Notes 27 and 28.

## Risks and uncertainties

The Group’s net assets, financial position and results of operations are subject to risks and uncertainties. Actual results may vary from expectations due to changes in the overall economy, the evolvement of competitors with aggressive pricing, significant price changes for raw materials and overall purchase costs. Furthermore, quality issues may result in significant costs for the Group. The Group’s financing is based on variable interest rates and is subject to risks and uncertainties determined by the development of Euribor and the net leverage level of the Group.

## Going concern

These consolidated financial statements have been prepared under the going concern assumption. From the current perspective, there are no risks to the continued existence of the Stabilus Group.

## Consolidated entities

The consolidated financial statements include the financial statements of Stabilus SE and all subsidiaries that are directly or indirectly controlled by Stabilus. Control exists if the Company has decision-making power over the relevant activities of an entity and it participates in the positive and negative variable returns of the entity in question and it can affect these returns with its decision-making power.

Non-controlling interests represent the portion of profit and loss and net assets not held by the Company. They are presented separately in the consolidated statement of comprehensive income and the consolidated statement of financial position.

The results of subsidiaries acquired or sold during the period are included in the consolidated statement of comprehensive income from the date of acquisition or until the date of disposal, as appropriate. In addition to Stabilus SE, a total of 48 subsidiaries (September 30, 2023: 38), zero associated companies (September 30, 2023: 0) and one investment (September 30, 2023: 1) are included in the consolidated financial statements as of September 30, 2024 (see list below).

The Stabilus Group acquired the DESTACO Group in full in fiscal 2024 as part of the closing of the transaction (combination of asset and share deal). The group of entities included in consolidation has been expanded in connection with the transaction by companies that have either been acquired or newly founded. Because of DESTACO’s global positioning, all three operating segments of the Stabilus Group are affected – EMEA (Europe, Middle East and Africa), the Americas (North and South America), and APAC (Asia-Pacific). For the acquisition, interim financial statements as of March 31, 2024 were prepared for the DESTACO Group. Figures for the opening statement of financial position were determined based on these (for details see Note 4 “Business combination”). Beyond this, there were no further material changes to the corporate structure compared with the consolidated financial statements for fiscal 2023.

## List of shareholdings

T_031

| Number | Name of the company | Registered office of the company | Interest and control held by | Holding in % | Consolidation method |
|---|---|---|---|---|---|
| 1 | Stable II GmbH | Frankfurt am Main, Germany | Stabilus SE | 100.00% | Full |
| 2 | Stable Beteiligungs GmbH | Koblenz, Germany | Stable II GmbH | 100.00% | Full |
| 3 | Stabilus UK Ltd. | Banbury, UK | Stable Beteiligungs GmbH | 100.00% | Full |
| 4 | Stabilus Japan Corp. | Yokohama, Japan | Stable Beteiligungs GmbH | 100.00% | Full |
| 5 | New Clevers S.A. | Buenos Aires, Argentina | Stable Beteiligungs GmbH | 80.00% | Full |
| 6 | Piston Amortisör Sanayi ve Ticaret Anonim Şirketi | Bursa, Turkey | Stable Beteiligungs GmbH | 53.00% | Full |
| 7 | Stabilus (Zhejiang) Ltd. | Pinghu, China | Stable Beteiligungs GmbH | 100.00% | Full |
| 8 | Stabilus GmbH | Koblenz, Germany | Stable Beteiligungs GmbH | 100.00% | Full |
| 9 | Stabilus Romania S.R.L. | Brasov, Romania | Stable Beteiligungs GmbH<br>Stabilus GmbH | 0.001 %<br>99.999 % | Full |
| 10 | Stabilus Ltda. | Itajubá, Brazil | Stabilus GmbH | 99.9999% | Full |
| 11 | Stabilus Co. Ltd. | Busan, South Korea | Stabilus GmbH | 100.00% | Full |
| 12 | Stabilus S.A. de C.V. | Ramos Arizpe, Mexico | Stabilus GmbH<br>Stabilus UK Ltd. | 99.9998 %<br>0.0002 % | Full |
| 13 | Stabilus Limited | Auckland, New Zealand | Stabilus GmbH | 80.00% | Full |
| 14 | Stabilus France S.à r.l. | Poissy, France | Stabilus GmbH | 100.00% | Full |
| 15 | Stabilus (Jiangsu) Ltd. | Wujin, China | Stabilus GmbH | 100.00% | Full |
| 16 | Stabilus PTE Ltd. | Singapore | Stabilus GmbH | 100.00% | Full |
| 17 | Stabilus Mechatronics Service Ltd. | Shanghai, China | Stabilus GmbH | 100.00% | Full |
| 18 | DESTACO (Shanghai) Automation Engineering Co., Ltd. | Shanghai, China | Stabilus Mechatronics Service Ltd. | 100.00% | Full |
| 19 | DESTACO Suzhou Ltd. | Suzhou, China | Stabilus Mechatronics Service Ltd. | 100.00% | Full |
| 20 | Stable HoldCo Australia Pty. Ltd. | Dingley, Australia | Stabilus SE | 100.00% | Full |
| 21 | Stabilus Pty. Ltd. | Dingley, Australia | Stable HoldCo Australia Pty. Ltd. | 100.00% | Full |
| 22 | Stabilus US Holding Corporation | Wilmington, USA | Stabilus SE | 100.00% | Full |
| 23 | Stabilus Inc. | Gastonia, USA | Stabilus US Holding Corp. | 100.00% | Full |
| 24 | Fabreeka Group Holdings, Inc. | Stoughton, USA | Stabilus US Holding Corp. | 100.00% | Full |
| 25 | ACE Controls Inc. | Farmington Hills, USA | Stabilus US Holding Corp. | 100.00% | Full |
| 26 | ACE Controls International Inc. | Farmington Hills, USA | Stabilus US Holding Corp. | 100.00% | Full |
| 27 | DESTACO US Inc. | Wilmington, USA | Stabilus US Holding Corp. | 100.00% | Full |
| 28 | Industrial Motion Control Ltd. | Auburn Hills, USA | Stabilus US Holding Corp. | 100.00% | Full |
| 29 | Fabreeka International Holdings Inc. | Stoughton, USA | Fabreeka Group Holdings Inc. | 100.00% | Full |
| 30 | Fabreeka International Inc. | Stoughton, USA | Fabreeka International Holdings Inc. | 100.00% | Full |
| 31 | Tech Products Corporation | Miamisburg, USA | Fabreeka International Holdings Inc. | 100.00% | Full |
| 32 | Fabreeka GmbH Deutschland | Büttelborn, Germany | Fabreeka International Holdings Inc. | 100.00% | Full |

### List of shareholdings (continued)

T_031

| Number | Name of the company | Registered office of the company | Interest and control held by | Holding in % | Consolidation method |
|---|---|---|---|---|---|
| 33 | Stabilus Motion Controls GmbH | Langenfeld, Germany | Stabilus SE | 100.00% | Full |
| 34 | General Aerospace GmbH | Eschbach, Germany | Stabilus Motion Controls GmbH | 95.00% | Full |
| 35 | General Aerospace Inc. | Lynnwood, USA | General Aerospace GmbH | 95.00% | Full |
| 36 | ACE Stoßdämpfer GmbH | Langenfeld, Germany | Stabilus Motion Controls GmbH<br>Stabilus SE | 94.90 %<br>5.10 % | Full |
| 37 | HAHN-Gasfedern GmbH | Aichwald, Germany | Stabilus Motion Controls GmbH | 100.00% | Full |
| 38 | YAKIDO B.V.[1] | Zwijndrecht, Netherlands | HAHN-Gasfedern GmbH | 50.00% | Full |
| 39 | Cultraro Automazione Engineering S.r.l. | Rivoli, Italy | Stabilus Motion Controls GmbH | 60.00% | Full |
| 40 | Firs Stampi S.r.l. | Rivoli, Italy | Cultraro Automazione Engineering S.r.l. | 51.00 % | Full |
| 41 | Cultraro Shanghai Company Ltd. | Shanghai, China | Cultraro Automazione Engineering S.r.l. | 100.00 % | Full |
| 42 | Cultraro Autocomp Solutions Private Ltd. | New Delhi, India | Cultraro Automazione Engineering S.r.l. | 51.00 % | Full |
| 43 | DESTACO (Asia) Co. Ltd. | Bangkok, Thailand | Stabilus Motion Controls GmbH<br>ACE Stoßdämpfer GmbH | 75.00 %<br>25.00 % | Full |
| 44 | Stabilus India Private Ltd. | Pune, India | Stabilus Motion Controls GmbH<br>ACE Stoßdämpfer GmbH | 99.00 %<br>1.00 % | Full |
| 45 | DESTACO Europe GmbH | Oberursel (Taunus), Germany | Stabilus Motion Controls GmbH | 100.00 % | Full |
| 46 | DESTACO U.K. Ltd. | Wolverhampton, United Kingdom | Stabilus Motion Controls GmbH | 100.00 % | Full |
| 47 | DESTACO France S.A.S. | Sainte-Florine, France | Stabilus Motion Controls GmbH | 100.00 % | Full |
| 48 | Synapticon GmbH | Schönaich, Germany | Stabilus Motion Controls GmbH | 10.48 % | Investment |

[1] The entity has been included in consolidation, as the Stabilus Group can exercise control over the company pursuant to IFRS 10.

## Principles of consolidation

The assets and liabilities of domestic and foreign entities included in the consolidated financial statements are accounted for in accordance with the uniform accounting policies of the Stabilus Group. Entities are included in the consolidated financial statements from the acquisition date, i.e., the date on which the Stabilus Group achieves control, until the date when control is lost. Receivables and liabilities or provisions between the consolidated entities are eliminated. Intragroup revenue and other intragroup income and the corresponding cost and expenses are eliminated. Intercompany gains and losses on intragroup delivery and service transactions are eliminated through profit or loss.

## Business combinations

Business combinations are accounted for using the acquisition method as of the acquisition date, which is the date on which control is obtained by the Group. Goodwill is measured as follows: The fair value of the consideration transferred, plus the recognized amount of any non-controlling interests in the acquiree, less the net recognized amount (generally the fair value) of the identifiable assets acquired and liabilities assumed.

The consideration transferred does not include amounts related to the settlement of transactions existing before the business combination. Such amounts are generally recognized in profit or loss. Costs related to the acquisition, other than those associated with the issue of debt or equity securities that the Group incurs in connection with the business combination, are expensed as incurred.

## Non-controlling interests

Non-controlling interests in the net assets of consolidated subsidiaries consist of the value of those interests at the date of the original business combination and their share of changes in equity since that date. The non-controlling interest in the Group's equity and the net result for the reporting period are reported separately.

## Foreign currency translation

The consolidated financial statements are presented in euro (€).

The functional currency is determined for each entity in the Group, which is the currency of the primary economic environment in which the entity operates. Transactions in foreign currencies are initially translated into the functional currency using the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated into the functional currency using the exchange rate at the end of the reporting period. The resulting foreign currency exchange gains or losses are recognized in profit and loss.

Non-monetary items in a foreign currency that are measured at historical cost are translated using the exchange rates as of the date of the initial transaction (date of transaction). Non-monetary items denominated in a foreign currency measured at fair value are translated using the exchange rate on the date when the fair value is determined (exchange rate applicable on the date of revaluation).

Assets and liabilities of foreign subsidiaries with a functional currency other than euro (€) are translated using the exchange rates as of the end of the reporting period, while their income and expenses and cash flows are translated using the average exchange rates during the period.

Foreign currency exchange gains and losses on operating activities are included in other operating income and expenses. Foreign currency gains and losses on financial receivables and debts are included in the financial result.

Translation differences arising from the translation of the financial statements of the Group's foreign operations are recognized in other comprehensive income and reported in a separate reserve in equity. On disposal of a foreign operation, the related amount is reclassified out of the cumulative foreign currency translation adjustment into profit or loss where it is recognized as part of the gain or loss on disposal.

In fiscal 2024, two functional currencies, Turkish lira (TRY) and Argentine peso (ARS), of two entities included in consolidation were classified as hyperinflationary as referred to by IAS 29 (Financial Reporting in Hyperinflationary Economies); further details can be found in Note 34, "Risk reporting".

The exchange rates of the significant currencies of non-euro countries used in the preparation of the consolidated financial statements were as follows:

**Exchange rates** T_032

| | | Closing rate as of September 30, | | Average rate for the year ended September 30, | |
|---|---|---|---|---|---|
| Country | ISO code | 2024 | 2023 | 2024 | 2023 |
| Argentina | ARS | 1,078.6727 | 369.7892 | 842.3396 | 240.5530 |
| Australia | AUD | 1.6166 | 1.6339 | 1.6445 | 1.6037 |
| Brazil | BRL | 6.0504 | 5.3065 | 5.6029 | 5.4116 |
| China | CNY | 7.8511 | 7.7352 | 7.8110 | 7.5304 |
| India | INR | 93.8130 | 88.0165 | 90.3942 | 87.8990 |
| Mexico | MXN | 21.9842 | 18.5030 | 19.1860 | 19.4902 |
| Romania | RON | 4.9753 | 4.9735 | 4.9732 | 4.9345 |
| South Korea | KRW | 1,469.1100 | 1,425.2600 | 1,457.7010 | 1,404.5366 |
| Thailand | THB | 36.1070 | 38.6790 | 38.6994 | 37.3110 |
| Turkey | TRY | 38.2693 | 29.0514 | 34.0256 | 22.8204 |
| United States | USD | 1.1196 | 1.0594 | 1.0842 | 1.0678 |

## Changes in accounting policies / new standards issued

The accounting policies applied in the consolidated financial statements comply with the IFRSs required to be applied in the EU as of September 30, 2024. In fiscal 2024, the following new and revised standards and interpretations had to be applied for the first time in the Stabilus Group's financial statements.

### New standards, interpretations and amendments in fiscal 2024

T_033

| Standard / Interpretation / Amendment | Definition | Effective date stipulated by the IASB | Effective date stipulated by the EU | Impact on Stabilus consolidated financial statements |
|---|---|---|---|---|
| Amendments to IAS 1 | Amendments to IAS 1 "Presentation of Financial Statements" – disclosure of accounting policies (published by the IASB on February 12, 2021) | January 1, 2023 | January 1, 2023 | No impact |
| Amendments to IAS 8 | Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (published on February 12, 2021) | January 1, 2023 | January 1, 2023 | No impact |
| Amendments to IAS 12 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction (published on May 7, 2021) | January 1, 2023 | January 1, 2023 | Reference is made to the descriptions below |
| IFRS 17 | Insurance Contracts (published on May 18, 2017), including amendments to IFRS 17 (published on June 25, 2020) | January 1, 2023 | January 1, 2023 | No impact |

The effective date presented above is the date of mandatory application in annual periods beginning on or after that date.

## Amendments to IAS 12

On May 7, 2021, the IASB published amendments to IAS 12 concerning the (non-) recognition of deferred taxes in connection with the simultaneous recognition of assets and liabilities arising from a single transaction.

The amendments are effective for annual periods beginning on or after January 1, 2023. First-time adoption must apply the modified retrospective approach.

The changes are intended to reduce the variety in accounting for deferred tax assets and liabilities in relation to leases and decommissioning obligations.

The amendment mainly relates to leases and decommissioning and restoration obligations. The amendment results in the need to recognize deferred tax assets and liabilities if there are equal amounts of deductible and taxable temporary differences.

The amendments to IAS 12 do not have a significant impact on the consolidated financial statements of the Stabilus Group.

The IASB has issued new standards and amendments that have been published and ratified by the EU but whose application is not yet compulsory in fiscal 2024. The Stabilus Group is not planning the early application of these standards, amendments and interpretations.

In fiscal 2025, the following new and revised standards and interpretations have to be applied for the first time in the Stabilus Group's consolidated financial statements.

## New standards, interpretations and amendments in fiscal 2025

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| Standard / Interpretation / Amendment | Definition | Effective date stipulated by the IASB | Effective date stipulated by the EU | Impact on Stabilus consolidated financial statements |
|---|---|---|---|---|
| Amendments to IFRS 16 | Lease Liability in a Sale and Leaseback (published on September 22, 2022) | January 1, 2024 | January 1, 2024 | Reference is made to the descriptions below |
| Amendments to IAS 1 | Classification of Liabilities as Current or Non-current, Amendments to Non-current Liabilities with Covenants and Deferral of Effective Date (published on January 23, 2020, July 15, 2020 and October 31, 2022) | January 1, 2024 | January 1, 2024 | Reference is made to the descriptions below |
| Amendments to IAS 12[1] | Amendment to IAS 12 "Income Taxes" – International Tax Reform – Pillar Two Model Rules (published on May 23, 2023) | January 1, 2023 | January 1, 2023 | Reference is made to the descriptions below |
| Amendments to IAS 7 and IFRS 7 | Amendment to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments" – disclosure of finance arrangements with suppliers (published on May 25, 2023) | January 1, 2024 | January 1, 2024 | Reference is made to the descriptions below |

The effective date presented above is the date of mandatory application in annual periods beginning on or after that date.
[1] Entities apply the exemption immediately, but the disclosure requirement applies to fiscal years beginning on or after January 1, 2023.

## Amendments to IFRS 16

On September 22, 2022, the IASB published amendments to IFRS 16 regarding the requirements for sale and leaseback transactions. The amendments cover the subsequent measure of a lease liability in the case of a sale and leaseback transaction. This chiefly affects sale and leaseback transactions where some or all lease payments are from variable lease payments that are not linked to an index or interest rate.

The amendments to IFRS 16 do not affect the accounting of leases that are not the result of a sale and leaseback transaction.

Based on our current assessments, the regulations do not have a significant impact on the consolidated financial statements of the Stabilus Group.

## Amendments to IAS 1

On January 23, 2020, the IASB published amendments to IAS 1 on the classification of non-current liabilities with covenants as current or non-current. These amendments clarify how debt and other financial liabilities are to be classified as current or non-current in particular circumstances (2020 amendments).

The IASB published further amendments to IAS 1 on October 31, 2022, in connection with the classification of liabilities (as current or non-current) for which certain covenants have been agreed.

The aim of the new amendments is to improve information on liabilities where the entity's right to defer settlement for at least 12 months after the reporting date is subject to compliance with certain conditions (covenants).

The amendments are effective for the first time for annual periods beginning on or after January 1, 2024.

Based on our current assessments, the regulations do not have a significant impact on the consolidated financial statements of the Stabilus Group.

## Amendments to IAS 12

On May 23, 2023, the IASB published amendments to IAS 12 "Income Taxes" on the basis of Pillar Two. The amendment provides a temporary exemption from the obligation to recognize deferred taxes resulting from the implementation of Pillar Two rules as well as specific disclosure requirements for affected entities in IAS 12.

The European Union endorsed the "International Tax Reform – Pillar Two Model Rule (Amendments to IAS 12)" amendment issued by the IASB in May 2023 on November 8, 2023. In Germany, the draft law presented by the federal government in July 2023 on the EU Directive on global minimum taxation (the "Minimum Tax Directive Implementation Act") was approved by the German Federal Parliament (Bundestag) on November 10, 2023. This was approved by the Federal Council (Bundesrat) on December 15, 2023.

Pillar Two (introduction of 15% global minimum tax for entities with group revenue of over €750 million) describes the second pillar of the OECD's guidance on addressing the tax challenges arising from the digitalization of the economy published in March 2022.

The amendment requires the following information to be disclosed:

- the fact that the mandatory exemption has been applied
- current tax expense / income related to Pillar Two income taxes
- in periods in which Pillar Two legislation is enacted or substantively enacted, but not yet in effect, information must be disclosed that helps users of financial statements understand the impact of the Pillar Two regulations and the resulting income taxes on the entity.

Accordingly, known or reasonably estimable qualitative and quantitative information on the impact must be disclosed at the end of the reporting period. If the impact is not known or reasonably estimable, information must be disclosed on the progress the entity has made on estimating the impact of the Pillar Two regulations.

The Stabilus Group is within the scope of the OECD Pillar Two model rules. In view of this, the Group has initiated a project to analyze the actual impact of the amended accounting rules on its consolidated financial statements in fiscal 2023.

The amendments are effective for annual periods beginning on or after January 1, 2023. First-time adoption must apply the modified retrospective approach.

The Stabilus Group falls within the scope of the regulations on global minimum taxation (Pillar Two). The provisions on global minimum taxation entered into force in Germany in the form of the Minimum Tax Act (MinStG) with effect from December 28, 2023. The MinStG applies for the first time to fiscal years beginning after December 30, 2023. Under the MinStG, a supplementary tax is payable for each jurisdiction with an effective tax rate below 15%. Determining the effective tax rate under the MinStG is highly complex and requires a number of specific adjustments. As the MinStG for fiscal 2024 does not yet apply to the German Group companies, no tax liability arises from the MinStG for the fiscal year ended September 30, 2024.

As the parent company of the minimum tax group within the meaning of Section 3 MinStG, Stabilus SE will in the future bear any resulting additional tax burden for all business units located in Germany, plus the tax burden arising from foreign minimum tax laws for jurisdictions in which no national supplementary tax is levied.

Based on a calculation using data for the 2024 financial year, the CbCR (country-by-country reporting) safe harbor is not expected to apply in four jurisdictions: Romania, Korea, Turkey and Argentina. However, based on a preliminary assessment, Stabilus SE does not expect any significant additional taxes to arise. Due to the complexity of the rules, it cannot be ruled out that the actual quantitative effects of the enacted MinStG on current taxes and tax payments for those jurisdictions that do not comply with the safe harbor rule in the future will deviate from current expectations.

In accordance with the amendments to IAS 12, which were endorsed by the EU on November 8, 2023, the exception is used that no deferred taxes are recognized in relation to income taxes under the Pillar 2 rules.

## Amendments to IAS 7 and IFRS 7

On May 25, 2023, the IASB published amendments to IAS 7 and IFRS 7 in relation to supplier finance arrangements to add disclosure requirements within existing disclosure requirements that oblige entities to provide qualitative and quantitative information about finance arrangements with suppliers.

The amendments are effective for the first time for annual periods beginning on or after January 1, 2024.

Based on our current assessments, the regulations do not have a significant impact on the consolidated financial statements of the Stabilus Group. There are not currently any supplier finance arrangements in the Group.

The above new and revised standards, interpretations and amendments will probably have no material impact on the Stabilus Group’s consolidated financial statements.

## New standards, interpretations and amendments issued by the IASB (mandatory for the Stabilus Group in the future)

T_035

| Standard / Interpretation / Amendment | Definition | Effective date stipulated by the IASB | Effective date stipulated by the EU | Impact on Stabilus consolidated financial statements |
|---|---|---|---|---|
| Amendments to IAS 21 | Effect of change in foreign exchange rates – Lack of Exchangeability (published on August 15, 2023) | January 1, 2025 | Outstanding | No impact |
| IFRS 10 and IAS 28 | Clarification on recognizing gains from the sale or contribution of assets between an investor and an associate or joint venture | Outstanding | Outstanding | – |
| Amendments to IFRS 9 and IFRS 7 | Amendments to the classification and measurement of financial instruments (published on May 30, 2024) | January 1, 2026 | Outstanding | Currently in evaluation |
| IFRS 18 | Presentation and disclosure in financial statements (published on April 9, 2024) | January 1, 2027 | Outstanding | Currently in evaluation |
| IFRS 19 | Subsidiaries without public accountability: Disclosures (published on May 9, 2024) | January 1, 2027 | Outstanding | Currently in evaluation |
| Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7 as part of Annual Improvements to IFRS Accounting Standards – Volume 11 | Clarifications, narrow amendments to address inconsistencies between individual IFRS | January 1, 2026 | Outstanding | Currently in evaluation |

The effective date presented above is the date of mandatory application in annual periods beginning on or after that date.

The new and revised standards, interpretations and amendments published by the IASB are currently being evaluated. Based on our current assessments, the new and revised standards and interpretations will probably have no material impact on the Stabilus Group’s consolidated financial statements.

## 3 Accounting policies

### Revenue

Revenue is recognized when control over distinct goods or services is transferred to the customer, and when it is probable that the economic benefit (amount of consideration) will flow to the Group and the revenue can be measured reliably.

Stabilus maintains long-standing relationships with its customers. However, a contract exists only when the parties have approved the contract and each party's rights regarding the goods or services and the payment terms can be determined. This is the case when a customer has placed a purchase order for standard products, usually for the next production period (typically just for two or four weeks). A purchase order determines the number of products to be delivered, price per unit, the terms of delivery and warranty.

Accordingly, Stabilus typically has only one performance obligation: delivery of the ordered goods. Shipping and handling activities are fulfillment activities, and warranties are provided within the scope of legal obligations. Stabilus does not involve third parties in fulfilling its performance obligation.

The effects of significant financing components can be ignored if the vendor expects, at contract conclusion, that the period between the transfer of a promised good or service to the customer and the date of payment will be one year or less. Stabilus' payment terms generally provide for payment within 30 to 90 days after transfer of goods.

Revenue is measured at the fair value of the consideration received or receivable and recognized upon delivery, i. e., when the goods are shipped. Customer bonuses, discounts, rebates, and other sales taxes or duties are typically recorded as a reduction of the recognized revenue. The expected customer bonuses are taken into consideration according to the expected value method and based on historical data and expectations in respect of the individual customer. The Group accrues such amounts on a monthly basis. Warranty obligations are recognized in accordance with IAS 37. The Group typically offers warranties prescribed by law to rectify defects that existed as of the time of sale. These assurance-type warranties are recognized as warranty provisions.

Stabilus occasionally performs research and development services in its contracts, mainly customizing products for customer requirements. The contracts in question are also evidenced by a purchase order and represent a service obligation (performance obligation). The completion periods of such services are usually within one month and the payment terms provide for payment within 30 to 90 days after acceptance of the service. Such a service is recognized at a point of time or over time according to the stage of completion depending on the terms of the contract.

### Cost of sales

Cost of sales comprises costs for the production of merchandise sold. In addition to directly attributable material and production costs, indirect production-related overheads such as production and purchase management, warranty expenses, depreciation on production plants and amortization of intangible assets are included. Cost of sales also includes write-downs on inventories to the lower net realizable value.

### Research expenses and non-capitalized development expenses

Research expenses and non-capitalized development expenses are recognized in profit or loss as incurred.

### Selling expenses

Selling expenses include costs for sales personnel and other sales-related costs such as marketing and business travel expenses, as well as depreciation on intangible assets. Shipping and handling costs are expensed within selling expenses as incurred. Fees charged to customers are reported as revenue. Advertising costs (expenses for advertising, sales promotion and other sales-related activities) are expensed within selling expenses as incurred.

### Borrowing costs

Borrowing costs are expensed as incurred, unless they are directly attributable to the acquisition, construction or production of a qualifying asset and therefore form part of the cost of that asset.

### Interest income and expenses

Interest income and expenses include the interest expenses from liabilities and the interest income from the investment of cash. The interest components from defined benefit pension plans and similar obligations are also reported within interest expenses.

## Other financial income and expenses

The other financial result includes all remaining income and expenses from financial transactions that are not included in interest income and expenses.

## Income taxes

Income tax expense comprises current and deferred tax.

Current tax comprises the expected tax payable or receivable for the year and any adjustment related to prior years and is measured using tax rates enacted or substantively enacted at the end of the reporting period. Current tax assets and liabilities are offset only if relevant requirements are met.

For potential risks related to uncertain tax positions, the Group recognized provisions in accordance with IFRIC 23. Measurement is based on either the most probable amount or the expected value, depending on which amount best reflects the expectations.

Deferred tax is recognized on temporary differences between the carrying value of assets and liabilities under IFRS and their tax base, except for temporary differences arising from goodwill or from the initial recognition, other than in a business combination, of assets and liabilities in a transaction that affects neither taxable nor accounting profit.

Deferred tax assets are recognized for deductible temporary differences, tax loss carryforwards and tax credits to the extent that it is probable that future taxable profit will be available against which they can be utilized. Deferred tax assets are reviewed at the end of each reporting period to determine whether it is probable that the related tax benefit will be realized. The carrying amount is adjusted accordingly.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates enacted or substantively enacted at the end of the reporting period. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which Stabilus expects to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if the required criteria are met.

## Goodwill

Goodwill is measured at cost less any accumulated impairment losses and is not amortized. It is tested for impairment at least annually and when there are triggering events for impairment.

The Group tests goodwill for impairment by comparing its recoverable amount with its carrying amount. For this purpose, goodwill is allocated to the cash-generating units (group of CGUs) that are expected to benefit from the business combination. Goodwill is tested for impairment at the lowest level within the Group at which goodwill is monitored.

An impairment loss on goodwill is recognized if the recoverable amount of the cash-generating unit (group of CGUs) is below its carrying amount. Impairment losses are recognized in profit or loss. Impairment losses on goodwill are not reversed.

## Other intangible assets

Purchased intangible assets are measured at acquisition cost and internally generated intangible assets at production cost less any accumulated amortization and impairment losses. Internally generated intangible assets are recognized only when the criteria in accordance with IAS 38 are met.

Intangible assets with finite useful lives are amortized on a straight-line basis over their useful economic life and tested for impairment if there is an indication that the intangible asset may be impaired. The estimated useful life and the amortization method are reviewed at the end of each reporting period. The effect of changes in the estimate is accounted for prospectively. Intangible assets with indefinite useful lives are not amortized periodically, but are tested for impairment at least annually and if there is an indication of impairment.

Stabilus' existing intangible assets are listed below, with their amortization period indicated in brackets:

- software (3 to 5 years);
- purchased patented technology (14 to 16 years);
- customer relationships (11 to 24 years);
- unpatented technology (10 to 20 years); and
- trade names (5 to 20 years).

## Capitalized development costs

Development costs are capitalized when the criteria in accordance with IAS 38 are met, or otherwise expensed as incurred.

To meet the recognition criteria of IAS 38, Stabilus has to demonstrate the following: (1) the technical feasibility of completing the intangible asset so that it will be available for use or sale; (2) the intention to complete the intangible asset and use or sell it; (3) the ability to use or sell the intangible asset; (4) how the intangible asset will generate probable future economic benefits; (5) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and (6) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Capitalized development costs comprise all costs directly attributable to the development process and are amortized systematically from the start of production over the expected product cycle of three to 15 years depending on the lifetime of the product.

## Property, plant and equipment

Property, plant and equipment, except for right-of-use assets under leases (IFRS 16), is measured at cost less accumulated depreciation and impairment losses.

Cost for property, plant and equipment includes the purchase price and the costs directly attributable to bringing the asset to the location and condition necessary to be capable of operating in the manner intended. This also applies to self-constructed plant and equipment, taking into account the cost of production.

Subsequent costs are capitalized only if they increase the future economic benefit embodied in the specific asset to which they relate.

Depreciation on property, plant and equipment is recognized on a straight-line basis over the estimated useful lives of the assets. The residual values, depreciation methods and useful lives are reviewed annually and adjusted if necessary.

Depreciation is primarily based on the following useful lives:

- buildings (40 years);
- machinery and equipment (5 to 10 years); and
- other equipment (5 to 8 years).

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

For all leases under IFRS 16 (except practical expedients), a right-of-use asset has to be capitalized. The Stabilus Group reports the right-of-use assets to property, plant and equipment in the same statement of financial position item as the underlying assets, as if they were owned by the Group.

Stabilus recognizes government grants when there is reasonable assurance that the conditions attached to the grants are complied with and the grants will be received. Government grants related to the purchase or the production of fixed assets are generally offset against the acquisition or production costs of the respective assets so that the grant is recognized in profit or loss over the life of the asset through reduced depreciation expense.

## Leases

A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. For all leases that are not recognized as low-value leases (underlying asset (total consideration) < €5,000), short-term leases (lease term less than 12 months) or intangible assets, a right-of-use asset with a corresponding lease liability is classified. The right-of-use assets are measured at cost. All right-of-use assets are depreciated over the total lease term on a straight-line basis. The lease liabilities are measured by increasing the carrying amount to reflect the interest expenses for the leases and by reducing the carrying amount to reflect the lease payments made.

When determining lease terms, management considers all facts and circumstances that create an economic incentive with sufficient certainty to exercise extension options or not exercise termination options. The use of such lease term options provides the Group with the greatest possible flexibility concerning its leased assets. The majority of the current options to extend or terminate the leases can only be exercised by the Group and not by the respective lessor. Within the Stabilus Group, the extension options are solely used for the asset class “buildings”. For all other leases, the minimum term of lease is considered.

The lease terms are as follows:

- Buildings and land improvements (IFRS 16): 2 to 20 years
- Machinery and equipment (IFRS 16): 2 to 10 years
- Other equipment, operating and office equipment (IFRS 16): > 1 to 11 years

The Stabilus Group reports the right-of-use assets to property, plant and equipment in the same statement of financial position item as the underlying assets, as if they were owned by the Group.

For all leases that are not recognized under IFRS 16 (Leases), the corresponding lease payments are recognized as an expense in profit or loss on a straight-line basis over the lease term.

The Stabilus Group acts only as a lessee.

## Impairment of non-financial assets

At the end of each reporting period, Stabilus assesses whether there is an indication that an asset may be impaired. If a corresponding indication exists, Stabilus estimates the recoverable amount of the asset. Goodwill and intangible assets under construction are tested annually for impairment.

The recoverable amount is determined for individual assets, unless an asset does not generate cash inflows that are largely independent of those from other assets or groups of assets (cash-generating units).

The recoverable amount is the higher of fair value less costs to sell and value in use. Stabilus determines the recoverable amount as fair value less costs of disposal and compares this with the carrying amounts (including goodwill). The fair value less costs of disposal is measured by discounting future cash flows using a risk-adjusted interest rate. The future cash flows are estimated on the basis of the operative planning (five-year window). Periods not included in the business plans are taken into account by applying a residual value that considers a growth rate of 1.0%. The value in use is determined if the fair value less costs of disposal cannot be determined or is lower than the carrying amount. If the carrying amount exceeds the recoverable amount, an impairment loss has to be recognized.

The calculation of the value in use and the fair value less costs of disposal is primarily based on the following assumptions: (1) Gross profit margins are based on average values achieved in the last two years, which were assumed to be reasonably certain for the planning periods, taking account of the differing circumstances in the various markets. (2) Discount rates reflect the current market assessments of the risks of the cash-generating unit. The rate is estimated based on the average percentage of a weighted average cost of capital for the industry. (3) Estimates regarding the raw materials price developments are obtained by published indices from countries in which the resources are mainly bought. Forecast figures (mainly in Europe and the US) and past price developments are used as an indicator for future developments. (4) Management notes that, around the globe, customers are shifting their purchases to larger and more stable companies with a local presence. Therefore, there is no need for any doubt regarding the assumption of market share. (5) Revenue growth rates are estimated based on published industry research.

At the end of each reporting period, an assessment is made to determine whether there is any indication that impairment losses recognized in earlier periods no longer exist. In this case, Stabilus recognizes a reversal of the impairment loss up to a maximum of the amortized historical cost. Impairment losses on goodwill are not reversed.

## Inventories

Inventories are recognized at the lower of cost and net realizable value using the average cost method. Production costs include all direct costs of material and labor and an appropriate portion of fixed and variable overhead expenses that can be directly allocated to the manufacturing process. Net realizable value is calculated as the estimated selling price less all estimated costs of completion and costs necessary to make the sale. Borrowing costs for the production period are not included. Previously recognized impairment losses must be reversed if the reasons for the impairment no longer exist. Impairment losses are reversed up to a maximum of the amortized historical cost. Write-downs are recognized on the basis of the analysis of stock movements or obsolete stock.

## Government grants

According to the regulations of IAS 20, government grants are reported only if there is reasonable assurance that the conditions are complied with, and the grants will be received. Government grants are recognized at fair value. Government grants related to expenses are recognized in the same period as the corresponding expenses.

The accounting for government grants related to the purchase or production of fixed assets is separately described in Note 14 “Property, plant and equipment”.

## Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or an equity instrument of another entity. Financial instruments recognized as financial assets or financial liabilities are reported separately. Financial instruments are recognized as soon as the Stabilus Group becomes a party to the contractual provisions of the financial instrument. Financial instruments comprise financial receivables or liabilities, trade accounts receivable or payable, cash and cash equivalents, and other financial assets or liabilities. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not measured at fair value through profit and loss, plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price in accordance with IFRS 15.

The financial instruments are allocated to one of the categories defined in IFRS 9 "Financial Instruments". The measurement categories relevant for Stabilus are financial assets at amortized cost and financial liabilities measured at amortized cost.

## Financial assets

IFRS 9 contains three categories for classifying financial assets: measured at amortized cost (AC), measured at fair value through profit or loss (FVtPL) and measured at fair value through other comprehensive income (FVOCI). The classification of financial assets whose cash flows are comprised entirely of interest and redemption payments is then dictated by the business model. Financial instruments held so as to collect contractual cash flows are recognized at amortized cost. With the exception of derivative financial instruments, all financial assets fulfill these criteria and are recognized at amortized cost. Currently, the Group does not use the category fair value through profit or loss (FVtPL) for contingent consideration. The category fair value through other comprehensive income (FVOCI) is not used.

## Financial assets measured at amortized cost

Financial assets measured at amortized cost include trade accounts receivable, other receivables, assets related to the sale of trade accounts receivable (security retention amount), cash and cash equivalents, and loans originated by the Group. They are held for the purpose of the Stabilus business model, which is to hold the assets and generate contractual cash flows. The cash flow criteria for these financial assets are met. After initial recognition, the assets are subsequently carried at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the assets are derecognized or impaired. Interest from using the effective interest method is similarly recognized in profit or loss. Assets bearing no or lower interest rates compared to market rates with a maturity of more than one year are discounted. Dividends are recognized in profit or loss when legal entitlement to the payment arises.

For trade accounts receivable, the Stabilus Group elects to use the simplified approach based on expected credit losses. Default rates are based on historical losses and forward-looking expectations under consideration of the relevant economic environment to determine regional risks. To determine the forward-looking economic conditions, the Group considers in particular the credit default swaps (CDS) of the respective client's geographical location, which ensures the risks of the counterparty in the respective country are taken into account. In addition, the Group has taken out trade credit insurance to insure against the default risk. Trade accounts receivable impaired due to insolvency or other similar situations or more than 360 days overdue are written down through profit or loss on a case-by-case basis. The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognized in profit or loss. The appropriateness of the risk provision is reviewed on a regular basis. Impaired debt instruments are derecognized once classified as uncollectible. Cash and cash equivalents are measured using the general impairment approach. Details of the impairment approach for cash and cash equivalents are presented in Note 22.

## Impairment of financial assets

Under IFRS 9, valuation allowances for expected credit losses ("expected loss model") must be recognized for all financial assets measured at amortized cost and for all debt instruments measured at fair value through other comprehensive income. IFRS 9 provides a three-level method for this purpose. At each reporting date, the Stabilus Group measures the loss allowance for a financial instrument (risk provision) at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has changed significantly since initial recognition. The simplified approach is adopted for trade accounts receivable with no material financing component. As such, the expected credit losses are always determined for the lifetime expected losses of the financial instruments.

## Derivative financial instruments

The Stabilus Group uses derivative financial instruments to hedge against interest rate risks from financing transactions and currency risks. Derivative financial instruments are generally measured at fair value through profit or loss unless they are recognized as part of a hedging relationship (hedge accounting). Changes in the fair value of undesignated derivatives are recognized either in other income or in other expenses or in financial income or financial expenses, depending on whether the underlying hedged item is recognized in operational or financial business.

### Initial recognition and subsequent measurement

The Stabilus Group uses interest rate swaps to hedge against interest rate risks. Such derivative financial instruments are initially carried at fair value and remeasured at fair value through profit or loss in subsequent periods. Derivative financial instruments with a positive fair value are recognized as financial assets, while derivative financial instruments with a negative fair value are recognized as financial liabilities.

Hedges are classified as follows for accounting purposes:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that are attributable either to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.
- Hedges of a net investment in a foreign operation.

At the inception of the hedge, both the hedge and the risk management goals and strategies of the Group for hedging are formally stipulated and documented.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including an analysis of the sources of hedge ineffectiveness and how it determines the hedge ratio). A hedging relationship qualifies for hedge accounting only if all of the following criteria are met:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of the hedged item.

### Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower of the following amounts: (i) the cumulative gain or loss on the hedging instrument from inception of the hedge or (ii) the cumulative change in the fair value of the hedged item.

The amounts accumulated in other comprehensive income are accounted for according to the nature of the hedged item. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount cumulatively recognized in equity is removed from the separate component of equity and reclassified to the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and hence is not recognized in other comprehensive income for the period. This also applies in cases in which the hedged forecast transaction for a non-financial asset or non-financial liability subsequently becomes a firm commitment to which fair value hedge accounting is applied.

For all other cash flow hedges, the amount cumulatively recognized in other comprehensive income is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged forecast transaction affects profit or loss.

When hedge accounting for cash flow hedges ends, the amount cumulatively recognized in other comprehensive income remains there if the hedged future cash flows are still expected to occur. Otherwise, the amount is immediately reclassified to profit or loss as a reclassification adjustment. After the end of hedge accounting, any amounts remaining in cumulative other comprehensive income are accounted for as described above based on the nature of the underlying transaction when the hedged cash flows occur.

## Financial liabilities and equity instruments

Debt and equity instruments are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangement.

## Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recorded in the amount of the proceeds received, net of transaction costs.

## Financial liabilities

Financial liabilities primarily include a term loan, promissory note loans, trade accounts payable and other financial liabilities. Non-derivative financial liabilities are recognized at fair value plus directly attributable transaction costs at the time of initial accounting. In subsequent years, they are recognized at amortized cost using the effective interest method (AC). This means that current liabilities are recognized at their redemption or settlement amount. The reported carrying amounts are a reasonable approximation of fair value. A financial liability is derecognized when it is repaid or legally released by the creditor or by law.

### Financial liabilities measured at amortized cost

Financial liabilities that are measured at amortized cost include a term loan. After initial recognition, the financial liabilities are subsequently measured at amortized cost applying the effective interest method. Gains and losses are recognized in profit or loss through the recognition of impairment or when the liabilities are derecognized.

## Liabilities from put options

As part of the business combination with the Cultraro Group, a put option was concluded for 40% of the non-controlling interests in fiscal 2023. When exercising this put option within the set period of time, the Stabilus Group is required to purchase all non-controlling interests at the estimated market value at the time the option is exercised. When exercising the put option, the remaining Stabilus shareholders will request the acquisition of the 40% interest in the target company at a price based on an agreed EBITDA multiple, which constitutes a lower limit. If there is a higher market multiplier, the EBITDA multiplier agreed in the contract can also be increased to a certain extent in accordance with a contractually agreed calculation formula. The assumed EBITDA market multiplier was determined based on a peer group. The present value of the purchase price liability from the shareholders' put option as of the measurement date was calculated using a Monte Carlo simulation. The simulation was carried out until 2031 using adjusted inputs. For each simulation, the present value of the purchase price liability resulting from the shareholders' put option was used by applying the contractually agreed formula and the EBITDA market multipliers and the target company's EBITDA. In addition, the present value of the purchase price liability was discounted to the measurement date using the WACC.

## Pensions and similar obligations

The contributions to existing pension plans are recognized as an expense when the entity consumes the economic benefits arising from the services provided by the employees in exchange for employee benefits. For defined benefit pension plans, the projected unit credit method is used to determine the present value of a defined benefit obligation. For the measurement of defined benefit plans, differences between actuarial assumptions used and actual developments, as well as changes in actuarial assumptions, result in actuarial gains and losses, which have a direct impact on the consolidated statement of financial position and on other comprehensive income (OCI). The pension obligations are measured on the basis of actuarial reports by independent actuaries.

## Other provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. All cost elements that are relevant flow into the measurement of other provisions, in particular those for warranties and expected losses from onerous contracts. Non-current provisions with a residual term of more than one year are recognized at their discounted settlement amount as of the end of the reporting period. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the expected cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A restructuring provision is recognized when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditure arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

Termination benefits are granted if an employee is terminated before the normal retirement age or if an employee leaves the Company voluntarily in return for the payment of a termination benefit. The Group recognizes termination benefits if it is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate the employment of current employees, or if it is demonstrably committed to pay termination benefits if employees leave the Company voluntarily.

Provisions for warranties are recognized at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Group's obligation. Provisions for expected losses from onerous contracts are recognized if the unavoidable costs of meeting the obligations under the contract exceed the economic benefit expected to be received under it.

## 4 Business combination

Stabilus SE acquired 100% of the industrial automation specialist DESTACO from the Dover Corporation after entering into the agreement, signed in October 2023, to acquire DESTACO with effect from March 31, 2024 (combination of asset and share deal). The DESTACO Group will be included in full in the group of consolidated entities of the Stabilus Group from now on. The final purchase price based on the final net financial debt and net working capital figures came to USD 681.7 million (€630.2 million).

The DESTACO Group generated revenue of around USD 206 million (€190.5 million) with an adjusted EBIT margin of around 20% in fiscal 2023 (January 1, 2023 to December 31, 2023). The subsidiaries of the DESTACO Group are assigned to the Americas, EMEA and APAC regions depending on where their headquarters are located. The acquisition of the DESTACO Group will significantly strengthen Stabilus' market presence and position in the industrial sector. The product ranges of Stabilus and DESTACO complement each other and can be combined to the benefit of our customers to create integrated solutions, especially for industrial customers. While the Stabilus Group's products enable controlled motion sequences and precise vibration isolation, DESTACO's strengths include pneumatic and electronic grippers, clamps and end-of-arm tools for robots as well as indexers and conveyors for automation solutions in various industries. Other synergies between Stabilus and DESTACO can also be expected in addition to the technological expertise. DESTACO's core competence lies in precisely gripping, clamping, placing, moving, and repositioning components in a production system. DESTACO products can help customers significantly increase their productivity, which makes them the perfect complement to the Stabilus product range.

The consideration transferred was paid in cash at USD 680.5 million (€629.2 million) and a purchase price liability of USD 1.2 million (€1.1 million) was recognized. In addition, there was no contingent consideration to be recognized. The hedging of the purchase price liability in foreign currency as part of a cash flow hedge resulted in changes in the exchange rate of €8.2 million, which were recognized as an adjustment and allocated to the acquisition cost (goodwill). These currency forwards were previously accounted for using hedge accounting.

As of the acquisition date, the fair value of trade accounts receivable was €31.9 million. The gross amount of contractual trade accounts receivable due is €32.7 million, with impairment as of the acquisition date of €0.7 million. Transaction costs of €14.0 million were recognized as expenses under administrative expenses in the consolidated statement of comprehensive income. Since the business combination, the DESTACO Group has contributed with revenue of €95.4 million and profit of €(0.5) million (including depreciation from purchase price allocations). If the business combination had been completed as of October 1, 2023, this would have produced additional revenue of €91.0 million and an increase of €10.2 million in consolidated profit for the Stabilus Group in the first half of fiscal 2024. Consolidated revenue for the fiscal year 2024 would therefore have amounted to €1,396.9 million and consolidated profit for the fiscal year to €82.3 million.

The acquisition was accounted for using the purchase method under IFRS 3. The fair values of the identifiable assets and liabilities of the acquired company as of the acquisition date in accordance with IFRS 3.16 are shown in the following table:

**Business combinations** T_036

| IN € THOUSANDS | DESTACO Group |
|---|---|
| **Assets** | |
| Property, plant and equipment | 50,940 |
| Other intangible assets | 271,002 |
| Other assets | 1,110 |
| Deferred tax assets | 1,781 |
| **Total non-current assets** | **324,833** |
| Inventories | 49,813 |
| Trade and other receivables | 31,932 |
| Other assets | 1,315 |
| Cash and cash equivalents | 1,499 |
| **Total current assets** | **84,559** |
| **Total assets** | **409,392** |

Goodwill is attributable primarily to expected sales synergies from the acquisition and the skills and technical expertise of the workforce at the acquired company.

**Business combinations** T_036

| IN € THOUSANDS | DESTACO Group |
|---|---|
| **Equity and liabilities** | |
| Financial liabilities | 12,325 |
| Pension plans and similar obligations | 4,602 |
| Deferred tax liabilities | 27,549 |
| **Total non-current liabilities** | **44,476** |
| Trade accounts payable | 22,598 |
| Other financial liabilities | 441 |
| Provisions | 3,212 |
| Other liabilities | 11,432 |
| **Total current liabilities** | **37,683** |
| **Total equity and liabilities** | **82,159** |
| | |
| **Net assets** | **327,233** |
| | |
| **Consideration transferred** | **630,248** |
| Goodwill | 303,015 |
| Goodwill adjustment from cash flow hedges for the purchase price | 8,181 |
| **Goodwill** | **311,196** |

There are also synergy effects in research and development and in procurement. Goodwill is not deductible for tax purposes, with the exception of the US companies. The fair value of other intangible assets as of March 31, 2024 of €272.0 million comprised €176.6 million for customer relationships, €65.9 million for technology, €22.8 million for trade names and €5.7 million for other intangible assets.

Due to the complexity and, in particular, the scope of the measurement parameters / detailed information required for the fair value measurement of the acquired net assets and liabilities, the analysis of the acquired assets and liabilities could not yet be fully completed by the date of publication of the consolidated financial statements and is therefore to be regarded as provisional in accordance with IFRS 3.45 – in particular the measurement of intangible assets, property, plant and equipment, inventories and provisions. Furthermore, the deferred taxes have to be regarded as provisional.

## 5 Revenue

The Group's revenue developed as follows:

**Revenue by region and business unit** T_037

| IN € THOUSANDS | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| **EMEA** | | |
| Automotive Gas Spring | 124,516 | 120,234 |
| Automotive Powerise® | 111,531 | 113,059 |
| Industrial Components | 261,526 | 263,315 |
| Industrial Automation (DESTACO) | 27,891 | – |
| **Total EMEA[1]** | **525,464** | **496,608** |
| **Americas** | | |
| Automotive Gas Spring | 118,842 | 119,386 |
| Automotive Powerise® | 161,065 | 174,474 |
| Industrial Components | 136,430 | 159,578 |
| Industrial Automation (DESTACO) | 52,698 | – |
| **Total Americas[1]** | **469,035** | **450,438** |
| **APAC** | | |
| Automotive Gas Spring | 106,172 | 101,823 |
| Automotive Powerise® | 166,177 | 144,682 |
| Industrial Components | 24,254 | 21,703 |
| Industrial Automation (DESTACO) | 14,824 | – |
| **Total APAC[1]** | **311,427** | **268,209** |
| **Stabilus Group** | | |
| Total Automotive Gas Spring | 349,530 | 341,443 |
| Total Automotive Powerise® | 438,773 | 429,215 |
| Total Industrial Components | 422,210 | 444,596 |
| Industrial Automation (DESTACO) | 95,413 | – |
| **Revenue[1]** | **1,305,926** | **1,215,254** |

[1] Revenue breakdown by location of Stabilus company (i. e., "billed-from view").

The Group's revenue results from the sale of goods or services. Stabilus operates in automotive and industrial markets. The regions of the Group are EMEA (Europe, Middle East and Africa), Americas (North and South America) and APAC (Asia-Pacific). These regions are the operating segments of the Stabilus Group.

## 6 Cost of sales, research and development, selling and administrative expenses

**Expenses by function** T_038

| IN € THOUSANDS | Fiscal year ended September 30, 2024<br>Cost of sales | Research and development expenses | Selling expenses | Administrative expenses | Total |
|---|---|---|---|---|---|
| Capitalized development costs | – | 28,155 | – | – | **28,155** |
| Personnel expenses | (238,768) | (36,685) | (48,177) | (45,567) | **(369,197)** |
| Material expenses | (636,675) | (11,950) | (17,842) | (9,140) | **(675,607)** |
| Depreciation and amortization | (59,960) | (2,731) | (24,350) | (5,550) | **(92,591)** |
| Other miscellaneous | (28,232) | (11,167) | (35,835) | (17,422) | **(92,656)** |
| **Total** | **(963,635)** | **(34,378)** | **(126,204)** | **(77,679)** | **(1,201,896)** |

| IN € THOUSANDS | Fiscal year ended September 30, 2023<br>Cost of sales | Research and development expenses | Selling expenses | Administrative expenses | Total |
|---|---|---|---|---|---|
| Capitalized development costs | – | 23,882 | – | – | **23,882** |
| Personnel expenses | (211,808) | (31,649) | (39,152) | (34,943) | **(317,552)** |
| Material expenses | (608,707) | (10,569) | (16,543) | (8,537) | **(644,356)** |
| Depreciation and amortization | (48,485) | (2,514) | (15,966) | (4,076) | **(71,041)** |
| Other miscellaneous | (25,061) | (10,282) | (32,760) | (826) | **(68,929)** |
| **Total** | **(894,061)** | **(31,132)** | **(104,421)** | **(48,382)** | **(1,077,996)** |

The expense items in the statement of comprehensive income include the following personnel expenses:

**Personnel expenses** T_039

| IN € THOUSANDS | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| Wages and salaries | (268,866) | (231,307) |
| Compulsory social security contributions | (74,809) | (63,077) |
| Pension costs | (14,333) | (12,940) |
| Other social benefits | (11,189) | (10,228) |
| **Personnel expenses** | **(369,197)** | **(317,552)** |

The Group recognized €0.0 million (September 30, 2023: +€0.1 million) in grants for short-time work and social security contributions in fiscal 2024. These grants are directly recognized in the various functional areas in which they were incurred as a direct deduction from the related expenses. The following table shows the Group's average number of employees:

**Average number of employees** T_040

| | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| Wage earners | 5,596 | 5,237 |
| Salaried staff | 1,989 | 1,671 |
| Trainees and apprentices | 100 | 82 |
| **Average number of employees** | **7,684** | **6,990** |

## 7 Other income

Other income rose by +€4.7 million from +€5.8 million in fiscal 2023 to +€10.5 million in fiscal 2024. This primarily included income in the amount of +€2.3 million from a government subsidy program in China and income as a result of foreign currency translation gains from operating business in the amount of +€1.5 million, which mainly occurred in the Americas region and resulted from the USD/MXN correlation. In addition, the increase is also due to a one-off effect of +€1.0 million from an earn-out agreement in connection with the Cultraro Group, and miscellaneous other revenue stems, mainly from scrap revenue.

**Other income** T_041

| IN € THOUSANDS | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| Net foreign currency translation gains | 1,511 | – |
| Gains on sale / disposal of assets | 608 | 467 |
| Income from the release of other provisions | 307 | 310 |
| Miscellaneous other income | 8,124 | 4,998 |
| **Other income** | **10,550** | **5,775** |

## 8 Other expenses

Other expenses fell by €(5.4) million from €(6.7) million in fiscal 2023 to €(1.3) million in fiscal 2024. The decrease is primarily due to currency translation losses from operating business from the same period in the previous year of €(3.9) million, which were mainly incurred in the Americas region and resulted from the USD/MXN correlation. In addition, other expenses in the same period of the previous year were influenced by the recognition in profit or loss of the provision for the remediation of contaminated sites (EPA-Colmar) on the basis of new findings at the time, which led to a revaluation of €(2.6) million.

**Other expenses** T_042

| IN € THOUSANDS | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| Net foreign currency translation losses | – | (3,922) |
| Losses on sale / disposal of tangible assets | (319) | (204) |
| Miscellaneous other expenses | (931) | (2,567) |
| **Other expenses** | **(1,250)** | **(6,693)** |

## 9 Other investments

### Other investments

In conjunction with its digitalization strategy, the Stabilus Group entered into a partnership with the technology company Synapticon GmbH (Synapticon) in Schönaich (near Stuttgart), Germany, in October 2021. The partnership will allow Stabilus to expand its digital expertise, which means significant opportunities for its Powerise® product line in particular. For this strategic partnership, Stabilus acquired a minority interest of around 12% of the shares in Synapticon by way of a capital increase. The agreed purchase price was €6.0 million. In subsequent measurement, the investment is measured at fair value through profit or loss (FVtPL). There was a further round of financing in which Stabilus did not participate on December 13, 2021, as a result of which its minority interest was reduced to around 11%. There was a further round of financing in which Stabilus did not participate on November 10, 2023, as a result of which its minority interest was reduced to around 10.5%.

## 10 Finance income

Finance income rose by +€12.8 million from +€6.9 million in fiscal 2023 to +€19.7 million in fiscal 2024. The increase is partly due to net currency gains of +€5.8 million (September 30, 2023 net currency losses: €(11.8) million), partly due to non-recurring exchange rate gains from currency forwards of €3.4 million entered into to hedge the exchange risk in connection with the payment of the acquisition price for the DESTACO Group, and partly due to interest income of €0.7 million from interest derivatives. In addition, the change in the carrying amounts of other financial assets and liabilities (put option) resulted in gains of €5.3 million. The major effect from the previous year resulted from the interest refunds on income tax receivables (restructuring clause) amounting to +€3.4 million.

**Finance income** T_043

| IN € THOUSANDS | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| Interest income on loans and financial receivables | 3,841 | 3,329 |
| Net foreign exchange gains | 5,832 | – |
| Gains from derivative financial instruments | 4,047 | – |
| Gains from changes in the carrying amount of other financial assets and liabilities | 5,326 | – |
| Other interest income | 629 | 3,540 |
| **Finance income** | **19,675** | **6,869** |

## 11 Finance costs

Finance costs increased by €(8.0) million from €(24.7) million in fiscal 2023 to €(32.7) million in fiscal 2024. The main effect in the same period of the previous year stemmed from the net currency losses in the amount of €(11.8) million (September 30, 2024: net currency gains).

Finance costs also contain ongoing interest expenses. The interest expense for financial liabilities of €(29.3) million in fiscal 2024 (September 30, 2023: €(10.5) million) relates in particular to the term loan facility, €(29.1) million (September 30, 2023: €(10.8) million) of which relates to interest paid. Interest on provisions for pensions and early retirement contracts amounted to €(2.0) million (September 30, 2023: €(1.5) million.

**Finance costs** T_044

| IN € THOUSANDS | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| Interest expense on financial liabilities | (27,614) | (9,285) |
| Net foreign exchange losses | – | (11,800) |
| Interest expenses for lease liabilities | (1,696) | (1,225) |
| Other interest expenses | (3,341) | (2,371) |
| **Finance costs** | **(32,650)** | **(24,681)** |

## 12 Income taxes

**Income taxes** T_045

| IN € THOUSANDS | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| Income tax income / (expense) | (33,475) | (47,799) |
| Prior-year income taxes | 1,220 | 18,423 |
| Deferred taxes | 3,930 | 13,364 |
| **Income tax expense** | **(28,325)** | **(16,012)** |

Income taxes comprise current taxes on income (paid, owed or refunded) in the individual countries and deferred taxes. The tax rates applicable at the end of the reporting period are used for the calculation of current taxes. For the calculation of deferred taxes, tax rates for the expected period of reversal are used that are enacted or substantively enacted at the balance sheet date and will apply shortly. Deferred taxes are recognized as deferred tax expenses or income in the statement of comprehensive income, either through profit or loss or other comprehensive income, depending on the underlying transaction. For potential risks related to uncertain tax positions, the Group recognized provisions in accordance with IFRIC 23. Measurement is based on either the most probable amount or the expected value, depending on which amount best reflects the expectations. The respective local rates have been used to calculate the deferred taxes. The current income taxes comprise prior-year taxes amounting to €1.2 million (September 30, 2023: €18.4 million).

The individual items that reconcile the expected income tax expense to the actual income tax expense are disclosed in the table below:

### Tax expense reconciliation (expected to actual)

T_046

| IN € THOUSANDS | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| **Profit / (loss) before income tax** | **100,355** | **119,325** |
| **Expected income tax expense** | **(28,842)** | **(36,424)** |
| Foreign tax rate differential | 2,421 | 7,298 |
| Tax-free income | 531 | 1,496 |
| Non-deductible expenses | (4,237) | (8,298) |
| Prior-year taxes | 1,220 | 18,423 |
| Change if the valuation allowance on deferred taxes | (315) | 1,311 |
| Tax rate changes | 419 | 645 |
| Other miscellaneous | 478 | (463) |
| **Actual income tax expense** | **(28,325)** | **(16,012)** |
| **Effective tax rate** | **28.2%** | **13.4%** |

The actual income tax expense of €(28,325) thousand is lower than the expected income tax expense of €(28,842) thousand that results from applying the Company's combined income tax rate of 28.74% to the Group's consolidated profit before income tax.

The tax effect reported as a foreign tax rate differential reflects the difference between the combined income tax rate of 28.74% relevant to Stabilus SE and the combined income tax rates applicable to the individual subsidiaries in varying countries. Stabilus SE's combined statutory income tax rate increased from 30.5% in fiscal 2023 to 28.7%. Due to the fiscal unity with Stabilus Motion Controls GmbH in place since fiscal 2024, the combined tax rate was adjusted accordingly. The tax effect of non-deductible expenses consists primarily of expenses that are non-deductible in the determination of the taxable profits in Germany.

From today's perspective, the retained earnings at subsidiaries are to remain predominantly invested. No deferred tax liabilities have been calculated on retained earnings at foreign subsidiaries of €730.7 million (September 30, 2023: €698.1 million) and domestic subsidiaries €548.3 million (September 30, 2023: €544.3 million) that are not earmarked for distribution. In the event of distribution, the profits would be subject to German taxation at 5%; if applicable, foreign withholding taxes would be incurred. In addition, if the profits of a foreign subsidiary were distributed to a foreign intermediate holding company, further income tax consequences might have to be taken into account. Distributions would therefore generally lead to an additional tax expense. The determination of taxable temporary differences would involve a disproportionately high effort.

The deferred tax assets (DTA) and deferred tax liabilities (DTL) for each type of temporary difference and each type of unused tax losses are as follows:

### Deferred tax assets and liabilities

T_047

| IN € THOUSANDS | Sept 30, 2023 | Sept 30, 2024 | | | | | |
|---|---|---|---|---|---|---|---|
| | Net | Recognized in profit or loss | Changes in the consolidated entities | Recognized in other comprehensive income | Net | Deferred tax assets | Deferred tax liabilities |
| Intangible assets | (56,878) | 1,411 | (26,677) | – | (82,114) | 3,581 | (85,695) |
| Property, plant and equipment | (4,843) | (1,431) | (4,566) | – | (10,840) | 7,259 | (18,099) |
| Inventories | 3,834 | (768) | 863 | – | 3,929 | 4,934 | (1,005) |
| Receivables | 321 | 1,060 | (390) | – | 991 | 1,432 | (441) |
| Other assets | (3,465) | 5,714 | 471 | – | 2,720 | 4,824 | (2,104) |
| Provisions and liabilities | 17,016 | (2,277) | 3,748 | 2,580 | 21,067 | 26,010 | (4,943) |
| Tax loss and interest carryforwards | 12,836 | 191 | – | – | 13,027 | 13,027 | – |
| **Subtotal** | **(31,178)** | **3,930** | **(26,552)** | **2,580** | **(51,220)** | **61,067** | **(112,287)** |
| Netting | – | – | – | – | – | (48,107) | 48,107 |
| **Total** | **(31,178)** | **3,930** | **(26,552)** | **2,580** | **(51,220)** | **12,960** | **(64,180)** |

In the previous financial year, deferred taxes were recognised in profit and loss to the value of €13.4 million. This was mainly the result of tax losses and interest carryforwards of €10.6 million, as well as intangible assets of €5.3 million. Additionally, €(7.1) million was recognised from changes in the scope of consolidation, while €(0.3) million was recognised in other comprehensive income. Deferred income tax assets and liabilities developed as follows in fiscal 2024:

### Reconciliation movement in deferred tax assets and liabilities

T_048

| IN € THOUSANDS | 2024 | 2023 |
|---|---|---|
| **Deferred tax liabilities (net) – as of Oct 1** | **31,178** | **39,520** |
| Deferred taxes | (3,930) | (13,364) |
| Taxes recognized in other comprehensive income | (2,580) | (282) |
| Taxes on business combination | 27,561 | 7,138 |
| Foreign exchange rate differences | (1,009) | (1,834) |
| **Deferred tax liabilities (net) – as of Sept 30** | **51,220** | **31,178** |

Deferred tax assets and deferred tax liabilities have been offset if they relate to income taxes levied by the same tax authorities and if there is a right to offset current tax assets against current tax liabilities.

The following table provides a detailed overview of the tax loss and interest carryforwards and the expiration dates:

## Tax loss and interest carryforwards

T_049

| IN € THOUSANDS | Fiscal year ended September 30, 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Tax loss and interest carryforwards | Tax rate | Deferred tax assets (gross) | Loss allowance | Deferred tax assets (net) | Expiration date |
| Germany | 61,343 | 27.0% – 31.0% | 14,834 | (1,852) | 12,982 | Indefinite |
| Japan | 603 | 34.60% | 209 | (209) | – | 10 years |
| Argentina | 207 | 22.00% | 45 | – | 45 | 5 years |
| **Total** | **62,154** | | **15,088** | **(2,061)** | **13,027** | |

| IN € THOUSANDS | Fiscal year ended September 30, 2023 | | | | | |
|---|---|---|---|---|---|---|
| | Tax loss and interest carryforwards | Tax rate | Deferred tax assets (gross) | Loss allowance | Deferred tax assets (net) | Expiration date |
| Germany | 47,492 | 27.0% – 31.0% | 12,836 | – | 12,836 | Indefinite |
| **Total** | **47,492** | | **12,836** | **–** | **12,836** | |

As of September 30, 2024, the Group has unused tax loss and interest carryforwards in Germany, Japan and Argentina amounting to €62,154 thousand (September 30, 2023: €47,492 thousand).

The interest carryforward comes from the German entities in the amount of €47,412 thousand and a gross deferred tax asset of €12,852 thousand as well as an unused tax loss carryforward from the entities in Germany, Japan and Argentina relating to corporate tax and trade tax of €14,742 thousand and a gross deferred tax asset of €2,236 thousand. The amount recognized as a deferred tax asset is calculated under consideration of the actual corporate planning and its utilization within the planning period.

## 13 Earnings per share

The weighted average number of shares used to calculate earnings per share in the fiscal years ended September 30, 2024, and 2023 is shown in the following table:

### Weighted average number of shares

T_050

| DATE | Number of days | Transaction | Change | Total shares | Total shares (time-weighted) |
|---|---|---|---|---|---|
| **Sept 30, 2022** | | | | **24,700,000** | **24,700,000** |
| Oct 1, 2022 | 364 | | | 24,700,000 | 24,700,000 |
| **Sept 30, 2023** | | | | **24,700,000** | **24,700,000** |
| Oct 1, 2023 | | | | 24,700,000 | 24,700,000 |
| **Sept 30, 2024** | **365** | | | **24,700,000** | **24,700,000** |

The earnings per share for the fiscal years ended September 30, 2024, and 2023 are as follows:

### Earnings per share

T_051

| | Fiscal year ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Profit / (loss) attributable to shareholders of the parent company (in € thousands) | 70,178 | 101,784 |
| Weighted average number of shares | 24,700,000 | 24,700,000 |
| **Earnings per share (in €)** | **2.84** | **4.12** |

Basic and diluted earnings per share are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of shares outstanding. As in the previous year, there were no dilutive items as of September 30, 2024. Accordingly, diluted earnings per share are the same as basic earnings per share.

## 14 Property, plant and equipment

Property, plant and equipment with beneficial and legal ownership including IFRS 16 are presented in the following table:

**Property, plant and equipment** T_052

| IN € THOUSANDS | Land | Building and land improvements | Technical equipment and machinery | Other tangible assets | Construction in progress | Total |
|---|---|---|---|---|---|---|
| **Gross value** | | | | | | |
| **Balance as of September 30, 2023** | **16,485** | **142,654** | **413,631** | **121,806** | **37,728** | **732,304** |
| Additions from business combination | 7,019 | 20,577 | 18,600 | 1,556 | 3,189 | 50,940 |
| Foreign currency difference | (379) | (4,576) | (15,898) | (2,712) | (1,691) | (25,258) |
| Additions | – | 6,841 | 10,594 | 10,799 | 33,193 | 61,428 |
| Disposals | – | (1,626) | (8,883) | (5,749) | (8) | (16,267) |
| Reclassifications | 64 | 2,526 | 13,095 | 4,053 | (19,821) | (82) |
| **Balance as of September 30, 2024** | **23,188** | **166,396** | **431,138** | **129,753** | **52,588** | **803,065** |
| **Cumulative depreciation and amortization** | | | | | | |
| **Balance as of September 30, 2023** | **–** | **(75,181)** | **(312,560)** | **(97,412)** | **–** | **(485,153)** |
| Foreign currency difference | – | 2,112 | 10,583 | 2,169 | – | 14,865 |
| Depreciation expense | – | (10,493) | (25,189) | (11,593) | – | (47,275) |
| *thereof impairment loss* | – | – | – | – | – | – |
| Disposals | – | 879 | 8,454 | 5,475 | – | 14,808 |
| Reclassifications | – | – | – | – | – | – |
| **Balance as of September 30, 2024** | **–** | **(82,684)** | **(318,711)** | **(101,361)** | **–** | **(502,754)** |
| **Carrying amount** | | | | | | |
| **Balance as of September 30, 2023** | **16,485** | **67,473** | **101,071** | **24,394** | **37,728** | **247,151** |
| **Balance as of September 30, 2024** | **23,188** | **83,713** | **112,428** | **28,392** | **52,588** | **300,311** |

Property, plant and equipment includes right-of-use assets due to the application of IFRS 16 (Leases). Please refer to Note 26 "Leases" for additional information on future lease payments.

As of September 30, 2024, property, plant and equipment amounted to €300,311 thousand (September 30, 2023: €247,151 thousand). In fiscal year 2024, the Group invested €53,548 thousand (September 30, 2023: €48,392 thousand) in property, plant and equipment. Property, plant and equipment of €37,087 thousand was recognized in connection with the DESTACO Group business combination.

In addition, the Group concluded new leasing contracts in the amount of €21,733 thousand (September 30, 2023: €9,646 thousand), primarily for buildings in the amount of €18,120 thousand (September 30, 2023: €7,482 thousand) and for other property, plant and equipment in the amount of €3,490 thousand (September 30, 2023: 2,122 thousand) as well as for technical equipment and machinery in the amount of €42 thousand (September 30, 2023: €42 thousand). Of this amount, €13,853 thousand was received through the business combination with the DESTACO Group.

No government grants were provided for property, plant and equipment in fiscal year 2024 or 2023.

Contractual commitments for the acquisition of property, plant and equipment amount to €13,334 thousand (September 30, 2023: €7,378 thousand).

The advance payments of the Stabilus Group for property, plant and equipment and intangible assets in the amount of €365 thousand (September 30, 2023: €903 thousand) are included in construction in progress. Larger prepayments are typically secured by a bank guarantee or an in-depth check of the relevant supplier.

### Property, plant and equipment – carrying amount

T_053

| IN € THOUSANDS | September 30, 2024 | Sept 30, 2023 |
|---|---|---|
| Land | 23,188 | 16,485 |
| Building and land improvements | 46,834 | 40,506 |
| Technical equipment and machinery | 112,011 | 100,362 |
| Other tangible assets | 22,988 | 19,761 |
| Construction in progress | 52,588 | 37,728 |
| Right-of-use-asset – Building and land improvements | 36,881 | 26,967 |
| Right-of-use-asset – Technical equipment and machinery | 418 | 709 |
| Right-of-use-asset – Other tangible assets | 5,404 | 4,632 |
| **Total** | **300,311** | **247,151** |

The total depreciation expense for property, plant and equipment is included in the consolidated statement of comprehensive income in the following line items:

### Depreciation expense for property, plant and equipment

T_054

| | Fiscal year ended September 30, | |
|---|---|---|
| IN € THOUSANDS | 2024 | 2023 |
| Cost of sales | (38,019) | (31,729) |
| Research and development expenses | (2,420) | (1,687) |
| Selling expenses | (3,615) | (3,393) |
| Administrative expenses | (3,221) | (2,147) |
| **Depreciation expense** | **(47,275)** | **(38,956)** |

## Right-of-use-assets

T_055

| IN € THOUSANDS | Building and land improvements | Technical equipment and machinery | Other tangible assets | Total |
|---|---|---|---|---|
| **Gross value** | | | | |
| **Balance as of September 30, 2023** | **48,115** | **1,851** | **8,871** | **58,837** |
| Additions from business combination | 13,378 | – | 475 | 13,853 |
| Foreign currency difference | (2,151) | (31) | (254) | (2,436) |
| Additions | 4,822 | 43 | 3,015 | 7,879 |
| Disposals | (1,483) | – | (1,475) | (2,959) |
| Reclassifications | – | – | – | – |
| **Balance as of September 30, 2024** | **62,680** | **1,862** | **10,633** | **75,174** |
| | | | | |
| **Cumulative depreciation and amortization** | | | | |
| **Balance as of September 30, 2023** | **(21,148)** | **(1,142)** | **(4,239)** | **(26,529)** |
| Foreign currency difference | 964 | 24 | 145 | 1,133 |
| Depreciation expense | (6,443) | (327) | (2,543) | (9,313) |
| *thereof impairment loss* | – | – | – | – |
| Disposals | 828 | – | 1,406 | 2,234 |
| Reclassifications | – | – | – | – |
| **Balance as of September 30, 2024** | **(25,799)** | **(1,144)** | **(5,229)** | **(32,473)** |
| | | | | |
| **Carrying amount** | | | | |
| **Balance as of September 30, 2023** | **26,967** | **709** | **4,632** | **32,308** |
| **Balance as of September 30, 2024** | **36,881** | **418** | **5,404** | **42,702** |

## 15 Goodwill

Goodwill was divided between the EMEA, Americas and APAC reporting segments, which correspond to groups of CGUs shown in the table below.

€311,196 thousand in goodwill was recognized as a result of the first-time consolidation of the DESTACO Group from April 1, 2024.

**Goodwill** T_056

| IN € THOUSANDS | EMEA | Americas | APAC | Total |
|---|---|---|---|---|
| **Gross value** | | | | |
| **Balance as of September 30, 2023** | **147,812** | **76,285** | **12,523** | **236,621** |
| Foreign currency difference | 138 | (8,507) | 552 | (7,818) |
| Additions | 118,234 | 145,549 | 47,413 | 311,196 |
| Disposals | – | – | – | – |
| Impairment losses | – | – | – | – |
| Reclassifications | – | – | – | – |
| **Balance as of September 30, 2024** | **266,184** | **213,327** | **60,488** | **539,999** |
| | | | | |
| **Carrying amount** | | | | |
| **Balance as of September 30, 2023** | **147,812** | **76,285** | **12,523** | **236,621** |
| **Balance as of September 30, 2024** | **266,184** | **213,327** | **60,488** | **539,999** |

The groups of cash-generating units (CGUs) identified for the impairment testing of goodwill are the EMEA, Americas and APAC reporting segments. The recoverable amount is determined based on fair value less costs to sell. This is based on the present value of future net cash inflows, as typically no market prices are available. Accordingly, fair value less costs to sell is calculated based on unobservable inputs (Level 3). Projected future net cash inflows to calculate the recoverable amount are based on current internal planning and the five-year medium-term plan ("MTP") approved by the Management Board and the Supervisory Board. The cash flow planning assumes price agreements based on experience, as well as a price target determined in particular on the basis of the development of the global economy and the industry environment of approximately 7.3% (FY 2023: 5.2%) for EMEA, 8.7% (FY 2023: 5.1%) for the Americas and 6.1% (FY 2023: 8.9%) for APAC. The increase in the EMEA and Americas regions is due to the inclusion of the business combination with the DESTACO Group. The higher free cash flow growth rate is also impacted by the product mix effects and the assumed slight increase in gross profit margins and improved fixed costs absorption. While the macroeconomic outlook is currently volatile, the Group believes that its market-oriented approach and leading products and services allow for some revenue growth. Cash flows after the five-year period were extrapolated by applying a 1% (PY: 1%) terminal growth rate. The Group's weighted average cost of capital (WACC) has been used as the discount rate for the operating segments. The Stabilus Group uses the recommendation of the Institut der Wirtschaftsprüfer (IDW) to determine a proxy for the risk-free rate and the market risk premium. The beta factor represents the individual risk of a share compared to a market index.

The discount rates applied also reflect the individual country risk of each operating CGU. The discount rate on cash flow projections is 10.59% (September 30, 2023: 11.46%) for EMEA, 10.46% (September 30, 2023: 11.60%) for the Americas and 11.01% (September 30, 2023: 11.66%) for APAC.

The following table shows the input parameters by which the weighted average cost of capital (WACC), free cash flow and gross margins to budget would have to change for the fair value of the CGU to correspond to the carrying amount. The impairment test performed in the fourth quarter of 2024 did not indicate any need for impairment of the goodwill allocated to the EMEA, Americas and APAC CGUs. For the Americas CGU, the recoverable amount exceeds the carrying amount by approximately €104 million:

### Goodwill sensitivity analysis

T_057

| | Fiscal year ended September 30, 2024 | | |
|---|---|---|---|
| | Input parameters for the fair value to equal the carrying amount | | |
| | EMEA | Americas | APAC |
| Increase in WACC (% points) | 1.8 | 1.7 | 11.7 |
| Planned gross margin reduction to budget (% points) | 2.2 | 1.9 | 8.3 |
| Free cash flow reduction (in %) | 17.3 | 16.3 | 56.4 |

## 16 Other intangible assets

Other intangible assets are presented in the following table:

### Intangible assets

T_058

| IN € THOUSANDS | Development cost | Internally generated intangible assets | Patents | Customer relationships | Technology | Trade names | Others | **Total** |
|---|---|---|---|---|---|---|---|---|
| **Gross value** | | | | | | | | |
| **Balance as of September 30, 2023** | **94,318** | **31,670** | **2,753** | **260,298** | **77,296** | **19,150** | **20,318** | **505,803** |
| Additions from business combination | – | – | 99 | 176,564 | 65,913 | 22,794 | 5,632 | 271,003 |
| Foreign currency difference | (1,637) | (166) | (13) | (5,526) | (1,676) | (325) | (349) | (9,690) |
| Additions | 7,294 | 20,755 | 26 | – | – | – | 1,368 | 29,444 |
| Disposals | (11,699) | – | (1) | – | – | – | (568) | (12,268) |
| Reclassifications | 15,120 | (16,261) | – | – | – | – | 1,225 | 84 |
| **Balance as of September 30, 2024** | **103,393** | **35,999** | **2,865** | **431,337** | **141,534** | **41,619** | **27,628** | **784,375** |
| **Cumulative depreciation and amortization** | | | | | | | | |
| **Balance as of September 30, 2023** | **(55,172)** | **–** | **(2,330)** | **(130,299)** | **(60,670)** | **(14,099)** | **(13,271)** | **(275,842)** |
| Foreign currency difference | 1,420 | – | 3 | 1,306 | 220 | 87 | 232 | 3,267 |
| Amortization expenses | (14,211) | – | (68) | (19,632) | (3,647) | (1,412) | (6,344) | (45,314) |
| *thereof impairment loss* | *(1,783)* | – | – | – | – | – | – | *(1,783)* |
| Disposals | 10,844 | – | 1 | – | – | – | 568 | 11,413 |
| Reclassifications | – | – | – | – | – | – | – | – |
| **Balance as of September 30, 2024** | **(57,119)** | **–** | **(2,394)** | **(148,624)** | **(64,097)** | **(15,423)** | **(18,815)** | **(306,474)** |
| **Carrying amount** | | | | | | | | |
| **Balance as of September 30, 2023** | **39,146** | **31,670** | **423** | **129,999** | **16,626** | **5,051** | **7,047** | **229,962** |
| **Balance as of September 30, 2024** | **46,274** | **35,999** | **471** | **282,713** | **77,437** | **26,196** | **8,812** | **477,903** |

As of September 30, 2024, other intangible assets amounted to €477,903 thousand (September 30, 2023: €229,962 thousand).

Additions to intangible assets totaled €29,444 thousand in fiscal year 2024, up from €25,958 thousand in 2023, of which €28,049 thousand in costs was capitalized in fiscal year 2024 (September 30, 2023: €22,922 thousand) (net of related customer grants) for development projects. In addition, intangible assets of €271,003 thousand were recognized as a result of the business combination with the DESTACO Group.

Amortization of capitalized internal development projects amounted to €(14,211) thousand (September 30, 2023: €(13,523) thousand). The total amortization expense and impairment loss for intangible assets is included in the consolidated statements of comprehensive income in the following line items:

### Amortization expense for intangible assets

T_059

| IN € THOUSANDS | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| Cost of sales | (21,940) | (16,755) |
| Research and development expenses | (311) | (828) |
| Selling expenses | (20,734) | (12,573) |
| Administrative expenses | (2,330) | (1,928) |
| **Amortization expense (incl. impairment losses)** | **(45,315)** | **(32,084)** |

Amortization expenses on development costs include impairment losses of €(1,783) thousand (September 30, 2023: €(1,205) thousand) due to the withdrawal of customers from the respective projects. The impairment losses are included in the cost of sales.

### Other intangible assets – carrying amount

T_060

| IN € THOUSANDS | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|
| Development cost | 46,274 | 39,146 |
| Internally generated intangible assets | 35,999 | 31,670 |
| Software | 8,812 | 7,047 |
| Patents | 471 | 423 |
| Customer relationships | 282,713 | 129,999 |
| Technology | 77,437 | 16,626 |
| Trade names | 26,195 | 5,051 |
| **Total** | **477,903** | **229,962** |

Previously recognized impairment on other intangible assets is reversed if the reason for the impairment no longer exists. In this case, the Group would recognize a reversal of the impairment loss up to a maximum of the amortized historical cost.

Contractual commitments for the acquisition of intangible assets amount to €962 thousand (September 30, 2023: €1,081 thousand).

## 17 Other financial assets

### Other financial assets

T_061

| | September 30, 2024 | | | September 30, 2023 | | |
|---|---|---|---|---|---|---|
| IN € THOUSANDS | Current | Non-current | Total | Current | Non-current | Total |
| Derivatives designated as hedges | – | – | – | – | 240 | 240 |
| Call option | – | 41 | 41 | – | 215 | 215 |
| Other miscellaneous | 759 | – | 759 | 601 | – | 601 |
| **Other financial assets** | **759** | **41** | **800** | **601** | **455** | **1,056** |

### Miscellaneous

Other miscellaneous financial assets in fiscal year 2024 comprise €693 thousand (September 30, 2023: €538 thousand) from the contingent consideration from the business combination with General Aerospace GmbH. In addition, an amount of €66 thousand (September 30, 2023: €64 thousand) relates to the haircut retained by the factor from the sale of trade accounts receivable from a factoring arrangement. The small volume of receivables sold as of the reporting date (€11.9 million; September 30, 2023: €8.0 million) are for a small number of customers. Stabilus considers that its other financial assets have a low credit risk based on the external credit ratings of the customers and impairment losses were insignificant. In addition, there is a recognized call option for the acquisition of shares (Cultraro) from non-controlling shareholders in the amount of €41 thousand (September 30, 2023: €215 thousand).

## 18 Other assets

### Other assets

T_062

| IN € THOUSANDS | September 30, 2024 | | | September 30, 2023 | | |
|---|---|---|---|---|---|---|
| | Current | Non-current | Total | Current | Non-current | Total |
| VAT | 7,108 | – | 7,108 | 5,828 | – | 5,828 |
| Prepayments | 4,086 | – | 4,086 | 3,124 | – | 3,124 |
| Deferred charges | 14,827 | – | 14,827 | 10,780 | – | 10,780 |
| Other miscellaneous | 3,126 | 1,807 | 4,933 | 2,459 | 664 | 3,123 |
| **Other assets** | **29,147** | **1,807** | **30,954** | **22,191** | **664** | **22,855** |

## 19 Inventories

### Inventories

T_063

| IN € THOUSANDS | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|
| Raw materials and supplies | 124,605 | 92,896 |
| Finished products | 42,873 | 34,933 |
| Work in progress | 32,322 | 25,359 |
| Merchandise | 23,790 | 24,067 |
| **Inventories** | **223,590** | **177,255** |

Inventories that are expected to be turned over within twelve months amounted to €223,590 thousand (September 30, 2023: €177,255 thousand). Inventories of €49,813 thousand were recognized in connection with the DESTACO Group business combination. Write-downs of inventories to net realizable value amounted to €(21,589) thousand (September 30, 2023: €(16,538) thousand). Consumption of raw materials and consumables and changes in finished goods and work in progress recognized as cost of sales amounted to €(636,675) thousand (September 30, 2023: €(608,707) thousand) in the reporting period.

Advance payments on the Stabilus Group's inventories in the amount of €3,082 thousand (September 30, 2023: €1,916 thousand) are included in advance payments in other current assets.

## 20 Trade and other receivables

Trade and other receivables include the following items:

**Trade and other receivables** T_064

| IN € THOUSANDS | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|
| Trade accounts receivable | 206,630 | 195,407 |
| Other receivables | 444 | 5,133 |
| Allowance for doubtful accounts | (3,688) | (2,551) |
| **Trade and other receivables** | **203,386** | **197,989** |

Trade receivables increased in the fiscal year ended September 30, 2024, to €203,386 thousand (September 30, 2023: €197,989 thousand). €31,932 thousand in trade receivables were received from the business combination with the DESTACO Group. Other receivables contain bills of exchange guaranteed by a bank for trade receivables of our Chinese clients.

The Stabilus Group uses an allowance matrix to measure expected credit losses (ECLs) over the remaining life of trade accounts receivable segmented by geographic region (EMEA, Americas and APAC). Credit loss rates are determined based on revenue generated in the customer's country of residence and are thus country-specific. Loss rates are based on actual credit loss rates in recent years (average of the last three years). These rates take into account the current conditions and the Group's view of economic conditions over the expected lives of the receivables. The Group considers a financial asset to be in default when the borrower exceeds the payment terms. Trade accounts receivable impaired due to insolvency or other similar situations or more than 360 days overdue are written down through profit or loss on a case-by-case basis. The gross carrying amount of a trade account receivable is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as of September 30, 2024:

**Exposure to credit risk and ECLs** T_065

| | September 30, 2024 | | |
|---|---|---|---|
| IN € THOUSANDS | Weighted average loss rate | Gross carrying amount | Loss allowance |
| **Region** | | | |
| EMEA | 0.27% | 62,806 | 170 |
| Americas | 0.20% | 75,277 | 153 |
| APAC | 0.14% | 68,992 | 99 |
| **Total** | | **207,074** | **422** |

| | September 30, 2023 | | |
|---|---|---|---|
| IN € THOUSANDS | Weighted average loss rate | Gross carrying amount | Loss allowance |
| **Region** | | | |
| EMEA | 0.47% | 61,491 | 292 |
| Americas | 0.06% | 75,591 | 46 |
| APAC | 0.15% | 63,459 | 98 |
| **Total** | | **200,541** | **435** |

Allowances of EUR €(3,688) thousand (September 30, 2023: €(2,551) thousand) were recognized on the reporting date. €(773) thousand in allowances have been taken over from the business combination with the DESTACO Group.

The Group provides payment to its customers in the normal course of business and performs ongoing credit evaluations on certain customers' financial condition, but generally does not receive collateral to support such receivables. The Group has recognized an allowance for doubtful receivables based on historically observed default rates, supplemented by forward-looking estimates to account for expected credit losses. To determine the forward-looking economic conditions, the Group considers in particular the credit default swaps (CDS) of the respective client's geographical location, which ensures the risks of the counterparty in the respective country are taken into account. In connection with the Russia-Ukraine war, there were no material defaulted trade account receivables and no additional allowances for receivables were recognized. In addition, the Group has taken out trade credit insurance to insure against the default risk.

The allowance for doubtful accounts developed as follows:

**Allowance for doubtful accounts** T_066

| IN € THOUSANDS | 2024 | 2023 |
|---|---|---|
| **Allowance for doubtful accounts as of October 1** | **(2,551)** | **(3,579)** |
| Additions from business combination | (773) | (129) |
| Foreign currency translation differences | (59) | 194 |
| Increase in the allowance | (517) | (314) |
| Decrease in the allowance | 212 | 1,277 |
| **Allowance for doubtful accounts as of September 30** | **(3,688)** | **(2,551)** |

## 21 Current tax assets

Current tax assets amounted to €5,559 thousand (September 30, 2023: €8,915 thousand and are measured at the amount expected to be recovered from the taxation authorities when the amount already paid in respect of current and prior periods exceeds the amount due for those periods.

## 22 Cash and cash equivalents

Cash and cash equivalents include cash on hand and liquid funds and demand deposits in banks. As of September 30, 2024, cash and cash equivalents amounted to €109,426 thousand (September 30, 2023: €193,099 thousand). €1,499 thousand in cash and cash equivalents was recognized as part of the business combination with the DESTACO Group. Cash in banks earned interest at floating rates based on daily bank deposit rates.

The cash and cash equivalents are held with banks and financial institution counterparties, which are investment grade rated as of the end of the reporting period. The estimated impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects external credit ratings of the counterparties and the short remaining maturities of the exposures. The Stabilus Group believes that the credit risk associated with the banks in which the Stabilus Group manages its cash and cash equivalents is low. No significant impairment on cash and cash equivalents were identified in fiscal year 2024.

## 23 Equity

The development of equity is presented in the statement of changes in equity.

### Issued capital

The capital subscribed as of September 30, 2024, was EUR €24.7 million (September 30, 2023: €24.7 million) and was fully paid up.

### Authorized capital

By way of resolution of the Annual General Meeting on February 15, 2023, the authorized capital (authorized capital 2023/1) of the company was increased by €4,940 thousand up to February 14, 2028 and now amounts to €7,410 thousand (September 30, 2022: €2,470 thousand). Stabilus could therefore still issue 7.4 million shares (shares with nominal amount of €1.00 each), which represents 30% of shares issued to date. By resolution of the Extraordinary General Meeting on August 11, 2022, the Company's authorized capital was set at €2,470 thousand (authorized capital 2022).

### Authorization to acquire treasury shares

In the Annual General Meeting on February 15, 2023, the company was authorized up to February 14, 2028, to acquire and use treasury shares in line with the provisions German corporate law. The treasury shares must not exceed 10% of the share capital of the Company at any time.

The Company did not acquire any treasury shares in fiscal year 2024 or fiscal year 2023.

### Capital reserves

As of September 30, 2024, capital reserves amounted to €201,395 thousand (September 30, 2023: €201,395 thousand). The capital reserves are reported separately to show the total amount of capital that shareholders have contributed to the Company in addition to the Company's issued capital.

### Retained earnings

Retained earnings as of September 30, 2024, are €476,948 thousand (September 30, 2023: €458,285 thousand) and included the consolidated result of €70,178 thousand in fiscal year 2024.

### Dividends

By resolution of the Annual General Meeting on February 7, 2024, a dividend payment of €1.75 per share (PY: €1.75 per share) was agreed; the distribution ratio is 42.5% (PY: 42.0%) of the consolidated result attributable to the shareholders of Stabilus SE. A dividend of €43.23 million (PY: €43.23 million) was thus paid to our shareholders in the first half of fiscal year 2024. In addition, dividends of €1,082 thousand (PY: €257 thousand) were distributed to non-controlling shareholders of a Stabilus subsidiary in fiscal year 2024.

The Management Board and the Supervisory Board have resolved to propose an unchanged dividend distribution of €1.15 per share (PY: €1.75 per share) to the Annual General Meeting to be held in Frankfurt am Main on February 5, 2024. The total dividend thus amounts to €28.41 million (PY: €43.23 million) and the distribution ratio 40.5% (PY: 42.5%) of the consolidated result attributable to the shareholders of Stabilus SE. As this dividend is subject to shareholder approval by the Annual General Meeting, no liabilities were recognized in the consolidated financial statements as of September 30, 2024.

### Non-controlling interests

As of September 30, 2024, the non-controlling interest amounted to €27,859 thousand (September 30, 2023: €28,271 thousand). Changes in fiscal year 2024 related essentially to the profit from operating activities attributable to non-controlling interests and the change from currency translation.

The Stabilus Group holds a 60% stake in Cultraro Automazione Engineering S.r.l. ("Cultraro"), headquartered in Rivoli (near Turin). The Cultraro Group is a leading manufacturer of dampers. Cultraro's products, essentially rotary and linear dampers, are used in a variety of compact motion control applications in the automotive industry and other industrial applications. The non-current assets of Cultraro totaled assets amount to €52.6 million (September 30, 2023: €55.0 million), while current assets amount to assets amount to €10.9 million (September 30, 2023: €9.3 million). Non-current liabilities exist in the amount of €8.0 million (September 30, 2023: €9.0 million) and there are current liabilities in the amount of €3.9 million (September 30, 2023: €2.6 million). Sales revenue for the 2024 financial year totaled €16.6 million (previous year: €2.1 million). Total profit in the 2024 financial year totaled amounted to €464 thousand (previous year: €(57) thousand). The profit attributable to non-controlling interests in the past reporting period totaled amounted to €186 thousand (previous year: €(23) thousand). In the 2024 financial year dividends totalling €0.6 million were distributed to non-controlling interests. The cumulative non-controlling interest in Cultraro amounted to €20.7 million as at September 30, 2024 (September 30, 2023: €21.1 million).

## Other reserves

The following table shows a breakdown of the line item "Other reserves" and the movements in such reserves during the reporting period.

Exchange differences arising on the translation of the financial statements of the Group's foreign operations are recognized in other comprehensive income and shown in a separate reserve within equity, which is reported in the table as the cumulative foreign currency translation adjustment. On disposal of a foreign operation, the related amount is reclassified out of the cumulative foreign currency translation adjustment into profit or loss, where it is recognized as part of the gain or loss on disposal.

Hedge accounting is used for hedges of cash flows from financial instruments. When hedge accounting for cash flow hedges ends, the amount cumulatively recognized in other comprehensive income remains there if the hedged future cash flows are still expected to occur. Otherwise, the amount is immediately reclassified to profit or loss as a reclassification adjustment. The ineffective portion is recognized directly in profit or loss.

The unrealized actuarial gains and losses relate to the Stabilus defined benefit pension plan, which is further explained in Note 28.

### Other reserves

T_067

| IN € THOUSANDS | Unrealized foreign currency translation adjustment | Unrealized actuarial gains and losses | Hedge of cash flows from financial instruments | Other reserves attributable to shareholders of Stabilus | Non-controlling interests | Total |
|---|---|---|---|---|---|---|
| **Balance as of September 30, 2022** | **21,221** | **(2,920)** | **–** | **18,301** | **(3,746)** | **14,555** |
| Before tax | (18,463) | (900) | 203 | (19,160) | (10) | (19,170) |
| Tax (expense) / benefit | – | 282 | (73) | 209 | – | 209 |
| Other comprehensive income / (expense), net of taxes | (18,463) | (618) | 130 | (18,951) | (10) | (18,961) |
| **Balance as of September 30, 2023** | **2,758** | **(3,538)** | **130** | **(650)** | **(3,756)** | **(4,406)** |
| Before tax | (46,512) | (4,918) | (3,674) | (55,104) | (908) | (56,012) |
| Tax (expense) / benefit | – | 1,466 | 1,114 | 2,580 | – | 2,580 |
| Other comprehensive income / (expense), net of taxes | (46,512) | (3,452) | (2,560) | (52,524) | (908) | (53,432) |
| **Balance as of September 30, 2024** | **(43,754)** | **(6,990)** | **(2,430)** | **(53,174)** | **(4,664)** | **(57,838)** |

## 24 Financial liabilities

Financial liabilities comprise the following items:

### Financial liabilities

T_068

| IN € THOUSANDS | September 30, 2024 | | | September 30, 2023 | | |
|---|---|---|---|---|---|---|
| | Current | Non-current | Total | Current | Non-current | Total |
| Senior facilities | – | 100,000 | 100,000 | – | 100,000 | 100,000 |
| Promissory note loan | – | 399,715 | 399,715 | – | 150,000 | 150,000 |
| Revolving credit facility | – | 257,145 | 257,145 | – | – | – |
| Other facilities | 20,546 | 386 | 20,932 | 6,974 | 1,077 | 8,051 |
| **Financial liabilities** | **20,546** | **757,246** | **777,792** | **6,974** | **251,077** | **258,051** |

On June 28, 2022, Stabilus entered into a new facilities agreement with Commerzbank Aktiengesellschaft, DZ Bank AG, Landesbank Baden-Württemberg, Landesbank Hessen-Thüringen Girozentrale and UniCredit Bank AG as the mandated lead arrangers and facility agent. The facilities agreement is for an amount of €450.0 million with a basic term of five years and a prolongation option of two additional years up to no longer than 2029. The facilities comprise a syndicated loan facility of €100.0 million and a syndicated revolving loan facility of €350.0 million. Depending on the Company's gearing, the facility bears interest at between 50 and 150 basis points above Euribor. The Group's liabilities under the senior facility (the syndicated credit facilities loans in the amount of €357.2 million) are measured at amortized cost. The second prolongation option up to June 28, 2029, was drawn in April 2024.

Stabilus issued a promissory note loan (Schuldscheindarlehen) with a total volume of €95.0 million on March 4, 2021 through its subsidiary Stabilus GmbH and with Stabilus SE acting as guarantor. The tranches of the promissory note loan with maturities of five and seven years bear variable interest rates.

Stabilus issued a second promissory note loan with a volume of €55.0 million through its subsidiary Stabilus GmbH on January 28, 2022. Stabilus SE serves as the guarantor. This promissory note loan has a maturity of five years and bears interest at a floating rate.

On September 27, 2024, Stabilus SE issued a promissory note loan of €250.0 million. Stabilus GmbH serves as the guarantor. The term is between three and five years, with fixed and variable interest rates in each case.

Stabilus now has a total promissory note loan volume of €400.0 million. Further details are described in the table below:

### Overview of promissory note loan tranches

T_069

IN € THOUSANDS

| Tranche | Volume | Interest rate | Expiry date |
|---|---|---|---|
| 5 years variable | 83,000 | 6M Euribor + 100bps | March 4, 2026 |
| 5 years variable | 55,000 | 6M Euribor + 80bps | January 28, 2027 |
| 7 years variable | 12,000 | 6M Euribor + 125bps | March 4, 2028 |
| 3 years variable | 87,000 | 6M Euribor + 140bps | September 27, 2027 |
| 3 years fixed | 23,000 | 3.781% | September 27, 2027 |
| 5 years variable | 79,000 | 6M Euribor + 160bps | September 27, 2029 |
| 5 years fixed | 61,000 | 3.944% | September 27, 2029 |
| **Total** | **400,000** | | |

In fiscal year 2018, Stabilus US Inc. entered into a $7.8 million loan agreement, which defines monthly installments (interest and repayments). The effective interest rate for this loan is 3.95% and it matures on January 15, 2025. The nominal amount outstanding as of September 30, 2024, is $0.4 million (September 30, 2023: $1.7 million).

As of September 30, 2024, the promised revolving credit line of €350.0 million with a volume of €257.2 million was utilized to refinance the acquisition of the DESTACO Group. The Group also utilized €2.6 million of the revolving credit facility of €350.0 million to secure existing guarantees.

## 25 Other financial liabilities

Other financial liabilities include lease liabilities, derivative financial instruments and a put option concluded as part of the business combination with the Cultraro Group for 40% of the non-controlling interests. The increase essentially reflects the put option concluded with the current minority shareholders of the Cultraro Group.

The increase is mainly due to the lease liabilities assumed from the business combination of the DESTACO Group in the amount of €13.9 million. In addition, the increase can also be attributed on the one hand to the derivative financial instruments of €3.2 million and, on the other, to the put option totaling €1.6 million entered into with the current minority owner of the Cultraro Group. Determination of the fair value measurement of the put option is described in the accounting and valuation methods under liabilities of a put option and in the financial instruments (Level 3).

## 26 Leases

In the ordinary course of business, the Stabilus Group is the lessee of property, plant and equipment (e.g., IT hardware, cars, and other machinery and equipment). When determining lease terms, management considers all facts and circumstances that create an economic incentive with sufficient certainty to exercise extension options or not exercise termination options. The use of such lease term options provides the Group with the greatest possible flexibility concerning its leased assets. The majority of the current options to extend or terminate the leases can only be exercised by the Group and not by the respective lessor. Within the Stabilus Group, the extension options are solely used for the asset class "buildings". For all other leases, the minimum term of lease is considered. The Stabilus Group applied the practical expedient in IFRS 16.6 by not accounting for short-term leases (leases with a lease term less than twelve months) and low-value assets (underlying asset < €5,000, e.g., printers and copiers) as right-of-use assets.

Lease payments in the amount of €9.6 million (September 30, 2023: €7.8 million) were made in fiscal year 2024.

The future lease payments from existing lease relationships are expected to total €50.8 million in the next few years (September 30, 2023: €37.5 million). These include €11.4 million (September 30, 2023: €9.1 million) lease payments due within fiscal year 2025.

The Stabilus Group expects interest expenses on lease liabilities of €1.7 million (September 30, 2024: €1.2 million) for fiscal year 2025.

As of September 30, 2024, lease liabilities were €43.2 million (September 30, 2023: €33.4 million). Of this amount, €9.6 million (September 30, 2023: €8.0 million) are due within fiscal year 2025.

### Other financial liabilities

T_070

| | September 30, 2024 | | | September 30, 2023 | | |
|---|---|---|---|---|---|---|
| IN € THOUSANDS | Current | Non-current | Total | Current | Non-current | Total |
| Lease liabilities | 9,625 | 33,550 | 43,175 | 7,975 | 25,402 | 33,377 |
| Derivative financial instruments | 1,200 | 2,050 | 3,250 | – | – | – |
| Put option | – | 23,026 | 23,026 | – | 21,404 | 21,404 |
| **Other financial liabilities** | **10,825** | **58,626** | **69,451** | **7,975** | **46,806** | **54,781** |

In fiscal year 2024, the Group made lease payments of €0.3 million due to low-value leases (September 30, 2023: €0.4 million) and due to short-term leases in the amount of €0.3 million (September 30, 2023: €0.3 million).

### Outflows for lease payments

T_071

| IN € THOUSANDS | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|
| Within 1 year | 11,359 | 9,134 |
| After 1 year but not more than 5 | 27,357 | 20,176 |
| More than 5 years | 12,120 | 8,174 |
| **Total** | **50,835** | **37,484** |

### Interest expense on lease liabilities

T_072

| IN € THOUSANDS | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|
| Within 1 year | 1,734 | 1,159 |
| After 1 year but not more than 5 | 3,885 | 2,405 |
| More than 5 years | 2,041 | 543 |
| **Total** | **7,660** | **4,107** |

### Maturity of lease liabilities

T_073

| IN € THOUSANDS | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|
| Within 1 year | 9,625 | 7,975 |
| After 1 year but not more than 5 | 23,472 | 17,771 |
| More than 5 years | 10,078 | 7,631 |
| **Total** | **43,175** | **33,377** |

### Expenses related to short-term and low-value leases

T_074

| IN € THOUSANDS | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|
| Expenses related to short-term leases | 327 | 285 |
| Expenses related to ow-value leases | 309 | 387 |
| **Total** | **636** | **672** |

## 27 Provisions

### Provisions

T_075

| | September 30, 2024 | | | September 30, 2023 | | |
|---|---|---|---|---|---|---|
| IN € THOUSANDS | Current | Non-current | Total | Current | Non-current | Total |
| Anniversary benefits | 8 | 192 | 200 | 11 | 148 | 159 |
| Early retirement contracts | 1,810 | 1,903 | 3,713 | 1,386 | 1,200 | 2,586 |
| Personnel expenses | 12,492 | 3,981 | 16,473 | 9,736 | 5,103 | 14,839 |
| Remediation | 2,590 | 496 | 3,086 | 2,375 | 1,241 | 3,616 |
| Purchase commitments | 3,292 | – | 3,292 | 2,783 | – | 2,783 |
| Legal and litigation costs | 118 | – | 118 | 75 | – | 75 |
| Warranties | 6,761 | 8,020 | 14,781 | 8,942 | 7,145 | 15,637 |
| Other miscellaneous | 10,186 | 491 | 10,677 | 6,513 | 408 | 6,921 |
| **Provisions** | **37,257** | **15,083** | **52,340** | **31,371** | **15,245** | **46,616** |

The discount rate for part-time retirement used to calculate long-term provisions (range from 3.17% to 3.49%) was applied in accordance with the external expert report (30 September 2023: 3.99%). As of September 30, 2024, the interest rate on all other non-current provisions ranged from 4.8% to 5.8% (September 30, 2023: range from 4.8% to 5.8%). Non-current provisions developed as follows:

## Changes in non-current provisions

T_076

| IN € THOUSANDS | Anniversary benefits | Early retirement contracts | Remediation | Employee-related costs | Guarantees and warranties | Other miscellaneous | Total |
|---|---|---|---|---|---|---|---|
| **Balance as of September 30, 2022** | **109** | **1,236** | **779** | **–** | **–** | **566** | **2,690** |
| Additions from business combination | – | – | – | 1,118 | – | 6 | 1,124 |
| Reclassifications | – | (36) | – | 3,237 | 8,374 | (59) | 11,516 |
| Foreign currency translation differences | (3) | – | (58) | 136 | 124 | -34 | 165 |
| Costs paid | (3) | – | – | – | (1,572) | (107) | (1,682) |
| Release to income | (1) | – | – | – | (1,312) | – | (1,313) |
| Additions | 46 | – | 520 | 612 | 1,531 | 36 | 2,745 |
| **Balance as of September 30, 2023** | **148** | **1,200** | **1,241** | **5,103** | **7,145** | **408** | **15,245** |
| Additions from business combination | – | 703 | – | – | – | – | 703 |
| Reclassifications | – | (209) | (700) | (461) | 380 | (49) | (1,039) |
| Foreign currency translation differences | (1) | – | (45) | (419) | (547) | (21) | (1,033) |
| Costs paid | – | – | – | (672) | (1,974) | – | (2,646) |
| Release to income | (5) | – | – | (29) | – | – | (34) |
| Additions | 50 | 209 | – | 459 | 3,016 | 153 | 3,887 |
| **Balance as of September 30, 2024** | **192** | **1,903** | **496** | **3,981** | **8,020** | **491** | **15,083** |

The development of current provisions is set out in the table below:

## Changes in current provisions

T_077

| IN € THOUSANDS | Employee-related costs | Remediation | Purchase commitments | Legal and litigation costs | Anniversary benefits | Early retirement contracts | Guarantees and warranties | Other miscellaneous | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Balance as of September 30, 2022** | **15,135** | **465** | **3,965** | **76** | **18** | **1,379** | **20,173** | **6,992** | **48,203** |
| Additions from business combination | – | – | – | – | – | – | – | 198 | 198 |
| Foreign currency translation differences | (12) | (21) | (40) | (1) | (1) | – | (521) | (158) | (754) |
| Reclassifications | (3,237) | – | – | – | – | 36 | (8,374) | (378) | (11,953) |
| Costs paid | (11,679) | – | (3,713) | – | (11) | (274) | (1,799) | (5,645) | (23,121) |
| Release to income | (1,074) | – | – | – | – | – | (3,056) | (74) | (4,204) |
| Additions | 10,603 | 1,931 | 2,571 | – | 5 | 245 | 2,069 | 5,578 | 23,002 |
| **Balance as of September 30, 2023** | **9,736** | **2,375** | **2,783** | **75** | **11** | **1,386** | **8,492** | **6,513** | **31,371** |
| Additions from business combination | 1,104 | – | 332 | 642 | – | 320 | 411 | 666 | 3,475 |
| Foreign currency translation differences | (558) | (139) | (51) | (10) | – | – | (459) | (557) | (1,774) |
| Reclassifications | 461 | 700 | – | – | – | 209 | (380) | – | 290 |
| Costs paid | (8,952) | (346) | (2,039) | (604) | (5) | (286) | (868) | (4,392) | (17,492) |
| Release to income | (34) | – | (8) | – | (1) | – | (684) | – | (727) |
| Additions | 10,735 | – | 2,275 | 15 | 3 | 181 | 249 | 7,956 | 21,482 |
| **Balance as of September 30, 2024** | **12,492** | **2,590** | **3,292** | **118** | **8** | **1,810** | **6,761** | **10,186** | **37,257** |

The provision for employee-related expenses comprises employee bonuses and termination benefits.

The provision for remediation relates to the former Stabilus Inc. US site in Colmar, PE, USA at the North Penn Area 5 that was vacated in 1985. This North Penn Area 5 was identified by the United States Environmental Protection Agency (EPA) as an area requiring environmental remediation. In 2011, the EPA contacted seven companies in the North Penn Area 5 as potential responsible parties for cost sharing, Stabilus being one of them. The Group is currently unable to develop a reasonable estimate of its share of the ultimate obligation. The cost apportionment method of the EPA and Stabilus' insurance reimbursement are unclear at this time. The discount rate with matching maturity to be applied is determined based on the latest reliable market data over an extended period under review. The settlement amount also covers the cost increases at the end of the reporting period. As such, a liability for an EPA reimbursement was not recognized in the statement of financial position as of September 30, 2024.

As of September 30, 2024, a short-term provision in the amount of €2,590 thousand (September 30, 2023: €2,375 thousand) and a long-term provision in the amount of €496 thousand (September 30, 2023: €1,241 thousand) were recognized for the corresponding ongoing long-term remediation.

The provision for other risks from purchase commitments represents expected customer bonuses and other revenue-based liabilities.

The provision for legal and litigation costs represents costs of legal advice and notary charges, as well as the costs of litigation.

The provision for guarantees and warranties represents the accrued liability for pending risks from warranties offered by the Group for their products. The Group issues various types of contractual warranties under which it generally guarantees the performance of products delivered and services rendered. The Group accounts for costs associated with product warranties at the date products are sold. This also comprises provisions that are calculated for individual cases. Insurance reimbursements related to individual cases are reported in other financial assets if the recognition criteria are met.

## 28 Pension plans and similar obligations

Liabilities for the Group's pension plans and other post-employment benefit plans comprise the following:

**Pension plans and similar obligations** T_078

| IN € THOUSANDS | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|
| Principal pension plan | 47,201 | 37,542 |
| Deferred compensation | 133 | 127 |
| **Pension plans and similar obligations** | **47,334** | **37,669** |

## Defined benefit plans and deferred compensation

### Defined benefit plan

The Stabilus Group grants post-employment pension benefits to employees in Germany. The level of post-employment benefits is generally based on eligible compensation levels or seniority within the Group hierarchy and years of service.

In order to mitigate future liquidity risk, the Group's pension policies for one major plan granted to employees who joined the Group prior to January 1, 2006, were amended as of December 21, 2010, and the entitlement earned in the former defined benefit plan was frozen. Going forward, no additional defined benefit entitlements can be earned except by certain older employees. At the same time, the Group introduced a defined contribution plan in which direct payments to an external insurer are made.

As part of the business combination with the DESTACO Group, Stabilus acquired retirement plans and similar commitments in the amount of €4.6 million.

The liabilities for the most important retirement plans in the amount of €47,201 thousand (September 30, 2023: €37,542 thousand) result from unfunded accumulated benefit obligations.

The weighted average duration of the defined benefit obligations in fiscal year 2024 is 15.74 years (PY: 12.26 years), based on actuarial calculations.

The unfunded status is as follows:

**Unfunded status** T_079

| | Fiscal year ended September 30, | |
|---|---|---|
| IN € THOUSANDS | 2024 | 2023 |
| Present value of defined benefit obligations | 48,723 | 39,012 |
| Less: fair value of plan assets | (1,389) | (1,343) |
| **Unfunded status** | **47,334** | **37,669** |

### Deferred compensation

Deferred compensation is a form of retirement pay financed by the employees where, based on an agreement between the Group and the employees, part of their income is retained by the Group and paid to the respective employees after retirement.

The total amount of the fee conversion as of September 30, 2024, is €133 thousand (September 30, 2023: €127 thousand).

The plan assets are invested as savings contributions in the traditional cover fund of ERGO Lebensversicherung.

The present value of the net pension liability developed as follows:

**Present value of the net pension liability obligations** T_080

| IN € THOUSANDS | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| **Present value of net pension liability as of beginning of fiscal year** | **37,669** | **37,158** |
| Additions from business combination | 4,602 | – |
| Service cost | 163 | 139 |
| Interest cost | 1,651 | 1,378 |
| Effect of change in financial assumptions | 4,364 | (2,405) |
| Experience assumptions | 844 | 3,306 |
| Actuarial (gains) / losses | 5,208 | 901 |
| Pension benefits paid | (1,959) | (1,907) |
| **Present value of net pension liability as of fiscal year-end** | **47,334** | **37,669** |

The pension cost in the consolidated statement of comprehensive income includes the following expenses for defined benefit plans:

**Pension cost for defined benefit plans** T_081

| IN € THOUSANDS | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| Service cost | 163 | 139 |
| Interest cost | 1,651 | 1,378 |
| **Pension cost for defined benefit plans** | **1,815** | **1,517** |

The present value of the defined benefit obligation and the experience adjustments arising on the plan liabilities are as follows:

**Present value of the defined benefit obligation and experience adjustments on plan liabilities** T_082

| IN € THOUSANDS | Defined benefit obligation | Experience adjustments | Change in demographic assumptions |
|---|---|---|---|
| September 30, 2020 | 57,029 | 347 | – |
| September 30, 2021 | 54,689 | (1,315) | – |
| September 30, 2022 | 37,158 | (1,043) | |
| September 30, 2023 | 37,669 | 3,306 | – |
| **September 30, 2024** | **47,334** | **844** | **–** |

The measurement date for the Group's pension obligations is usually 30 of September of each year. The measurement date for the Group's net periodic pension costs is usually the beginning of the reporting period. The measurement date for the Group's net periodic pension cost is generally the beginning of the period. Assumed discount rates, pension increases and long-term return on plan assets vary according to the economic conditions in the country in which the pension plan is situated.

The following assumptions (measurement factors) were used to determine the pension obligations:

**Significant factors for the calculation of pension obligations** T_083

| IN % P. A. | Fiscal year ended September 30, 2024 | 2023 |
|---|---|---|
| Discount rate | 3.52% | 4.61% |
| Pension increases | 2.00% | 2.00% |
| Turnover rate | 4.00% | 4.00% |
| **Biometric assumptions** | **Heubeck mortality table 2018G** | **Heubeck mortality table 2018G** |

The discount rates for the pension plans are determined annually as of September 30, 2024, on the basis of first-rate, fixed-interest industrial bonds with maturities and values matching those of the pension payments.

## Sensitivity analysis

If the discount rate were to differ by +0.5% / –0.5% from the interest rate used as at the end of the reporting period, the defined benefit obligation for pension benefits would be an estimated €1,106 thousand lower or €2,832 thousand higher respectively. If the future pension increase used were to differ by +0.2% / –0.2% from management's estimates, the defined benefit obligation for pension benefits would be an estimated €1,988 thousand lower or €141 thousand higher respectively. The reduction / increase of the mortality rates by one year results in an increase / decrease of life expectancy depending on the individual age of each beneficiary. The impacts on the defined benefit obligation (the

"DBO") as of September 30, 2024, due to a one-year decrease/increase in life expectancy would lead to an increase of €2,931 thousand or a reduction of €762 thousand.

When calculating the sensitivity of the DBO to significant actuarial assumptions, the same method (present value of the DBO calculated using the projected unit credit method) has been applied as when calculating the post-employment benefit obligation recognized in the consolidated statement of financial position. Increases and decreases in the discount rate or the rate of pension progression used in determining the DBO do not have a symmetrical effect on the DBO due to the compound interest effect created when determining the net present value of the future benefit. If more than one of the assumptions are changed simultaneously, the combined impact due to the changes would not necessarily be the same as the sum of the individual effects due to the changes. If the assumptions change at a different level, the resulting effect on the DBO is not necessarily linear.

Expected pension benefit payments for fiscal year 2025 are estimated at €2,452 thousand (PY: €2,284 thousand).

### Defined contribution plans

The expenses incurred under defined contribution plans are primarily related to government-run pension plans. Expenses for these plans amounted to €14,109 thousand in the reporting period (September 30, 2023: €12,755 thousand).

## 29 Trade accounts payable

Trade accounts payable amount to €159,652 thousand (September 30, 2023: €124,291 thousand) as of the end of the fiscal year. Trade payables in the amount of €22,598 were assumed in connection with the business combination with the DESTACO Group. The total amount is due within one year. The liabilities are measured at amortized cost. For information on liquidity and exchange rate risks for trade accounts payable, please see Note 34.

## 30 Income tax liabilities

Current income tax liabilities amounted to €14,194 (September 30, 2023: €20,069 thousand) and comprise corporate and trade taxes.

## 31 Other liabilities

The following table sets out the breakdown of the Group's other current and non-current liabilities:

Liabilities to employees essentially comprise outstanding wages and salaries.

**Other liabilities** T_084

| | September 30, 2024 | | | September 30, 2023 | | |
|---|---|---|---|---|---|---|
| IN € THOUSANDS | Current | Non-current | Total | Current | Non-current | Total |
| Liabilities to employees | 15,938 | – | 15,938 | 13,317 | – | 13,317 |
| Social security contributions | 6,148 | – | 6,148 | 2,634 | – | 2,634 |
| Advance payments received | 4,606 | – | 4,606 | 5,389 | – | 5,389 |
| Vacation expenses | 5,603 | – | 5,603 | 4,642 | – | 4,642 |
| Other personnel-related expenses | 10,913 | – | 10,913 | 9,953 | – | 9,953 |
| Other miscellaneous | 5,010 | – | 5,010 | 367 | – | 367 |
| **Other liabilities** | **48,218** | **–** | **48,218** | **36,302** | **–** | **36,302** |

## 32 Contingent liabilities and other financial commitments

### Contingent liabilities

A contingent liability is: a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, or b) a present obligation that arises from past events but is not recognized because

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Further information regarding actual and constructive obligations imposed by the US EPA for the former Stabilus site in Colmar can be found in Note 27.

### Guarantees

On September 22, 2005, Stabilus S. A. de C. V. (“STMX”) entered into a lease agreement with Deutsche Bank Mexico, S. A., and Kimex Industrial BEN, LLC, for a production facility with an area of 28,951 square meters of land and 5,881 square meters of construction buildings in Ramos Arizpe, State of Coahuila, Mexico. The lease agreement had an initial term of ten years and has already been extended. Stabilus GmbH, Koblenz, issued a declaration of entry for the event that STMX will be unable to meet its payment obligation.

Given a normal course of economic development and a normal course of business, management believes these guarantees should not result in a material adverse effect for the Group.

### Other financial commitments

The purchase commitment for property, plant and equipment and other intangible assets increased from €8,459 thousand as of September 30, 2023, to €14,296 thousand as of September 30, 2024.

The nominal values of other financial commitments are as follows:

**Contingent liabilities and other financial commitments** T_085

| | September 30, 2024 | | | |
|---|---|---|---|---|
| IN € THOUSANDS | Within 1 year | After 1 year but not more than 5 | More than 5 years | Total |
| Purchase commitment for non-current assets | 13,334 | – | – | 13,334 |
| Purchase commitment for other intangible assets | 962 | – | – | 962 |
| **Total** | **14,296** | **–** | **–** | **14,296** |

| | September 30, 2023 | | | |
|---|---|---|---|---|
| IN € THOUSANDS | Within 1 year | After 1 year but not more than 5 | More than 5 years | Total |
| Purchase commitment for non-current assets | 7,378 | – | – | 7,378 |
| Purchase commitment for other intangible assets | 1,081 | – | – | 1,081 |
| **Total** | **8,459** | **–** | **–** | **8,459** |

## 33 Financial instruments

The following table shows the carrying amounts and fair values of the Group's financial instruments within the meaning of IFRS 7 and by measurement category. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**Financial instruments** T_086

| IN € THOUSANDS | Measurement category acc. to IFRS 9 | September 30, 2024 | | September 30, 2023 | |
|---|---|---|---|---|---|
| | | Carrying amount | Fair value[1] | Carrying amount | Fair value[1] |
| Other investments | FVtPL | 6,000 | 6,000 | 6,000 | 6,000 |
| Trade and other receivables | AC | 203,386 | – | 197,989 | – |
| Cash and cash equivalents | AC | 109,426 | – | 193,009 | – |
| Other financial assets | AC | 66 | – | 63 | – |
| Derivatives designated as hedges | n/a | – | – | 240 | – |
| Assets from call option | FVtPL | 41 | 41 | 215 | 215 |
| Contingent consideration | FVtPL | 693 | 693 | 538 | 538 |
| **Total financial assets** | | **319,612** | **6,734** | **398,144** | **6,753** |
| Financial liabilities | FLAC | 777,792 | 805,817 | 257,997 | 267,592 |
| Trade accounts payable | FLAC | 159,652 | – | 124,291 | – |
| Lease liabilities | n/a | 43,175 | – | 33,377 | – |
| Liabilities from put option | FVtPL | 23,026 | 23,026 | 21,404 | 21,404 |
| Derivatives designated as hedges | n/a | 3,251 | | | |
| **Total financial liabilities** | | **1,006,896** | **828,843** | **437,069** | **288,996** |
| | | | | | |
| **Aggregated according to IFRS 9 categories:** | | | | | |
| Financial assets measured at amortized cost (AC) | | 312,878 | – | 391,151 | – |
| Financial assets measured at fair value through profit or loss (FVtPL) | | 6,734 | 6,734 | 6,753 | 6,753 |
| Financial liabilities measured at fair value through profit or loss (FVtPL) | | 23,026 | 23,026 | 21,404 | 21,404 |
| Financial liabilities measured at amortized cost (FLAC) | | 937,444 | 805,817 | 382,288 | 267,592 |

[1] The simplification option under IFRS 7.29a was utilized. This does not apply to contingent consideration.

The following table provides an overview of the classification of financial instruments presented above in the fair value hierarchy (Level 1 to Level 3), except for financial instruments with fair values corresponding to the carrying amounts (i.e. trade accounts receivable and payable, cash and other financial liabilities):

### Financial instruments

T_087

| IN € THOUSANDS | September 30, 2024 | | | | September 30, 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | Total | Level 1[1] | Level 2[2] | Level 3[3] | Total | Level 1[1] | Level 2[2] | Level 3[3] |
| **Financial liabilities** | | | | | | | | |
| Senior facilities | 359,498 | – | 359,498 | – | 101,694 | – | 101,694 | – |
| Promissory note loan | 425,773 | – | 425,773 | – | 158,567 | – | 158,657 | – |
| Liabilities from put option | 23,026 | – | – | 23,026 | 21,404 | – | – | 21,404 |
| Other facilities | 20,546 | – | 20,546 | – | 7,331 | – | 7,331 | – |
| Derivatives designated as hedges | 3,251 | – | 3,251 | – | – | – | – | – |
| **Financial assets** | | | | | | | | |
| Investments | 6,000 | – | – | 6,000 | 6,000 | – | – | 6,000 |
| Call option | 41 | – | – | 41 | 215 | – | – | 215 |
| Derivatives designated as hedges | – | – | – | – | 240 | – | 240 | – |
| Contingent consideration | 693 | – | 693 | – | 538 | – | 538 | – |

[1] Fair value measurement based on quoted prices (unadjusted) in active markets for these or identical instruments.
[2] Fair value measurement based on inputs that are observable in active markets either directly (i. e., as prices) or indirectly (i. e., derived from prices).
[3] Fair value measurement based on inputs that are not observable market data.

The hierarchy level to which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the measurement in its entirety. If circumstances arise that require a different classification, a reclassification is made as at the reporting date. It is the Group's policy to recognize transfers into and out of a level of the fair value hierarchy at the date of the event or change in circumstances that caused the transfer. In fiscal year 2024, there was no transfer between Level 2 and Level 3 of the fair value hierarchy. There were no transfers between Level 2 and Level 3 in the prior fiscal year.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values in the current and in the prior fiscal year:

- Senior secured bonds, revolving long-term credit line, other loans and promissory note loans are classified in Level 2 of the fair value hierarchy because the instruments themselves are not traded in an active market, but all the material inputs required to measure fair value are observable in active markets. Their fair value is estimated using a present value technique by discounting the contractual cash flows using the implied returns on similar instruments from entities of similar standing and marketability. The most significant input is the discount rate that reflects the credit risk of the issuer. The Group obtains the valuation for its senior secured bonds from an independent service provider on a quarterly basis. The fair value of the contingent consideration is not subject to any variation. The recognized amount is fixed in the purchase agreement. The carrying amounts of trade accounts receivable, cash and cash equivalents, other financial assets and trade accounts payable closely approximate their fair value due to their predominantly short-term nature.
- Due to the nature of the interest rate swap and currency hedges the valuation is carried out in accordance with Level 2, using standard market methodologies for currency hedges with valid exchange rates on the reporting date and interest rate swaps for which market interest rates valid at the time of valuation (3M/6M Euribor and ESTR interest rate) are used as input factors.
- Gains and losses in connection with financial instruments recognized in Level 3 are accounted for through profit or loss in the other financial result. The financial instruments reported within Level 3 include an investment for which sensitivity cannot be reliably determined. Risks from this essentially result from changes to planning assumptions regarding future business performance. Level 3 also includes a liability from a put option resulting from the acquisition of an interest in the Cultraro Group as part of a business combination. This option is measured using unobservable market data. The market value of the interest, which is based on an agreed EBITDA multiplier, also constitutes a lower limit. If there is a higher market multiplier, the EBITDA multiplier agreed in the contract can also be increased to a certain extent in accordance with a contractually agreed calculation formula. The assumed EBITDA market multiplier (median 8.6x; September 30, 2023: 12.2x) was determined based on a peer group. A discount rate of

10.2% (September 30, 2023: 11.0%) was used to calculate the fair value. The present value of the purchase price liability from the shareholders' put option as of the measurement date was calculated using a Monte Carlo simulation. The simulation was carried out until 2031 using adjusted inputs. For each simulation, the present value of the purchase price liability resulting from the shareholders' put option was used by applying the contractually agreed formula along with the EBITDA market multipliers and the target company's EBITDA.

## Derivative financial instruments

The following table contains the carrying amounts and market values of the individual classes of financial instruments. The market value of the interest rate swaps was determined based on the interest rates applicable at the end of the reporting date for corresponding maturities / repayment structures, based on available market information. The fair value of the foreign exchange hedges has been calculated on the basis of the exchange rates prevailing at the balance sheet date.

The nominal volume of the interest rate swap indicated here as of September 30, 2024, amounts to a total of €138 million (September 30, 2023: €83 million). In the reporting period, all gains and losses were recognized upon recognition of financial assets and liabilities, as fair value could be reliably determined using market data. As of September 30, 2024, the nominal volume of the currency hedges specified here amounted to €114 million terms until the end of November 2024 (September 30, 2023: -), which were used to hedge currency risks.

**Fair value** T_088

| | September 30, 2024 | |
|---|---|---|
| IN € THOUSANDS | Carrying amount | Fair value |
| **Derivative financial liabilities** | | |
| Interest rate swaps | 2,050 | 2,050 |
| thereof current | – | – |
| thereof non-current | 2,050 | 2,050 |
| Currency hedges | 1,201 | 1,201 |
| thereof current | 1,201 | 1,201 |
| thereof non-current | – | – |

| | September 30, 2023 | |
|---|---|---|
| IN € THOUSANDS | Carrying amount | Fair value |
| **Derivative financial assets** | | |
| Interest rate swaps | 240 | 240 |
| thereof current | – | – |
| thereof non-current | 240 | 240 |
| Currency hedges | – | – |
| thereof current | – | – |
| thereof non-current | – | – |

## Sensitivity analysis

The sensitivity analysis below shows how the market values of interest rate derivatives and currency hedges change if the interest rate identified as the price risk variable were different as of the reporting date. A change in interest rates of more than 50 basis points was not considered probable. Therefore, the change in interest rates was limited to this amount.

**Change in fair value** T_089

| | September 30, 2024 | |
|---|---|---|
| IN € THOUSANDS | +50 bp | –50 bp |
| **Derivative financial liabilities** | | |
| Interest rate swaps | (75) | (68) |
| Currency hedges | (72) | 49 |

| | September 30, 2023 | |
|---|---|---|
| IN € THOUSANDS | +50 bp | –50 bp |
| **Derivative financial liabilities** | | |
| Interest rate swaps | 9 | (8) |
| Currency hedges | – | – |

The yield curve risks would therefore result in an overall change in equity due to the changes in value assumed in the sensitivity analysis (not accounting for tax effects).

## Market values of derivative financial instruments used for hedging

To hedge risks from changes in interest rates for a promissory note loan, hedges (interest rate swaps) and currency hedges in the operating business were in place as of the end of the reporting date that are designated as hedging instruments and changed as follows in the fiscal year:

### Derivative financial instruments used for hedging purposes

T_090

| IN € THOUSANDS | Sept 30, 2024<br>Interest rate swaps / currency hedges | Sept 30, 2023<br>Interest rate swaps |
|---|---|---|
| **Cash flow hedges** | | |
| Positive market values | – | 240 |
| Negative market values | (3,251) | – |
| Fair value change in hedging instrument – designated risk from interest rate swaps | (2,050) | 240 |
| Fair value change in hedging instrument – -designated risk from currency hedges | (1,201) | – |
| OCI – cash flow hedge reserve from interest rate swaps | (1,592) | 130 |
| OCI – cash flow hedge reserve from currency hedges | (968) | – |
| Hedge ineffectiveness recognized through profit or loss – designated risk | – | 53 |
| OCI recycling earnings contribution | – | – |

Stabilus designates interest rate swaps and currency hedges as cash flow hedges and recognizes them accordingly. Inefficiencies are essentially to be expected as a result of different basic parameters for the hedged item and the hedge (e. g., fixed interest rates) and potential initial fair values of the hedging instruments. In accordance with IFRS 9, we will carry out a rebalancing in subsequent years if material ineffectiveness is identified.

Value changes for hedged items designated in hedge accounting are calculated using the hypothetical derivative method.

### Hedged items designated in hedge accounting 2024

T_091

| IN € THOUSANDS | September 30, 2024<br>Fair value change in hedged item – designated risk | Fair value change in hedged item – non-designated risk |
|---|---|---|
| **Cash flow hedges** | | |
| Promissory note loan | (1,723) | – |
| Currency hedges | (1,560) | – |

### Hedged items designated in hedge accounting 2023

T_092

| IN € THOUSANDS | September 30, 2023<br>Fair value change in hedged item – designated risk | Fair value change in hedged item – non-designated risk |
|---|---|---|
| **Cash flow hedges** | | |
| Promissory note loan | 480 | – |

## Net gains and losses on financial instruments

The net gains and losses on financial instruments in the fiscal year ended September 30, 2024, result from currency translation and changes in the estimate of future cash flows of financial assets measured at amortized cost and financial liabilities measured at amortized cost, as well as gains from changes in the fair value of derivative instruments. They are detailed in Notes 10 and 11. The net foreign currency gain amounted to +€5,832 thousand (September 30, 2023: loss €(11,800) thousand).

Total interest income and expense from financial instruments are reported in Notes 10 and 11.

## 34 Risk reporting

### Internal risk management

Within the budgeting process, the Group employs an integrated system for the early identification and monitoring of risks specific to the Group in order to identify changes in the business environment and deviations from targets at an early stage and to initiate countermeasures in advance. This also includes the monthly short- and medium-term analysis of the order intake, inventories and the accounts receivable and accounts payable balances. Based on the results of this initial assessment, further evaluations are frequently conducted for individual companies if deemed appropriate. Customer behavior is ascertained and analyzed continuously, and the information obtained from these serves as an early warning indicator for possible changes in demand patterns. Interest rate and currency risks, as well as developments on currency exchange markets, are monitored continuously in conjunction with risk management.

In addition, significant KPIs are reported monthly by all Group companies and are assessed by the Group's management.

### Financial risks

The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group. These risks include credit risk, liquidity risk and market risk (including currency risk and fair value interest rate risk).

The Group seeks to minimize the effects of financial risks by using derivative financial instruments wherever this is considered economically reasonable. The use of financial derivatives is governed by the Group's policies released by the Management Board, which provide principles on foreign currency risk, interest rate risk, credit risk and non-derivative financial instruments, and the investment of excess liquidity. The Group does not enter into or trade highly speculative derivative financial instruments. As of September 30, 2024, the Group had derivative financial instruments (interest rate swaps and currency hedges).

### Credit risks

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted a policy of dealing only with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from payment defaults. The Stabilus Group does not hold any collateral as of the end of the reporting period. The Group's exposure and the credit ratings of its counterparties are monitored, and the aggregate value of transactions entered into is spread among approved counterparties.

There are trade accounts receivable from a large number of customers, spread across diverse industries and geographical areas. Credit evaluation is performed on the financial condition of accounts receivable and, where this is considered appropriate, credit guarantee insurance cover is purchased. Besides this, commercial considerations are taken into account when determining the maximum volume of the credit lines granted to each customer. The Group has established a policy to subject all trade receivables to a writedown when there is no reasonable expectation of payment. Among others, the failure to make payments within 360 days from the invoice date or the initiation of bankruptcy proceedings are considered indicators of no reasonable expectation of recovery. In addition, the Group has recognized an allowance for receivables based on historically observed default rates, adjusted for forward-looking estimates to account for expected credit losses. To determine the forward-looking economic conditions, the Group considers in particular the credit default swaps (CDS) of the respective client's geographical location, which ensures the risks of the counterparty in the respective country are taken into account.

There was no significant increase in defaulted trade account receivables or other receivables in connection with the Russia-Ukraine war, and no additional allowances for receivables were recognized. In addition, the Group has taken out trade credit insurance to insure against the default risk.

The maximum exposure to credit risk is reflected by the carrying amounts of the following financial assets:

### Credit risks included in financial assets

T_093

| IN € THOUSANDS | September 30, 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Neither past due nor impaired | < 30 days | 30 – 60 days | 60 – 90 days | 90 – 360 days | > 360 days | Total |
| **Financial assets** | | | | | | | |
| Trade and other receivables | 179,317 | 16,401 | 2,177 | 1,834 | 2,766 | 891 | 203,386 |
| Other miscellaneous | 759 | – | – | – | – | – | 759 |
| Cash and cash equivalents | 109,426 | – | – | – | – | – | 109,426 |
| **Total** | **289,502** | **16,401** | **2,177** | **1,834** | **2,766** | **891** | **313,571** |

| IN € THOUSANDS | September 30, 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Neither past due nor impaired | < 30 days | 30 – 60 days | 60 – 90 days | 90 – 360 days | > 360 days | Total |
| **Financial assets** | | | | | | | |
| Trade and other receivables | 177,463 | 14,531 | 2,038 | 1,338 | 2,636 | (18) | 197,988 |
| Other miscellaneous | 601 | – | – | – | – | – | 601 |
| Cash and cash equivalents | 193,099 | – | – | – | – | – | 193,099 |
| **Total** | **371,163** | **14,531** | **2,038** | **1,338** | **2,636** | **(18)** | **391,688** |

Credit risk resulting from other financial assets, which comprise cash and cash equivalents and miscellaneous financial assets, arises from a possible default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Group does not have any critical credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on cash and cash equivalents is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies and are also typically lenders to the Group. Therefore, the credit quality of financial assets that are neither overdue due nor impaired is considered to be high.

In fiscal year 2024, the Group had one customer that accounted for about 10% of total external revenue, one customer that accounted for about 7%, and one customer that accounted for about 5% of total external revenue. Revenue with these customers amounted to €130,704 thousand (PY: €124,057 thousand), €89,512 thousand (PY: €87,451 thousand) and €67,594 thousand PY: €77,086 thousand). Revenue was generated in all three operating segments in fiscal year 2024 and 2023 and no single customer in a region accounted for more than 10% of total consolidated revenue.

## Liquidity risks

The Management Board has established an appropriate liquidity risk management framework for the management of the Group's short-, medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate banking facilities and reserve borrowing facilities and by monitoring the forecast cash flow of the Group entities at regular intervals.

The following maturities summary shows how the cash flow from the Group's liabilities as of September 30, 2024, will influence its liquidity position. The summary describes the course of the undiscounted principal and interest outflows of the financial liabilities and the undiscounted cash outflows of the trade accounts payable. The undiscounted cash outflows are subject to the following conditions:

- If the counterparty can request payment at different dates, the liability is included on the basis of the earliest payment date. The underlying terms and conditions are described in Notes 24 and 26.

In fiscal year 2023 and 2024, the Russia-Ukraine war and unrest in the Middle East did not have any material adverse effects on the liquidity of the Stabilus Group.

### Financial market risks

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see below) and interest rates (see below). The Group entered into another derivative financial instrument (interest rate swap) in fiscal year 2024. The Group monitors closely its exposure to interest rate risk and foreign currency risk and regularly checks the opportunities of entering into derivative financial instruments.

### Market risks

The Stabilus Group is exposed to various market risks. Market crises for Stabilus chiefly comprise changes to stock market prices, changes to the prices of goods and raw materials and price fluctuations on energy markets. Stabilus hedges the prices of goods and raw materials through long-term supply contracts that include price adjustment clauses. The Group has not concluded any futures contracts related to energy price risks. For more information, please see the Report on risks and opportunities.

**Liquidity outflows for liabilities** T_094

| IN € THOUSANDS | Senior facilities | Promissory note loan | Other facilities | Lease liabilities | Trade accounts payable | Total |
|---|---|---|---|---|---|---|
| Within 1 year | 21,387 | 18,376 | 20,546 | 11,359 | 159,652 | 231,320 |
| After 1 year but not more than 5 | 404,594 | 442,746 | 386 | 27,357 | – | 875,084 |
| More than 5 years | – | – | 23,026 | 12,120 | – | 35,146 |
| **Total** | **425,981** | **461,122** | **43,958** | **50,836** | **159,652** | **1,141,550** |

### Foreign exchange risks

As a result of its subsidiaries, the Group has significant assets and liabilities outside the euro area, especially in US dollars. These assets and liabilities are denominated in local currencies. When the net asset values are converted into euro, currency fluctuations result in period-to-period changes in those net asset values. The Group's equity position reflects these changes in net asset values. The Group entered into hedging transactions for currency fluctuations in fiscal year 2024.

The Group also has transactional currency exposures that arise from sales or purchases denominated in currencies other than the functional currency and loans denominated in foreign currencies. In order to mitigate the impact of currency exchange rate fluctuations for the operating business, the Group continually assesses its exposure and attempts to balance revenue and costs in a currency to reduce the currency risk.

Besides the statement of financial position, the Group's revenue and costs are also impacted by currency fluctuations.

Stabilus' main exposure to currency risk (USD) is $25.9 million as of the end of the reporting period. An increase / decrease in the value of the US dollar compared to the euro of 10% would lead to an increase / decrease in EBIT of approximately €2.4 million.

### Hyperinflation

The Group has entities located in Argentina and Turkey, as well as in countries where inflation has been high for several years. Given that the cumulative inflation rate in Argentina and Turkey over a three-year period has exceeded 100% and the qualitative indicators of hyperinflation are, to varying degrees, also present, we consider Argentina and Turkey to be hyperinflationary economies. Accordingly, IAS 29 has to be applied, which requires that the financial statements of subsidiaries reporting in the currencies of hyperinflationary economies are restated by applying a suitable general price index. This requirement also applies to our subsidiaries New CLEVERS S.A. and Piston Amortisör Sanayi ve Ticaret Anonim Şirketi. The effects of the application of IAS 29 have no material impact on the consolidated financial statements of the Stabilus Group as the revenue of the Argentinian and Turkish companies accounts for less than 1% of the Group's total revenue. We continuously monitor the development of our activities in Argentina and Turkey.

### Interest rate risks

The Group is exposed to interest rate risks that mainly relate to bonds, as the Group's financing is primarily based on Euribor-based credit agreements (for details see Financial liabilities, Note 24).

The interest rate risk is assessed and managed by central financial risk management by analyzing the cash flow sensitivity of the Group's cash flows due to floating interest loans.

Stabilus' exposure to interest rate risk includes variable-rate liabilities with a notional amount of €673.2 million. The Stabilus Group uses interest rate swaps with a nominal volume of €138 million, which are concluded in correspondence to the maturities of the promissory note loans (maturities until March 2026 and January 2027). The fixed interest rate for the interest rate swap is 3.484% and 2.983%. The use of interest rate swaps hedges the Euribor interest rate risk until March 2026 or January 2027, leaving an interest rate risk of €535.2 million without interest rate swap coverage. An increase in variable interest rates (Euribor) of +1% / –1% would lead to an increase / decrease in finance costs of around €5.5 million.

## 35 Capital management

The Stabilus Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to maintain an optimal capital structure through a balanced mix of debt and equity considering the positive effects of the debt tax shield and the additional costs of financial distress that result from increased leverage. To accomplish this objective, the Group monitors various internal factors like the development of some financial ratios over time, but also considers external factors like changes in the competitive environment or in the overall economic conditions.

The Stabilus Group is not subject to any externally imposed capital requirements.

Given its broad product range and well-balanced global presence, under normal economic conditions, the Stabilus Group generates predictable and sustainable cash flows.

For monitoring our capital structure, we utilize, among others, the ratio of "equity" to "total capital" as well as the ratio of "net debt" to "adjusted EBITDA (earnings before interest, taxes, depreciation and amortization)". The latter is also used as a covenant in the senior facilities agreement and its development is further explained in the management report. The Company does not expect a breach of this covenant.

The development of the equity ratio is set out in the table below:

**Equity ratio** T_095

| | Fiscal year ended September 30, | |
|---|---|---|
| IN € THOUSANDS | 2024 | 2023 |
| Equity | 677,728 | 712,001 |
| Total assets | 1,910,887 | 1,334,305 |
| Equity ratio | 35.5% | 53.4% |

## 36 Notes to the consolidated statement of cash flows

The statement of cash flows is prepared in compliance with IAS 7. The statement of cash flows of the Stabilus Group shows the development of the cash flows from operating, investing and financing activities. Inflows and outflows from operating activities are presented in accordance with the indirect method and those from investing and financing activities by the direct method.

The cash funds reported in the statement of cash flows comprise all liquid funds, cash balances and cash at banks reported in the statement of financial position.

Interest payments in the amount of €29,064 thousand (September 30, 2023: €10,769 thousand) are reflected in cash outflows from financial activities. Income tax payments in the amount of €35,943 thousand (September 30, 2023: €25,517 thousand) are recognized in the cash flow from operating activities.

The table below shows the details of changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows will be classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

### Reconciliation of financing activities

T_096

| IN € THOUSANDS | Senior facilities | Bridge financing | Promissory note loan | Other facilities | Lease liabilities |
|---|---|---|---|---|---|
| **Balance as of September 30, 2023** | **100,000** | **–** | **150,000** | **7,997** | **33,377** |
| Cash receipts | 321,747 | 250,000 | 250,000 | 19,116 | – |
| Cash payments | (64,602) | (250,000) | – | (7,169) | (9,366) |
| Changes from financing cash flows | 257,145 | – | 250,000 | 11,947 | (9,366) |
| Effect of changes in foreign exchange rates | – | – | – | 36 | (2,569) |
| Addition from business combination | – | – | – | – | 13,853 |
| Other changes | – | – | (285) | 892 | 7,880 |
| **Balance as of September 30, 2024** | **357,145** | **–** | **399,715** | **20,872** | **43,175** |

## 37 Segment reporting

The Stabilus Group is organized and managed primarily on a regional level. The three reportable operating segments of the Group are EMEA (Europe, Middle East and Africa), the Americas (North and South America) and APAC (Asia-Pacific). Based on Stabilus' guiding strategy of "in the region, for the region", we have established our locations near the Group's customers and have continuously expanded this approach in recent years. The segment reporting structure is based on management reporting. In fiscal year 2024 and 2023, no single customer in a region accounted for more than 10% of total consolidated revenue. The customer structure, products and services offered (product portfolio) are largely the same in all three regional segments.

The Group measures the performance of its operating segments through a measure of segment profit or loss (key performance indicator) which is referred to as "adjusted EBIT". Adjusted EBIT represents EBIT adjusted for exceptional non-recurring items (e.g., restructuring or one-time advisory costs) and depreciation/amortization of fair value adjustments resulting from purchase price allocation (PPA).

Segment information for the fiscal years ended September 30, 2024 and 2023 is as follows:

### Segment reporting

T_097

| IN € THOUSANDS | EMEA | | Americas | | APAC | |
|---|---|---|---|---|---|---|
| | Fiscal year ended September 30, | | Fiscal year ended September 30, | | Fiscal year ended September 30, | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| External revenue[1] | 525,464 | 496,608 | 469,035 | 450,438 | 311,427 | 268,208 |
| Intersegment revenue[1] | 42,615 | 38,375 | 29,804 | 30,892 | 9,851 | 1,834 |
| Total revenue[1] | 568,079 | 534,983 | 498,839 | 481,330 | 321,278 | 270,042 |
| Depreciation and amortization (incl. impairment losses) | (46,839) | (36,449) | (26,676) | (17,720) | (14,416) | (12,214) |
| EBIT | 37,737 | 50,087 | 27,527 | 42,495 | 52,723 | 49,213 |
| Adjusted EBIT | 54,804 | 60,505 | 47,705 | 48,553 | 54,636 | 49,373 |
| Adjusted EBIT margin as % of external revenue | 10.4% | 12.2 % | 10.2% | 10.8% | 17.5% | 18.4% |

| IN € THOUSANDS | Segment total | | Other / consolidation | | Stabilus Group | |
|---|---|---|---|---|---|---|
| | Fiscal year ended September 30, | | Fiscal year ended September 30, | | Fiscal year ended September 30, | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| External revenue[1] | 1,305,926 | 1,215,254 | – | – | 1,305,926 | 1,215,254 |
| Intersegment revenue[1] | 82,270 | 71,101 | (82,270) | (71,101) | – | – |
| Total revenue[1] | 1,388,196 | 1,286,355 | (82,270) | (71,101) | 1,305,926 | 1,215,254 |
| Depreciation and amortization (incl. impairment losses) | (87,931) | (66,383) | (4,658) | (4,658) | (92,589) | (71,041) |
| EBIT | 117,987 | 141,796 | (4,658) | (4,658) | 113,330 | 137,137 |
| Adjusted EBIT | 157,145 | 158,431 | – | – | 157,145 | 158,431 |
| Adjusted EBIT margin as % of external revenue | 12.0% | 13.0% | – | – | 12.0% | 13.0% |

[1] Revenue breakdown by location of Stabilus company (i. e., “billed-from view”).

The column “Other / Consolidation” includes the effects from the purchase price allocation for the April 2010 business combination.

EBIT for the EMEA operating segment in the financial year ended September 30, 2024, contains impairment losses of €(1,656) thousand (September 30, 2023: €(1,013) thousand and the Americas segment includes impairment losses of €(127) thousand in the financial year ended September 30, 2024 (September 30, 2023: €(244) thousand). The revenue between the segments was calculated at market rates. The amounts presented in the column “Other / Consolidation” above include the elimination of transactions between the segments and certain other corporate items that are related to the Stabilus Group as a whole and are not allocated to the segments, e. g., depreciation from purchase price allocations.

The EBIT corrections mainly contain the effects of the PPAs of the past business acquisitions in the amount of €15.9 million. This is the first time that €14.4 million has been recognized for the business acquisition of the DESTACO Group. In addition, expenses in the amount of €14.2 million incurred in fiscal year 2024 were corrected, which are primarily related to the acquisition of the DESTACO Group. The following table sets out the reconciliation of the total segments' profit (adjusted EBIT) to profit before income tax:

### Reconciliation of the total segments' profit to profit / (loss) before income tax

T_098

| | Fiscal year ended September 30, | |
|---|---|---|
| IN € THOUSANDS | 2024 | 2023 |
| **Adjusted EBIT of all segments** | **157,145** | **158,431** |
| Other / consolidation | – | – |
| **Group adjusted EBIT** | **157,145** | **158,431** |
| Adjustments to EBIT | (43,815) | (21,294) |
| **Profit from operating activities (EBIT)** | **113,330** | **137,137** |
| Finance income | 19,675 | 6,869 |
| Finance costs | (32,650) | (24,681) |
| **Profit / (loss) before income tax** | **100,355** | **119,325** |

The information about geographical areas is set out in the following tables:

### Geographical information: Revenue by country (by country of residence of the Stabilus company)

T_099

| | Fiscal year ended September 30, | |
|---|---|---|
| IN € THOUSANDS | 2024 | 2023 |
| Germany | 358,239 | 348,029 |
| Romania | 129,970 | 132,841 |
| United Kingdom | 6,573 | 4,315 |
| Turkey | 6,714 | 8,576 |
| Italy | 15,330 | 1,937 |
| Netherlands | 1,010 | 909 |
| France | 4,300 | – |
| Spain | 3,327 | – |
| **EMEA** | **525,464** | **496,607** |
| Mexico | 217,664 | 249,716 |
| United States | 236,762 | 186,300 |
| Brazil | 11,339 | 10,040 |
| Argentina | 3,514 | 4,381 |
| **Americas** | **469,279** | **450,438** |
| China | 263,136 | 209,544 |
| South Korea | 36,403 | 48,040 |
| Australia | 3,006 | 3,004 |
| Japan | 4,356 | 5,727 |
| New Zealand | 2,178 | 1,894 |
| India | 1,432 | – |
| Thailand | 671 | – |
| **APAC** | **311,183** | **268,209** |
| **Revenue** | **1,305,926** | **1,215,254** |

### Geographical information: non-current assets by country (by country of residence of the Stabilus company)

T_100

| | Fiscal year ended September 30, | |
|---|---|---|
| IN € THOUSANDS | 2024 | 2023 |
| Germany | 333,884 | 233,450 |
| Romania | 33,299 | 35,611 |
| United Kingdom | 8,068 | 4,449 |
| Turkey | 1,928 | 1,438 |
| France | 9,570 | 50 |
| Italy | 4,986 | 5,679 |
| Spain | 436 | – |
| Goodwill | 266,184 | 147,812 |
| **EMEA** | **658,354** | **428,488** |
| United States | 235,222 | 66,984 |
| Mexico | 43,025 | 47,115 |
| Brazil | 3,080 | 3,802 |
| Argentina | 306 | 403 |
| Goodwill | 213,327 | 76,285 |
| **Americas** | **494,961** | **194,589** |
| China | 90,156 | 71,768 |
| South Korea | 12,927 | 9,735 |
| Australia | 906 | 1,045 |
| Singapore | 174 | 228 |
| Japan | 979 | 1,556 |
| New Zealand | 589 | 618 |
| India | 1,586 | 302 |
| Thailand | 4,941 | – |
| Goodwill | 60,488 | 12,523 |
| **APAC** | **172,746** | **97,777** |
| **Total** | **1,326,061** | **720,853** |

The non-current assets do not include financial instruments, deferred tax assets, post-employment benefit assets or rights arising under insurance contracts.

**Geographical information: non-current liabilities by country (by country of residence of the Stabilus company)** T_101

| | Fiscal year ended September 30, | |
|---|---|---|
| IN € THOUSANDS | 2024 | 2023 |
| Germany | 829,530 | 315,200 |
| Romania | 3,797 | 4,927 |
| Netherlands | 0 | 0 |
| United Kingdom | 375 | 34 |
| Turkey | 446 | 683 |
| France | 568 | 15 |
| Italy | 1,950 | 2,275 |
| Spain | 263 | – |
| **EMEA** | **836,930** | **323,132** |
| United States | 22,716 | 5,033 |
| Mexico | 6,877 | 9,345 |
| Brazil | 51 | 101 |
| Argentina | 0 | 36 |
| **Americas** | **29,644** | **14,514** |
| China | 10,062 | 11,766 |
| South Korea | 370 | 359 |
| Australia | 37 | 167 |
| Singapore | 131 | 169 |
| Japan | 286 | 401 |
| New Zealand | 332 | 289 |
| India | 23 | 0 |
| Thailand | 474 | – |
| **APAC** | **11,715** | **13,150** |
| **Total** | **878,289** | **350,797** |

Non-current liabilities do not include deferred tax liabilities.

## 38 Share-based payments

The Group established share-based payment arrangements for members of the Management Board (Matching Stock Progra million). The Matching Stock Program was discontinued in prior years and no further tranches have been granted. The Performance Share Plan is the current share-based payment agreement for members of the Management Board and senior management employees. Both systems are cash-settled share-based payment.

### Matching Stock Program

The variable compensation for the individual former members of the Management Board included a matching stock program. The matching stock program (MSP) provides for four annual tranches granted each year during the fiscal years from September 30, 2014, until September 30, 2017. The program “MSP A” was extended by one year to September 30, 2018. Owing to the unpredictable and extraordinary impact of COVID-19 on the share price development of Stabilus, which was beyond management’s influence, the Supervisory Board decided to extend the two-year exercise period for the tranches 2016 to 2018 by two years. This measure retained the incentive effect of the MSP tranches. However, the performance targets including number of options and exercise prices remain unchanged. Participation in the matching stock program requires the members of the Management Board to invest in the company’s shares. The investment must generally be held for the duration of a blocking period.

The fictitious options are subject to a lock-up period of four years and can be exercised during a subsequent two-year exercise period. The options may be exercised only if the stock price of the Company exceeds a set threshold for the relevant tranche, which the Supervisory Board will determine at the time of granting the options, and which needs to be between 10% and 50% growth over the base price, which is the share price on the grant date. If exercised, the fictitious options are transformed into a gross amount equaling the difference between the option price and the relevant stock price multiplied by the number of exercised options. The entity plans to settle in cash. The maximum gross amounts resulting from the exercise of the fictitious options of one tranche in general is limited in amount to 50% of the base price. The reinvestment of IPO proceeds from previous equity programs is not taken into account for MSP A.

## Measurement of fair values

The fair value of the share-based payments of the MSP has been measured using a binomial simulation (Black-Scholes).

The inputs used in the measurement of the fair values at the grant date and the measurement date of the MSP include market conditions and were as follows. The expected volatility is based on the historical volatility of the three-year period ending September 30, 2024.

### Input parameters for fair value measurement of MSP

T_102

| MEASUREMENT DATE | September 30, 2024 | September 30, 2023 | September 30, 2022 |
|---|---|---|---|
| **MSP A (2017)** | | | |
| Fair value | €0.04 | €1.80 | €2.50 |
| Share price | €36.70 | €52.95 | €45.30 |
| Expected annual volatility | 32.0% | 26.0% | 33.0% |
| Expected annual dividend yield | 2.0% | 2.0% | 2.0% |
| Expected remaining duration (exercise date) | – | – | – |
| Risk-free interest rate | 2.44% | 3.19% | 1.77% |
| Exercise price | €74.74 | €74.74 | €74.74 |
| **MSP A (2018)** | | | |
| Fair value | €0.45 | €3.03 | €3.35 |
| Share price | €36.70 | €52.95 | €45.30 |
| Expected annual volatility | 32.0% | 26.0% | 33.0% |
| Expected annual dividend yield | 2.0% | 2.0% | 2.0% |
| Expected remaining duration (exercise date) | – | – | – |
| Risk-free interest rate | 2.05% | 2.92% | 1.85% |
| Exercise price | €74.22 | €74.22 | €74.22 |

## Number of share options

T_103

| | MSP A (2017) | | MSP A (2018) | |
|---|---|---|---|---|
| | Number of options | Exercise price | Number of options | Exercise price |
| **Outstanding as of October 1, 2021** | **6,474** | **€74.74** | **10,423** | **€74.22** |
| Granted during the year | – | – | – | – |
| Forfeited during the year | – | – | – | – |
| Exercised during the year | – | – | – | – |
| **Outstanding as of September 30, 2022** | **6,474** | **€74.74** | **10,423** | **€74.22** |
| **Exercisable as of September 30, 2022** | **–** | **–** | **–** | **–** |
| **Outstanding as of October 1, 2022** | **6,474** | **€74.74** | **10,423** | **€74.22** |
| Granted during the year | – | – | – | – |
| Forfeited during the year | 5,134 | – | – | – |
| Exercised during the year | – | – | – | – |
| **Outstanding as of September 30, 2023** | **1,340** | **€74.74** | **10,423** | **€74.22** |
| **Exercisable as of September 30, 2023** | **1,340** | **€74.74** | **10,423** | **€74.22** |
| **Outstanding as of October 1, 2023** | **1,340** | **€74.74** | **10,423** | **€74.22** |
| Granted during the year | – | – | – | – |
| Forfeited during the year | – | – | – | – |
| Exercised during the year | – | – | – | – |
| **Outstanding as of September 30, 2024** | **1,340** | **€74.74** | **10,423** | **€74.22** |
| **Exercisable as of September 30, 2024** | **1,340** | **€74.74** | **10,423** | **€74.22** |

## Performance Share Plan

The members of the Management Board of Stabilus SE and individual senior management employees received allocations under the Performance Share Plan (“PSP”) in the form of virtual shares. The virtual shares of the Performance Share Plan are based on an annual target amount granted at the beginning of a three-year performance period as a future entitlement. To determine the target number of virtual shares granted, the annual target amount is divided by the start share price, whereby the start share price refers to the arithmetic mean of the Company’s share closing price over the last 60 trading days prior to the respective performance period start date.

The performance factor that determines the final number of virtual shares is calculated at the end of the three-year performance period via the relative total shareholder return (weighted at 70%) and the adjusted EBIT margin (weighted at 30%).

The target achievement for the relative total shareholder return (TSR) is based on a comparison with the constituents of the MDAX index. To determine the relative TSR, firstly, the absolute TSR values of Stabilus as well as each index constituent of the MDAX over the respective performance period are calculated. The absolute TSR value of each company equals the theoretical growth in value of a share holding over the performance period, assuming that (gross) dividends are directly reinvested. Secondly, the calculated absolute TSR values of Stabilus and of each index constituent are ranked by size in order to calculate the target achievement.

The target achievement for adjusted EBIT margin is based on a comparison with a strategic target. To determine the percentage of target achievement, the actual adjusted EBIT margin at the end of the respective performance period is compared with the strategic adjusted EBIT margin defined for the respective performance period.

The final number of virtual shares is determined by multiplying the overall target achievement by the target number of virtual shares granted. The final number of virtual shares is capped at 150% of the target number of virtual shares granted. The payout of the respective tranche of the Performance Share Plan is calculated by multiplying the final number of virtual shares with the relevant end share price including any dividends paid during the performance period. The end share price refers to the arithmetic mean of the Company’s share closing price during the last 60 trading days prior to the respective performance period end date. The payout amount is limited to a maximum of 250% of the target amount (payout cap). The Performance Share Plan is paid out in cash at the end of the performance period.

### Performance Share Plan

T_104

| MEASUREMENT DATE | September 30, 2023 | September 30, 2024 | September 30, 2024 |
|---|---|---|---|
| Performance period | October 1, 2022 – September 30, 2025 | October 1, 2022 – September 30, 2025 | October 1, 2023 – September 30, 2026 |
| Price of the Stabilus share | €52.95 | €36.70 | €36.70 |
| “Initial price” of the Stabilus share | €51.89 | €51.89 | €52.07 |
| Expected annual dividend yield | 2.0% | 2.0% | 2.0% |
| Remaining duration of granted performance shares | 2.0 years | 1.0 years | 2.0 years |
| Risk-free annual interest rate (duration 2.0 years) | 3.19% | 2.44% | 2.05% |
| Expected target achievement for internal target EBIT | 100% | 100% | 100% |
| Cap per performance share used in the valuation | 250% x €51.89 | 250% x €51.89 | 250% x €52.07 |

## Measurement of fair values

The fair value of the share-based payments of the PSP has been measured using a binomial simulation (Black-Scholes).

The following virtual shares were issued in fiscal year 2024:

**Number of virtual shares** T_105

| | PSP (2022) | | PSP (2023) | | PSP (2024) | |
|---|---|---|---|---|---|---|
| | Number of virtual shares | Fair value | Number of virtual shares | Fair value | Number of virtual shares | Fair value |
| **Outstanding as of October 1, 2022** | **18,650** | **€49.84** | **–** | **–** | **–** | **–** |
| Granted during the year | – | – | 21,159 | €51.89 | – | – |
| Forfeited during the year | – | – | – | – | – | – |
| Exercised during the year | – | – | – | – | – | – |
| **Outstanding as of September 30, 2023** | **18,650** | **€59.04** | **21,159** | **€54.41** | **–** | **–** |
| **Exercisable as of September 30, 2023** | **–** | **–** | **–** | **–** | **–** | **–** |
| **Outstanding as of October 1, 2023** | **18,650** | **€59.04** | **21,159** | **€54.41** | **–** | **–** |
| Granted during the year | – | – | – | – | 28,109 | €52.07 |
| Forfeited during the year | 4,892 | – | – | – | – | – |
| Exercised during the year | 13,758 | €45.40 | – | – | – | – |
| **Outstanding as of September 30, 2024** | **–** | **–** | **21,159** | **€25.22** | **28,109** | **€29.32** |
| **Exercisable as of September 30, 2024** | **–** | **–** | **–** | **–** | **–** | **–** |

## ESG LTI (ESG = environmental, social and governance)

Remuneration for the members of Stabilus SE's Management Board was expanded to include long-term sustainability objectives. The ESG LTI is long-term variable remuneration with a particular focus on sustainability objectives. Tranches are allocated annually, each with a four-year term or performance period. The payout of the respective tranche of the ESG LTI is calculated by multiplying an individual target amount by the target achievement of relevant sustainability objectives determined according to the strategy. The target amount is agreed with each Management Board member in the service agreement and amounts to 20% of individual basic remuneration. The sustainability objectives, including measurement methods and targets, are defined by the Supervisory Board before each tranche and are based on a catalog of environmental, social and governance criteria. Further details can be found in the Remuneration of Management Board members section at **IR.STABILUS.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE**.

The Supervisory Board can decide the number of sustainability objectives with different weightings for each tranche. Target achievement for each sustainability objective can be between 0% and 150%. Payment is also restricted to 150% of the individual target amount and is made in cash after the four-year performance period. The Supervisory Board ensures that the sustainability objectives are relevant to the strategy and, where possible, can be quantified. The selected sustainability objectives, including their weighting, are published in the remuneration report, which provides information on the allocation of an ESG LTI tranche (**IR.STABILUS.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE**). Targets for each sustainability objective and the resulting target achievement are disclosed in the remuneration report detailing the payment.

## Expenses recognized in profit or loss

An amount of €177 thousand (September 30, 2023: €1,190 thousand, expenses) was recognized in employee benefit expenses and an amount of €698 thousand (September 30, 2023: €973 thousand) in provisions for employee-related expenses. The provisions recognized as of September 30, 2024, are €1.9 million (September 30, 2023: €3.3 million).

## 39 Auditor's fees

The audit firm Deloitte GmbH, Frankfurt am Main, has been appointed the Group auditor since fiscal year 2023. As the German Public Auditors responsible, Mr. Stefan Dorissen and Mr. Sven Henrich therefore sign the auditor's report for the consolidated financial statements for the second time. The following auditor's fees were reported in the fiscal year:

**Auditor's fees** T_106

| IN € THOUSANDS (EXCLUDING VAT) | Fiscal year ended September 30, 2024 | Fiscal year ended September 30, 2023 |
|---|---|---|
| Audit fees | 1,259 | 779 |
| Confirmation services | 304 | 104 |
| Tax fees | – | – |
| Other fees | 30 | – |
| **Total** | **1,593** | **883** |

For the fiscal year ended September 30, 2024, a fee (excluding VAT) of €1,593 thousand (September 30, 2023: €883 thousand) was agreed with the Group auditors for the audit of the consolidated and annual financial statements of the Stabilus entities. These fees are included in the Group's administrative expenses. The fee for auditing services provided by Deloitte GmbH Wirtschaftsprüfungsgesellschaft related primarily to the audit of the consolidated financial statements and the annual financial statements together with the combined management report of Stabilus SE and various audits of the annual financial statements of its subsidiaries. The assurance services included the business audit in relation to certain financial information in the semi-annual financial report, the review of the separate non-financial Group report, the content audit of the remuneration report, agreed-upon investigative procedures on contractual obligations and the system audit for compliance with capital market law requirements. The other services related to services in connection with a regulatory investigation.

## 40 Related party disclosures

According to IAS 24, the reporting entity has to disclose specific information on transactions between the Group and other related parties. Balances and transactions between the Company and its consolidated subsidiaries, which constitute related parties within the meaning of IAS 24, have been eliminated in the course of consolidation and are therefore not commented on in this note. To our knowledge, no individual shareholder of Stabilus SE can exercise significant influence over the Company or the Group. None of the Group entities can exercise significant influence over entities not included in consolidation.

Related parties of the Stabilus Group primarily comprise members of key management personnel at the Stabilus Group and their close relatives. At the Stabilus Group, members of the Management Board, regional managers (EMEA, Americas and APAC), the Supervisory Board and key management personnel, as well as their close family members, are considered related parties.

The remuneration of and other transactions with key managers of the Company constitute related party transactions pursuant to IAS 24. For business transactions with related companies and persons that are members of the Management Board, regional managers, and members of the Supervisory Board, see Notes 38 "Share-based payments" and 41 "Remuneration of key management personnel".

## 41 Remuneration of key management personnel

The key management personnel are the members of the Supervisory Board, Dr. Michael Büchsner (CEO) and, since October 1, 2024, David Sabet (CTO).

Stabilus is required by the European Directive to establish a remuneration policy for the Supervisory Board and the Management Board. The principles and the evaluation of the remuneration policy for the Management Board and the Supervisory Board of Stabilus SE are prepared in accordance with the Second Shareholders' Directive (ARUG II) and the recommendations of the German Corporate Governance Code (GCGC) as amended. The remuneration report is published separately from this annual report and is available on the Company's website at **IR.STABILUS.COM/DE/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE**.

The total remuneration paid to key management personnel of the Group is calculated as the amount of remuneration paid in cash, benefits in kind and expenses for share-based payments. Benefits in kind primarily comprise the provision of company cars and pensions.

The total remuneration of the Management Board and regional managers at the Stabilus Group in the reporting period is as follows:

**Remuneration** T_107

| | Fiscal year ended September 30, | |
|---|---|---|
| IN € THOUSANDS | 2024 | 2023 |
| Benefits due in the short term | 2,026 | 1,792 |
| Share-based payments[1] | 1,120 | 1,768 |
| **Total** | **3,146** | **3,560** |

[1] Expenses for share-based payments.

### Emoluments pursuant to HGB Art. 314 No. 6a

The total remuneration for the members of the Supervisory Board, which comprised exclusively short-term payments, came to €736 thousand (September 30, 2023: €688 thousand).

The total compensation of the Management Board amounted to €2,365 thousand (September 30, 2023: €1,981 thousand), comprising share-based remunerations at fair value at the grant date in the amount of €918 thousand, with a number of 17,630 virtual shares (September 30, 2023: €799 thousand).

The members of the Management and Supervisory Board have a combined direct interest in Stabilus SE of around 0.1% (September 30, 2023: 0.1%) of the total issued shares.

## 42 Use of Art. 264 (3) HGB

The following domestic subsidiaries availed themselves of the facilitation provisions of Art. 264 (3) HGB with respect to the provisions of the first Subsection (financial statements of the Company and Management Report) and the fourth Subsection (disclosure) for fiscal year 2024:

- HAHN-Gasfedern GmbH, Aichwald
- ACE Stoßdämpfer GmbH, Langenfeld
- DESTACO Europe GmbH, Oberursel (Taunus)
- Stabilus Motion Controls GmbH, Langenfeld

## 43 Subsequent events

On October 25, 2024, Stabilus SE issued a promissory note loan with a total value of €40 million. The promissory note loan consists of two tranches with maturities of three and five years, each with fixed interest rates. As of December 5, 2024, there were no other events or developments that could have had a material impact on the measurement and presentation of the Group’s assets and liabilities as of September 30, 2024.

Koblenz, December 5, 2024

Stabilus SE

Management Board

# RESPONSIBILITY STATEMENT

We, Dr. Michael Büchsner (Chief Executive Officer), Stefan Bauerreis (Chief Financial Officer) and David Sabet (Chief Technology Officer), confirm, to the best of our knowledge, that the consolidated financial statements that have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union give a true and fair view of the assets, liabilities, financial position and profit or loss of Stabilus SE and the undertakings included in the consolidation taken as a whole, and that the combined management report includes a fair review of the development and performance of the business and the position of Stabilus SE and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Koblenz, December 5, 2024

**DR. MICHAEL BÜCHSNER**

**STEFAN BAUERREIS** **DAVID SABET**

Stabilus SE
The Management Board

# MANAGEMENT BOARD OF STABILUS SE

The Management Board consists of three members:

**Dr. Michael Büchsner** (born 1975, Austrian citizen) is the Chief Executive Officer. Over the past 20 years, he has held a number of senior positions at components supplier TRW in Austria, Germany and the United States, and, following its takeover of TRW, at ZF Friedrichshafen AG. Most recently, he was global head of the Passive Safety Systems division. The main focus areas of his activities were strategy, finance, investments, and customer relations. Dr. Michael Büchsner holds a degree in chemical engineering from the Technical University of Graz, at which he later completed a doctorate, and an Executive MBA awarded by the St. Gallen Institute.

**Stefan Bauerreis** (born 1972, German citizen) is Chief Financial Officer (CFO) of Stabilus SE. He joined the company's Management Board in June 2022. Previously, he worked for the Schaeffler Group since 2000, where he held various management positions in finance and was most recently CFO of the Europe region (including Africa, Arab countries and India up to and including 2019) from 2014 until he joined Stabilus. Prior to this, he was CFO of the Germany region for a total of six years and, from 2003 to 2009, he was Head of Corporate Accounting and Chief Accountant of the Schaeffler Group. He started his career in 1998 at Mannesmann Internal Audit GmbH. Stefan Bauerreis holds a degree in business administration from Otto Friedrich University of Bamberg with a focus on finance, corporate management and controlling, as well as taxes and auditing.

**David Sabet** (born 1973) is the Chief Technology Officer (CTO) and has been a member of the Management Board of Stabilus SE since October 2024. He began his career at Stabilus in 1996 as an engineer and held management positions in Application Engineering at the Stabilus Group from 2004 to 2014. Since 2014, he has served as the Head of the Business Unit Automotive Powerise. In 2015, he was appointed as the Chief Technology Office in the extended management group of Stabilus. He holds a Bachelor of Science degree in Mechanical Engineering from Pennsylvania State University.

# SUPERVISORY BOARD OF STABILUS SE

The Supervisory Board now comprises six members.

**Dr. Stephan Kessel** (born 1953, German citizen) has served as a member of the Supervisory Board since 2014 and as the Chairman of the Supervisory Board since 2018. From August 2018 to July 2019, he led Stabilus as interim CEO and then returned to the position as Chairman of the Supervisory Board. He was a long-time member of the Management Board and, until 2002, the CEO of Continental AG. Since then, Dr. Kessel has taken up a number of board positions at European companies including Stabilus from 2008 onwards. In addition to his position at Stabilus, he currently serves as Chairman of the Supervisory Board of Novem Group S.A. and member of the Advisory Board of svt GmbH. In addition, he is a member of the Management Board of Hitched Holdings 1 B.V., ACPS' holding company.

**Dr. Ralf-Michael Fuchs** (born 1958, German citizen) has served as a member of the Supervisory Board since 2015 and as the Deputy Chairman of the Supervisory Board since September 2022. Until 2017, he was a member of the DÜRR Senior Board and Head of the Measuring and Process Systems business unit at Dürr AG. He was also Chairman of the Management Board of Carl SCHENCK AG and Chairman of the Supervisory Board at several Dürr companies. Prior to that, he held several senior positions, including positions at IWKA AG and AGIV AG. From 2004 to 2018, he was a member of the Management Board of Nagahama Seisakusho Ltd., Japan.

**Dr. Joachim Rauhut** (born 1954, German citizen) has been a member of the Supervisory Board since May 12, 2015. He was a member of the Management Board of Wacker Chemie AG until October 31, 2015. He joined the Management Board of Wacker Chemie GmbH in 2001 and supported Wacker Chemie's initial public offering in 2006. Previously, he served in various leading corporate positions, including posts at Mannesmann AG and Krauss-Maffei AG. Until May 8, 2024, he was a member of the Supervisory Board of MTU Aero Engines AG.

**Dr. Dirk Linzmeier** (born 1976, German citizen) has served as a member of the Supervisory Board since 2018. He is the CEO of TTTech Auto AG. From 2017 until 2022, he was the CEO of Osram Continental Group (joint venture). From 2006 to 2017, he held several leading positions in the development of driver assistance systems and automotive electronics at Robert Bosch GmbH. From 2014 to 2017, he served as Managing Director and Business Unit Leader Automotive Electronics and as Vice President of Corporate Start-up Management. Prior to that, he worked as a research engineer in Advanced Development at DaimlerChrysler AG.

**Inka Koljonen** (born 1973, Finnish citizen) has been a member of the Supervisory Board since February 2022. As a member of the Executive Board, she has been responsible for Finance, IT and Legal Affairs at MAN Truck & Bus SE since February 2022. Previously, she was Chief Financial Officer at SAF-HOLLAND SE and, among other positions, CFO for the Catalysts business unit at Clariant AG and CFO of the Russia region for Siemens AG. She has been a member of the Supervisory Board of OC Oerlikon Corporation AG, Pfäffikon, Switzerland (member of the Board Directors, Chair of the Audit & Finance Committee) since March 2023. Inka Koljonen holds a degree in business administration from Ludwig Maximilian University in Munich.

**Susanne Heckelsberger** (born 1964, German citizen) has been a member of the Supervisory Board since February 2024. The independent consultant has been part of the Villeroy Supervisory Board since July 2020 and was from September 2021 to October 2024 a member of the Supervisory Board of Vitesco Technologies Group AG. Prior to that, she was responsible for commercial management of the entire s.Oliver Group as Chief Financial Officer. In previous positions, she worked as Chief Operating Officer for Allianz Capital Partners, in Finance on the Management Board of Zimmer AG, and as an auditor and tax consultant for several well-known audit firms.

# INDEPENDENT AUDITOR'S REPORT

To Stabilus SE, Frankfurt am Main / Germany

## Report on the audit of the consolidated financial statements and of the combined management report

### Audit Opinions

We have audited the consolidated financial statements of Stabilus SE, Frankfurt am Main / Germany, and its subsidiaries (the Group) which comprise the consolidated balance sheet as at 30 September 2024, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from 1 October 2023 to 30 September 2024, and the notes to the consolidated financial statements, including a summary of significant accounting policies. We have not audited the content of the remuneration report, to which reference is made in the sections 'Share-based payments' and 'Key management personnel compensation' of the notes to the consolidated financial statements. In addition, we have audited the combined management report for the parent and the group of Stabilus SE, Frankfurt am Main / Germany, for the financial year from 1 October 2023 to 30 September 2024. In accordance with German legal requirements, we have not audited the content of the separate non-financial group report pursuant to Sections 315b and 315c HGB, to which reference is made in the section "Non-financial Group report" of the combined management report, or the combined declaration on corporate governance pursuant to Sections 289f, 315d HGB contained in the section "Declaration on corporate governance" of the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 30 September 2024 and of its financial performance for the financial year from 1 October 2023 to 30 September 2024, our audit opinion on the consolidated financial statements does not cover the content of the remuneration report to which reference is made in the sections 'Share-based payments' and 'Key management personnel compensation' of the notes to the consolidated financial statements, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the above mentioned contents of the separate non-financial group report and the corporate governance statement.

Pursuant to Section 322 (3) sentence 1 German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

### Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

### Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 October 2023 to 30 September 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following we present the key audit matters we have determined in the course of our audit:

1. Acquisition of Destaco Group
2. Recoverability of the Accounted Goodwill

Our presentation of this key audit matter has been structured as follows:

a) description (including reference to corresponding information in the consolidated financial statements)

b) auditor's response

### 1. Acquisition of the Destaco Group

a) On 31 March 2024, the Destaco Group, headquartered in Auburn Hills, Michigan, USA, was acquired from Dover Corporation, Illinois, USA, by way of asset and share deals. The consideration transferred amounted to €630.2 million and was paid in full in cash. Stabilus SE accounts for the business combination in accordance with IFRS 3. At the time of preparation of the financial statements, the identification and measurement of the assets acquired and liabilities and contingent liabilities assumed had not yet been completed due to the complexity of the transaction, so that the fair values are based on a preliminary purchase price allocation. The fair values recognised as part of the preliminary purchase price allocation are based on a preliminary valuation report prepared by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Munich / Germany, in the capacity of an independent expert. The preliminary valuations are based on planned cash flows, which are discounted using asset-specific, term-dependent interest rates. Taking into account the other net assets measured at fair value, the preliminary goodwill amounts to €311.2 million (49.4% of the consideration transferred). The capitalised goodwill is subject to an annual impairment test and will be integrated into the existing regional segment structure of Stabilus SE (see 2.).

The facts were of particular significance in the context of our audit due to the significance and complexity of the transaction and the associated risk of material misstatements in the assets, liabilities, financial position and financial performance, as well as the assumptions to be made and discretionary estimates to be applied by the executive directors when performing the preliminary purchase price allocation.

The Company's disclosures on the acquisition of Destaco Group are contained in section 4 ('Business combination') of the notes to the consolidated financial statements.

b) As part of our audit of the accounting for the acquisition of the Destaco Group as of 31 March 2024, we obtained an understanding of the purchase price allocation process set up by the executive directors and evaluated the underlying documentation. On the basis of the criteria defined in IFRS 10 and, in particular, the purchase agreement, the agreements under company law and the requirements of the antitrust authorities, we first examined whether Stabilus SE controlled Destaco Group from 31 March 2024 and had to consolidate it in the consolidated financial statements.

In our audit of the preliminary purchase price allocation, we evaluated the methodology applied by the external appraiser consulted by the executive directors to support them in identifying the acquired assets and in assessing the conceptual evaluation of the valuation models, taking into account the requirements of IFRS 3, and assessed the competence, ability and objectivity of the external appraiser. With the assistance of our internal valuation specialists, we also verified the valuation methods applied, taking into account the requirements of IFRS 13, and assessed their suitability. We have assessed the methods, assumptions and data used by the executive directors in terms of their justifiability. We analysed the discretionary estimates used, such as growth rates, the cost of capital and remaining useful lives, to determine the fair values of the acquired and identified assets and the acquired liabilities at the acquisition date to assess whether these were consistent with general and industry-specific market expectations. We compared the expected future cash flows used by the executive directors for the calculations with the internal forecasts and checked their plausibility using surveys and market studies. We recalculated the valuations of individual assets and liabilities and compared the provisionally determined fair values with the assumptions and industry-specific market expectations at the time of acquisition. We verified the discount rates used in the valuation by performing our own control and comparison calculations and checked their plausibility using market data. In addition, we examined whether the accounting policies corresponding to the accounting policies of Stabilus SE were consistently applied at Destaco Group and whether the tax effects of the business combination were appropriately recognised in the financial statements. In addition, we audited the allocation of the goodwill resulting from the acquisition and the adjustments to the fair value of the assets and liabilities resulting from the acquisition, taking into account IAS 21. We verified the presentation of the initial consolidation in the consolidation system.

Finally, we examined whether the disclosures in the notes to the consolidated financial statements on the acquisition of Destaco Group are complete and correct.

### 2. Recoverability of the accounted goodwill

a) As of 30 September 2024, the book value of the goodwill within the consolidated financial statements amounts to €540.0 million (corresponding to 28.3% of the consolidated balance sheet total). The impairment test is conducted at the level of the operative segments, which represent the cash-generating unit or a group of cash-generating units, by determining the corresponding realisable amount and comparing that realisable amount with the corresponding carrying value. The realisable amount is determined on the basis of the fair value less selling costs. As market values are not usually available, the recoverable amount is determined based on the planning of Stabilus SE for the next five years, as prepared by the executive directors and approved by the Supervisory Board, using the discounted cash flow method.

The result of this valuation is highly dependent on the assessment of the future cash inflows of the respective operating segments by the executive directors as well as the discounting rate used in each case and is therefore subject to considerable uncertainty. Against this background and due to the underlying complexity of the valuation model, this matter was of particular importance in the context of our audit.

The Company's disclosures on goodwill are contained in sections 3 ('Accounting policies') and 15 ('Goodwill') of the notes to the consolidated financial statements.

b) In our audit, we have, among other things, traced the methodical procedure for performing the impairment test, the planning process of Stabilus SE and the determination of the weighted average cost of capital. In this context, we considered the Group's adherence to the budget process over the past years.

Within the scope of our audit, we integrated internal valuation specialists into our audit team and, with their support, tested the valuation model and the key parameters underlying the calculations for appropriateness. We have reconciled the expected future cash inflows with the planning for which the executive directors are responsible and which has been approved by the Supervisory Board, and have carried out plausibility checks of the key assumptions made and parameters applied with general and sector-specific market expectations. As a significant portion of the fair value has been determined based on projected cash flows for the period following the five-year budget (period of perpetuity), we also examined in particular the sustained growth rate applied for the period of perpetuity based on industry-specific market expectations. Furthermore, we verified the region-specific discount rates used in the impairment testing (weighted average cost of capital - WACC) by means of our own control and comparative calculations and checked their plausibility on the basis of market data.

In addition, we performed sensitivity analyses both with regard to the growth expectations of the future cash inflows of the operative segments and with regard to the discount rates applied and assessed whether the methods applied, assumptions made, data used and parameters applied by the executive directors are justifiable.

Finally, we reviewed the disclosures in the notes to the consolidated financial statements on the recoverability of goodwill for completeness and compliance with the requirements of IAS 36.

## Other information

The executive directors and / or the Supervisory Board are responsible for the other information. The other information comprises

- the report of the Supervisory Board,
- the remuneration report pursuant to Section 162 AktG,
- the separate non-financial group report,
- the combined corporate governance statement included in the combined management report,
- the executive directors' confirmation regarding the consolidated financial statements and / or the annual financial statements and the combined management report pursuant to Section 297 (2) sentence 4, Section 264 (2) sentence 3, and Section 315 (1) sentence 5 HGB, and
- all other parts of the annual report,
- but not the consolidated financial statements, not the audited content of the combined management report and not our auditor's report thereon.

The Supervisory Board is responsible for the report of the Supervisory Board. The executive directors and the Supervisory Board as well are responsible for the declaration related to the German Corporate Governance Code according to Section 161 German Stock Corporation Act (AktG), which is part of the combined corporate governance statement included in the combined management report, and for the remuneration report. Otherwise the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited content of the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

## Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i. e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the

prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

## Other Legal and Regulatory Requirements

### Report on the Audit of the Electronic Reproductions of the Consolidated Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

#### Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value 9f6715ef3-6574e208e269711b2a9b814af33d675b11bcce60849ef4749095f9f, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the consolidated financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying combined management report for the financial year from 1 October 2023 to 30 September 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

#### Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the consolidated financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the "Group Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our audit firm has applied the requirements of the IDW Quality Management Standards.

#### Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the parent are responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements according to Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the parent are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The Supervisory Board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

#### Group Auditor's Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the audit. We also

– identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
– obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that

are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited combined management report.
- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

### Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the general meeting on 7 February 2024. We were engaged by the Supervisory Board on 27 May 2024. We have been the group auditor of Stabilus SE, Frankfurt am Main / Germany, since the financial year 2022/2023.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

## Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as with the audited ESEF documents. The consolidated financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

## German public auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Stefan Dorissen.

Frankfurt am Main, December 5, 2024

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

**STEFAN DORISSEN**
(German Public Auditor)

**SVEN HENRICH**
(German Public Auditor)

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# ANNUAL FINANCIAL STATEMENTS

for fiscal 2024


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# STATEMENT OF FINANCIAL POSITION

Statement of financial position as of September 30, 2024

## Assets

T_108

| | IN € THOUSANDS | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|---|
| A. | **Fixed assets** | | |
| I. | **Intangible assets** | | |
| 1. | Purchased concessions, industrial and similar rights and assets and licenses in such rights and assets | 86 | 24 |
| II. | **Property, plant and equipment** | | |
| 1. | Other equipment, operating and office equipment | 43 | 62 |
| III. | **Financial assets** | | |
| 1. | Shares in affiliated companies | 775,218 | 775,218 |
| 2. | Loans to affiliated companies | 571,009 | 0.00 |
| | | **1,346,356** | **775,305** |
| B. | **Current assets** | | |
| I. | **Receivables and other assets** | | |
| 1. | Receivables from affiliated companies | 26,890 | 862 |
| | | | |
| 2. | Other assets | 0.00 | 137 |
| | | 26,890 | 999 |
| II. | **Bank balances** | 42 | 0.00 |
| | | **26,932** | **999** |
| | | | |
| C. | **Prepaid expenses** | **107** | **137** |
| | | **1,373,395** | **776,440** |

## Equity and liabilities

T_108

| | IN € THOUSANDS | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|---|
| A. | **Equity** | | |
| I. | **Issued capital** | **24,700** | **24,700** |
| II. | **Capital reserves** | **395,348** | **395,348** |
| III. | **Retained earnings** | | |
| 1. | Legal reserve | 1,597 | 1,597 |
| 2. | Other revenue reserves | 4,835 | 4,835 |
| | | | |
| IV. | **Retained profits** | **256,192** | **306,521** |
| V. | **Net income for the period** | **(14,750)** | **(7,103)** |
| | | **667,923** | **725,898** |
| B. | **Provisions** | | |
| 1. | Tax provisions | 489 | 0.00 |
| 2. | Other provisions | 7,519 | 7,008 |
| | | **8,008** | **7,008** |
| C. | **Liabilities** | | |
| 1. | Liabilities to financial institutions | 500,000 | 0.00 |
| 2. | Trade accounts payable | 1,466 | 553 |
| 3. | Liabilities to affiliated companies | 195,099 | 42,982 |
| 4. | Other liabilities | 900 | 0.00 |
| | | **697,464** | **43,535** |
| | | **1,373,395** | **776,440** |

# INCOME STATEMENT

Income statement for the fiscal year from October 1, 2023, to September 30, 2024

## Income statement

T_109

| | IN € THOUSANDS | Fiscal year ended September 30, | | | |
|---|---|---|---|---|---|
| | | 2024 | | 2023 | |
| 1. | **Other operating income** | 22,138 | | 8,063 | |
| | | | **22,138** | | **8,063** |
| 2. | **Staff costs** | | | | |
| | a) Wages and salaries | (3,784) | | (4,141) | |
| | b) Social security, post-employment and other employee benefit costs | 0.00 | | 0.00 | |
| | | | **(3,784)** | | **(4,141)** |
| 3. | **Depreciation and amortization** | | | | |
| | a) Amortization of intangible assets | (47) | | (25) | |
| | | | | | |
| 4. | **Other operating expenses** | (39,865) | | (9,956) | |
| | | | **(39,912)** | | **(9,981)** |
| 5. | **Interest and similar expenses** | (17,692) | | (788) | |
| | of which to affiliated companies €4,537 thousand (PY: €787 thousand) | | | | |
| | | | | | |
| 6. | **Income from loans of financial assets** | 16,953 | | 0.00 | |
| | of which from affiliated companies €16,953 thousand (PY: €0) | | | | |
| | | | | | |
| 7. | **Other interest and similar income** | 102 | | 2 | |
| | | | | | |
| 8. | **Income from profit transfer agreements** | 8,279 | | 0.00 | |
| | | | **7,642** | | **(786)** |
| 9. | **Income taxes** | (834) | | (258) | |
| | | | **(834)** | | **(258)** |
| 10. | **Result after taxes** | | **(14,750)** | | **(7,103)** |
| 11. | **Net loss for the period** | | **(14,750)** | | **(7,103)** |

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

of Stabilus SE, Frankfurt am Main, for the fiscal year from October 1, 2023, to September 30, 2024

## 1 General information

By way of resolution of the Extraordinary General Meeting on March 24, 2022, and the subsequent entry in the Luxembourg Trade and Companies Register on April 5, 2022, Stabilus SE, Frankfurt am Main, transformed its legal form from that of a Société Anonyme (S. A.) under Luxembourg law to a European Company (Societas Europaea – SE). Its registered office was located at 2 rue Albert Borschette, 1246 Luxembourg, until September 1, 2022. Until that date, the Company was entered in the Luxembourg commercial register under no. B151589. The relocation of the registered office from Luxembourg to Frankfurt am Main, Germany, was resolved by the Extraordinary General Meeting on August 11, 2022. Since being entered in the commercial register of the Frankfurt am Main Local Court under no. HRB 128539 on September 2, 2022, the registered office of the Company has been in Frankfurt am Main with the business address Wallersheimer Weg 100, 56070 Koblenz, Germany. The Company was originally founded as Servus HoldCo S.à r.l., Luxembourg, on February 26, 2010. The shares of Stabilus SE, Frankfurt am Main, (hereinafter referred to as "Stabilus SE"), are listed in the MDAX of the Frankfurt Stock Exchange at the end of the reporting period with ISIN DE000STAB1L8, the stock exchange symbol is "STM".

The object of the Company is to manage a group of companies based within and outside of Germany, specializing in particular in the development, production, and distribution of gas springs, dampers, electromechanical damper opening systems, vibration isolation products, and industrial components in the field of motion control and also to provide consulting services and other services related thereto. With the acquisition of the DESTACO Group, the product portfolio has expanded in the field of industrial automation. DESTACO's product range includes pneumatic and electronic grippers, clamps, and end-of-arm tools for robotics, as well as indexers and conveyors. The Company is entitled to undertake all acts and measures that are related to the object of the Company or appear suitable to directly and indirectly serve the purpose of the Company. For this purpose, it may also set up branches in Germany and abroad, establish or acquire other companies or take equity interests in them.

The annual financial statements of Stabilus SE are prepared in line with German accepted accounting principles in accordance with the provisions of the Handelsgesetzbuch (HGB – German Commercial Code) on accounting for large corporations and the supplementary provisions of the Aktiengesetz (AktG – German Stock Corporation Act) under the going concern assumption. In accordance with Regulation (EC) No. 1606/2002, Stabilus SE prepares IFRS consolidated financial statements in accordance with section 315e HGB, which includes the parent company and all its subsidiaries (largest and smallest consolidated group). In accordance with section 315 (5) in connection with section 298 (2) HGB, the management report of Stabilus SE was combined with the Group management report of Stabilus SE. All Stabilus SE documents that are subject to disclosure are submitted to the operator of the Company Register and also made available on the Company's website at IR.STABILUS.COM.

For classifying the income statement, the nature of expense method in accordance with section 275 (2) HGB was selected. The fiscal year of Stabilus SE begins on October 1 and ends on September 30 of the following year. The prior-year period covers the period from October 1, 2022, through September 30, 2023. The reporting currency for the Stabilus SE annual financial statements is the euro (€). Unless indicated otherwise, all amounts are shown in thousands of euro (€ thousand). For arithmetical reasons, the information presented in the notes to the annual financial statements can contain rounding differences of + / – one unit (€ thousand, % etc.).

We would like to point out that all links to the Company's website and the information to which the links refer have not been subject to the audit by the auditor.

## 2 Accounting policies

### 2.1. Presentation of the material accounting policies

**Intangible assets** and **tangible assets** are recognized at cost less scheduled amortization. Scheduled amortization is recognized on a straight-line basis over a useful life between three and five years. Intangible assets are amortized over three years and tangible assets are expected to have a useful life of between three to five years.

**Low-value fixed assets** up to a value of €1,000 are expensed directly in the fiscal year of acquisition. Low-value assets over €250 and up to €1,000 are written down immediately in the year of acquisition.

To the extent required under commercial law, **unscheduled write-downs** are recognized for both intangible and tangible assets. Reversals are recognized if the reasons for unscheduled write-downs recognized in previous years no longer apply.

**Financial assets** (which include investments in affiliated companies and loans to affiliated companies) are recognized at cost or the lower fair value. Cost comprises not only the acquisition price, but also incidental acquisition costs and subsequent acquisition costs. The fair values of investments in affiliated companies are calculated using the discounted cash flow method. Impairment to a lower value is recognized only if the impairment is expected to be permanent. Impairment is expected to be permanent if the fair value determined on the basis of company planning (discounted cash flow method) as of the reporting date is below the carrying amount of the investments in affiliated companies. Reversals are recognized to the extent the reasons for previous unscheduled write-downs no longer exist.

**Receivables and other assets** are recognized at nominal values or the lower fair value and – if non-interest bearing – are discounted to the reporting date where they have a remaining duration of over a year. Account is taken of all discernible individual risks.

**Cash balances** and **bank balances** are recognized at nominal value.

**Prepaid expenses** comprise expenses before the reporting date to the extent these relate to expenses for a certain subsequent period.

**Deferred taxes** are determined for timing differences between the carrying amounts of assets, liabilities, and deferred income in accordance with trade law and tax law, as well as for income from losses and interest. The differences between the trade balance and the tax balance of the management subsidiaries are also taken into account. The deferred tax liabilities are offset against the deferred tax assets. The excess assets are not recognized in the statement of financial position.

The Stabilus Group falls within the scope of the regulations on global minimum taxation (Pillar 2). The regulations on global minimum taxation entered into force in Germany in the form of the Minimum Tax Act (MinStG) with effect from December 28, 2023. The MinStG applies for the first time to fiscal years beginning after December 30, 2023. Under the MinStG, a supplementary tax is payable for each jurisdiction whose effective tax rate is below 15%. Determining the effective tax rate under the MinStG is very complex and involves a number of specific adjustments. As the MinStG for the 2024 fiscal year does not yet apply to the German Group companies, no tax liability arises from the MinStG for the 2024 fiscal year just ended.

As the parent company of the minimum tax group within the meaning of section 3 MinStG, Stabilus SE will, in the future, bear any resulting additional tax burden for all business units located in Germany, plus the tax burden arising from foreign minimum tax laws for jurisdictions in which no national supplementary tax is levied.

Based on a calculation using data for the 2024 financial year, the CbCR (country-by-country reporting) safe harbor is not expected to apply in four jurisdictions: Romania, Korea, Turkey and Argentina. However, based on a preliminary assessment, Stabilus SE does not expect any significant additional taxes to arise. Due to the complexity of the rules, it cannot be ruled out that the actual quantitative effects of the enacted MinStG on current taxes and tax payments for those jurisdictions that do not comply with the safe harbor rule in the future will deviate from current expectations.

The Stabilus Group applies the exception pursuant to section 274 (3) HGB, according to which no deferred tax assets and liabilities are recognized in connection with the income taxes of the MinStG regulations.

**Subscribed capital** is recognized at nominal value. **Equity** is recognized and presented in accordance with section 272 HGB.

In accounting for **share-based remuneration commitments**, a differentiation is made between cash-settled and equity-settled transactions. The latter are irrelevant for Stabilus SE as there are currently no rights with possible equity settlement. For both instruments, the fair value is determined as of the grant date. As remuneration, this is distributed over the period within which the employee has an unrestricted claim to the instruments. At each reporting date, cash-settled commitments are reassessed at fair value until the commitment is settled. To the extent Stabilus SE has an option to fulfill the commitments either on the basis of cash settlement or by providing equity instruments (shares), Stabilus SE recognizes the commitment as an equity-settled transaction if there is no current obligation to cash settlement. The fair values are determined using a suitable option price model. Accounting in accordance with HGB is thus largely similar to accounting in accordance with IFRS 2 Share-based Payment.

**Provisions** cover all identifiable risks and uncertain obligations and are recognized at the necessary settlement amount according to prudent business judgment. Account is taken of future price and cost increases at the time the obligation is fulfilled. In accordance with section 253 (2) sentence 1 HGB, material provisions with a remaining term exceeding one year are discounted according to the average market interest rate of the past seven fiscal years published by Deutsche Bundesbank in line with the individual remaining term.

**Liabilities** are recognized at their settlement amounts on the reporting date.

**Foreign currency assets and liabilities** with a term of less than one year are translated at the middle spot rate as of the reporting date. Foreign currency receivables and liabilities with a remaining term exceeding one year are recognized at the middle spot rate, providing that the original exchange rates were not lower (in the case of asset items) or higher (in the case of liability items). Gains and losses resulting from the translation of foreign currency transactions in the reporting currency (€) are taken to profit or loss and recognized in the income statement separately under "Other operating income" or "Other operating expenses".

When preparing the annual financial statements, the management has to make **estimates** and **assumptions** which impact the recognition and measurement of the assets and liabilities as of the reporting date as well as the expenses and revenue for the reporting period, in addition to providing information on risks and uncertainties. Accordingly, actual results can deviate from these estimates. In particular, fiscal 2024 at Stabilus SE was once again shaped by geopolitical uncertainties resulting from the Russia-Ukraine war and from the Israel conflict. High rates of inflation and rising staff costs in relation to this also resulted in major cost increases.

# 3 Notes on the statement of financial position

## 3.1. Fixed assets

As of the reporting date, Stabilus SE has holdings in the following companies in accordance with section 271 (1) HGB:

### List of shareholdings

T_110

| | | Registered office | | Holding in % | | Equity in € thousand[2)] | Annual result in € thousand[2)] |
|---|---|---|---|---|---|---|---|
| Number | Company | Town / city | Country | Direct holding | Indirect holding[1)] | Fiscal 2024 | Fiscal 2024 |
| 1 | Stable II GmbH | Frankfurt am Main | Germany | 100.00 | | 301,597 | (11) |
| 2 | Stable Beteiligungs GmbH | Koblenz | Germany | | 100.00 | 337,447 | 1,953 |
| 3 | Stabilus UK Ltd. | Banbury | United Kingdom | | 100.00 | 1,315 | 39 |
| 4 | Stabilus Japan Corp. | Yokohama | Japan | | 100.00 | 1,754 | (514) |
| 5 | New Clevers S.A. | Buenos Aires | Argentina | | 80.00 | 1,472 | 1,308 |
| 6 | Piston Amortisör Sanayi ve Ticaret Anonim Şirketi | Bursa | Turkey | | 53.00 | 3,924 | 1,222 |
| 7 | Stabilus (Zhejiang) Ltd. | Pinghu | China | | 100.00 | 80,594 | 25,226 |
| 8 | Stabilus GmbH | Koblenz | Germany | | 100.00 | 206,196 | 1,409 |
| 9 | Stabilus Romania S.R.L. | Brașov | Romania | | 100.00 | 114,778 | 10,384 |
| 10 | Stabilus Ltda. | Itajubá | Brazil | | 99.99 | 7,825 | 995 |
| 11 | Stabilus Co. Ltd. | Busan | South Korea | | 100.00 | 18,540 | 3,525 |
| 12 | Stabilus S.A. de C.V. | Ramos Arizpe | Mexico | | 100.00 | 134,279 | 21,243 |
| 13 | Stabilus Limited | Auckland | New Zealand | | 80.00 | 1,296 | 241 |
| 14 | Stabilus France S.à r.l. | Poissy | France | | 100.00 | 288 | 15 |
| 15 | Stabilus (Jiangsu) Ltd. | Wujin | China | | 100.00 | 80,360 | 9,113 |
| 16 | Stabilus PTE Ltd. | Singapore | Singapore | | 100.00 | 177 | 26 |
| 17 | Stabilus Mechatronics Service Ltd. | Shanghai | China | | 100.00 | 8,487 | (577) |
| 18 | DESTACO (Shanghai) Automation Engineering Co., Ltd. | Shanghai | China | | 100.00 | 5,745 | 2,675 |
| 19 | DESTACO Suzhou Ltd. | Suzhou | China | | 100.00 | (94) | (140) |

## List of shareholdings (continued)

T_110

| | | Registered office | | Holding in % | | Equity in € thousand[2)] | Annual result in € thousand[2)] |
|---|---|---|---|---|---|---|---|
| Number | Company | Town / city | Country | Direct holding | Indirect holding[1)] | Fiscal 2024 | Fiscal 2024 |
| 20 | Stable HoldCo Australia Pty. Ltd. | Dingley | Australia | 100.00 | | 9,532 | 180 |
| 21 | Stabilus Pty. Ltd. | Dingley | Australia | | 100.00 | 1,705 | 317 |
| 22 | Stabilus US Holding Corporation | Wilmington | United States | 100.00 | | 174,714 | (16,081) |
| 23 | Stabilus Inc. | Gastonia | United States | | 100.00 | (12,277) | 541 |
| 24 | Fabreeka Group Holdings, Inc. | Stoughton | United States | | 100.00 | 0 | 0 |
| 25 | ACE Controls Inc. | Farmington Hills | United States | | 100.00 | 22,086 | 5,318 |
| 26 | ACE Controls International Inc. | Farmington Hills | United States | | 100.00 | 1,775 | 805 |
| 27 | DESTACO US Inc. | Wilmington | United States | | 100.00 | 43,770 | 3,185 |
| 28 | Industrial Motion Control LLC | Auburn Hills | United States | | 100.00 | 26,955 | 2,900 |
| 29 | Fabreeka International Holdings Inc. | Stoughton | United States | | 100.00 | 10,316 | 4,012 |
| 30 | Fabreeka International Inc. | Stoughton | United States | | 100.00 | 76 | 77 |
| 31 | Tech Products Corporation | Miamisburg | United States | | 100.00 | 6,331 | 1,647 |
| 32 | Fabreeka GmbH Deutschland | Büttelborn | Germany | | 100.00 | 3,184 | 245 |
| 33 | Stabilus Motion Controls GmbH | Langenfeld | Germany | 100.00 | | 104,890 | 2,273 |
| 34 | General Aerospace GmbH | Eschbach | Germany | | 95.00 | 5,877 | 2,000 |
| 35 | General Aerospace Inc. | Lynnwood | United States | | 95.00 | 14 | 28 |
| 36 | ACE Stoßdämpfer GmbH [3)] | Langenfeld | Germany | 5.10 | 94.90 | 14,082 | 61 |
| 37 | HAHN-Gasfedern GmbH [3)] | Aichwald | Germany | | 100.00 | 12,529 | (218) |
| 38 | YAKIDO B.V. | Zwijndrecht | Netherlands | | 50.00 | 514 | 602 |
| 39 | Cultraro Automazione Engineering S.r.l. | Rivoli | Italy | | 60.00 | 10,816 | 2,211 |

## List of shareholdings (continued)

T_110

| | | Registered office | | Holding in % | | Equity in € thousand[2)] | Annual result in € thousand[2)] |
|---|---|---|---|---|---|---|---|
| Number | Company | Town/city | Country | Direct holding | Indirect holding[1)] | Fiscal 2024 | Fiscal 2024 |
| 40 | Firs Stampi S.r.l. | Rivoli | Italy | | 51.00 | 1,136 | 122 |
| 41 | Cultraro Shanghai Company Ltd. | Shanghai | China | | 100.00 | 691 | 171 |
| 42 | Cultraro Autocomp Solutions Private Ltd. | New Delhi | India | | 51.00 | 887 | 202 |
| 43 | DESTACO (Asia) Co. Ltd. | Bangkok | Thailand | | 100.00 | 3,316 | 718 |
| 44 | Stabilus India Private Ltd. | Pune | India | | 100.00 | 1,510 | (119) |
| 45 | DESTACO Europe GmbH | Oberursel (Taunus) | Germany | | 100.00 | 5,902 | 0 |
| 46 | DESTACO U.K. Ltd. | Wolverhampton | United Kingdom | | 100.00 | 956 | 302 |
| 47 | DESTACO France S.A.S | Sainte-Florine | France | | 100.00 | 5,345 | 195 |
| 48 | Synapticon GmbH [4), 5)] | Schönaich | Germany | | 10.48 | 3,564 | (5,471) |

1) The indirect holdings via Stabilus SE subsidiaries are shown with the respective stake of the respective parent company.
2) The figures shown are based on unconsolidated IFRS figures. When converting into euro, the spot price on the reporting date is used for equity, the annual average price for the result.
3) A profit and loss transfer agreement exists and the annual result is given before profit transfer.
4) Investment.
5) Based on financial statement 2023.

## Development of fixed assets

of Stabilus SE; fiscal year from October 1, 2023, to September 30, 2024

### Development of fixed assets

T_111

| IN € THOUSANDS | | Acquisition / production cost | | | | | Cumulative depreciation and amortization | | | | | Carrying amounts | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As of Sept 30, 2023 | Additions | Reclassi-fications | Disposals | As of Sept 30, 2024 | As of Sept 30, 2023 | Additions | Reversals | Disposals | As of Sept 30, 2024 | As of Sept 30, 2024 | As of Sept 30, 2023 |
| **I.** | **Intangible assets** | | | | | | | | | | | | |
| 1. | Purchased concessions, industrial and similar rights and assets and licenses in such rights and assets | 57 | 75 | 0 | 0 | 132 | 32 | 14 | 0 | 0 | 46 | 86 | 24 |
| | | **57** | **75** | **0** | **0** | **132** | **32** | **14** | **0** | **0** | **46** | **86** | **24** |
| **II.** | **Property, plant and equipment** | | | | | | | | | | | | |
| 1. | Other equipment, operating and office equipment | 124 | 13 | 0 | 0 | 137 | 62 | 33 | 0 | 0 | 95 | 43 | 62 |
| | | **124** | **13** | **0** | **0** | **137** | **62** | **33** | **0** | **0** | **95** | **43** | **62** |
| **III.** | **Financial assets** | | | | | | | | | | | | |
| 1. | Shares in affiliated companies | 775,218 | 0 | 0 | 0 | 775,218 | 0 | 0 | 0 | 0 | 0 | 775,218 | 775,218 |
| 2. | Loans to affiliated companies | 0 | 571,009 | 0 | 0 | 571,009 | 0 | 0 | 0 | 0 | 0 | 571,009 | 0 |
| | | **775,218** | **571,009** | **0** | **0** | **1,346,227** | **0** | **0** | **0** | **0** | **0** | **1,346,227** | **775,218** |
| | | **775,399** | **571,097** | **0** | **0** | **1,346,497** | **94** | **47** | **0** | **0** | **141** | **1,346,356** | **775,305** |

## Development of fixed assets

T_112

| IN € THOUSANDS | | Acquisition / production cost | | | | | Cumulative depreciation and amortization | | | | | Carrying amounts | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As of Oct 1, 2022 | Additions | Reclassi-fications | Disposals | As of Sept 30, 2023 | As of Oct 1, 2022 | Additions | Reversals | Disposals | As of Sept 30, 2023 | As of Sept 30, 2023 | As of Sept 30, 2022 |
| **I.** | **Intangible assets** | | | | | | | | | | | | |
| 1. | Purchased concessions, industrial and similar rights and assets and licenses in such rights and assets | 57 | 0 | 0 | 0 | 57 | 26 | 7 | 0 | 0 | 33 | 24 | 31 |
| | | **57** | **0** | **0** | **0** | **57** | **26** | **7** | **0** | **0** | **33** | **24** | **31** |
| **II.** | **Property, plant and equipment** | | | | | | | | | | | | |
| 1. | Other equipment, operating and office equipment | 43 | 81 | 0 | 0 | 124 | 43 | 19 | 0 | 0 | 62 | 62 | 0 |
| | | **43** | **81** | **0** | **0** | **124** | **43** | **19** | **0** | **0** | **62** | **62** | **0** |
| **III.** | **Financial assets** | | | | | | | | | | | | |
| 1. | Shares in affiliated companies | 775,218 | 0 | 0 | 0 | 775,218 | 0 | 0 | 0 | 0 | 0 | 775,218 | 775,218 |
| 2. | Loans to affiliated companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | **775,218** | **0** | **0** | **0** | **775,218** | **0** | **0** | **0** | **0** | **0** | **775,218** | **775,218** |
| | | **775,319** | **81** | **0** | **0** | **775,399** | **69** | **25** | **0** | **0** | **94** | **775,305** | **775,250** |

The DESTACO Group was acquired in full on March 31, 2024, as part of the closing of the transaction (combination of asset and share deal). The group of entities included in consolidation has been expanded in connection with the transaction by companies that have either been acquired or newly founded. Because of DESTACO's global positioning, all three operating segments of the Stabilus Group are affected by this – EMEA (Europe, Middle East, and Africa), the Americas (North and South America), and APAC (Asia-Pacific). Beyond this, there were no further material changes to the corporate structure compared with the consolidated financial statements for fiscal 2023.

The loans to affiliated companies comprise a loan of €207.3 million to Stabilus Motion Controls GmbH, Langenfeld, Germany, and a loan of €360.0 million to Stabilus US Holding Corporation, Wilmington, USA (originated in USD), as well as a loan of €3.7 million to ACE Stoßdämpfer GmbH, Langenfeld, Germany. The loans granted are solely connected with the acquisition of the DESTACO Group.

On June 20, 2024, a **profit and loss transfer agreement** was concluded between Stabilus SE as the parent company and Stabilus Motion Controls GmbH as the controlled subsidiary company. This agreement is effective for the fiscal year of the controlled subsidiary companies for the first time and therefore retrospectively from October 1, 2023. The agreement is concluded for an indefinite period. It may be duly terminated by giving three months' notice at the end of a fiscal year of the controlled subsidiary company, but not earlier than at the end of five years' notice (i.e., a minimum term of 60 months) from the beginning of the fiscal year to which the agreement first applies.

There were no further changes against the annual financial statements for fiscal 2023.

The impairment test for fiscal 2024 confirmed that the carrying amounts of the financial assets held by Stabilus SE are fully recoverable and are not impaired.

### 3.2 Current assets

Receivables from affiliated companies amount to €10,310 thousand (September 30, 2023: €862 thousand) from receivables for the provision of administrative services to affiliated companies and receivables from cash pooling. In addition, receivables from affiliated companies in the amount of €16,580 thousand (September 30, 2023: €0 thousand) from interest claims resulting from loans to Stabilus Motion Controls GmbH, Langenfeld, Germany, in the amount of €207.3 million and a loan to Stabilus US Holding Corporation, Wilmington, USA, in the amount of €360.0 million (originated in USD), as well as a loan to ACE Stoßdämpfer GmbH, Langenfeld, Germany, in the amount of €3.7 million. The loans granted are solely connected with the acquisition of the DESTACO Group. In the same period of the previous year, only receivables from the provision of administrative services to affiliated companies existed. There were no receivables with a remaining duration exceeding a year, neither as of September 30, 2024, nor as of September 30, 2023.

There were no other assets in the 2024 fiscal year; in the previous year, tax receivables of €81 thousand and insurance receivables of €55 thousand existed.

For the purpose of centralized liquidity management, a cash concentration agreement was concluded with Stable Beteiligungs GmbH, Koblenz, Germany, as the cash pool leader and Stabilus Motion Controls GmbH, Langenfeld, Germany, which results in a daily transfer of bank balances to Stable Beteiligungs GmbH, Koblenz, Germany.

### 3.3. Prepaid expenses

The prepaid expenses item relates primarily to advance payments for insurance contracts and other advance payments amounting to €107 thousand (September 30, 2023: €137 thousand).

## 3.4. Equity

There were the following changes in equity in fiscal 2024 and 2023:

### Equity

T_113

| IN € THOUSANDS | Sept 30, 2023 | Net income for the period | Distribution / dividends | Allocation to reserves | Withdrawals from reserves | Sept 30, 2024 |
|---|---|---|---|---|---|---|
| Issued capital | 24,700 | – | – | – | – | 24,700 |
| Capital reserves | 395,348 | – | – | – | – | 395,348 |
| Legal reserve | 1,597 | – | – | – | – | 1,597 |
| Other revenue reserves | 4,835 | – | – | – | – | 4,835 |
| Unappropriated surplus | 299,417 | (14,750) | (43,225) | – | – | 241,442 |
| **Total** | **725,898** | **(14,750)** | **(43,225)** | **–** | **–** | **667,923** |

| IN € THOUSANDS | October 1, 2022 | Net income for the period | Distribution / dividends | Allocation to reserves | Withdrawals from reserves | Sept 30, 2023 |
|---|---|---|---|---|---|---|
| Issued capital | 24,700 | – | – | – | – | 24,700 |
| Capital reserves | 395,348 | – | – | – | – | 395,348 |
| Legal reserve | 1,597 | – | – | – | – | 1,597 |
| Other revenue reserves | 4,835 | – | – | – | – | 4,835 |
| Unappropriated surplus | 349,746 | (7,103) | **(43,225)** | – | – | 299,417 |
| **Total** | **776,226** | **(7,103)** | **(43,225)** | **–** | **–** | **725,898** |

The share capital as of September 30, 2024, is €24,700 thousand (September 30, 2023: €24,700 thousand), divided into 24.7 million bearer shares each with a notional value of €1.00. Each such share is eligible for dividends, and grants one vote at the general meeting. All Stabilus SE shares are fully paid in.

Pursuant to article 5 para. 3 of the articles of association, the Management Board is authorized, subject to Supervisory Board approval, to increase the Company's share capital in the period until August 10, 2027, either at once or in installments by up to €2,470,000.00 by issuing new shares of stock against cash and / or non-cash contributions (2022 authorized share capital).

By way of resolution of the Annual General Meeting on February 15, 2023, the authorized capital (Authorized Capital 2023/1) of the Company was increased by €4,940 thousand until February 14, 2028, and now amounts to €7,410 thousand. Stabilus SE can therefore still issue 7.4 million shares (each with a nominal value of €1.00), which corresponds to 30% of the shares issued to date.

In addition, at the Annual General Meeting on February 15, 2023, Stabilus SE was authorized until February 14, 2028, to acquire and use treasury shares in line with the provisions of the German Stock Corporation Act. The treasury shares must not exceed 10% of the share capital of the Company at any time.

The Company did not acquire any treasury shares in fiscal 2024 or in the whole of fiscal 2023.

The Annual General Meeting on February 7, 2024, agreed a dividend of €1.75 per share. The total distribution was €43,225 thousand.

In fiscal 2024, the unappropriated surplus developed as follows:

### Reconciliation of unappropriated surplus

T_114

| IN € THOUSANDS | Sept 30, 2024 | Sept 30, 2023 |
|---|---|---|
| Unappropriated surplus as of September 30 | 299,417 | 349,746 |
| Dividend payments | (43,225) | (43,225) |
| Net income for the period | (14,750) | (7,103) |
| **Total** | **241,442** | **299,417** |

### 3.5. Provisions

The provisions mainly consist of outstanding invoices in the amount of €4,935 thousand (September 30, 2023: €4,359 thousand), bonus provisions of €1,534 thousand (September 30, 2023: €2,271 thousand), and provisions for the audit and preparation of the Group and financial statement in the amount of €1,003 thousand (September 30, 2023: €353 thousand).

Due to the profit and loss transfer agreement concluded in the 2024 fiscal year with the subsidiary Stabilus Motion Controls GmbH, Langenfeld, the income and income taxes are payable to Stabilus SE and thus have been recognized in the tax provisions for the first time.

The development of other provisions is set out in the table below:

**Development of statement of changes in provisions for the fiscal year from October 1, 2023, to September 30, 2024** T_115

| | | | | | | Reversal | | | |
|---|---|---|---|---|---|---|---|---|---|
| IN € THOUSANDS | | As of Oct 1, 2023 | Costs paid | Addition | Reclassification | Expense | Income | Foreign currency measurement | As of Sept 30, 2024 |
| **I.** | **Provision for management bonus** | | | | | | | | |
| 1. | Management bonus (short-term) | 1,493 | (1,493) | 598 | 443 | 0.00 | 0.00 | 0.00 | 1,040 |
| | Management bonus (long-term) | 778 | 0.00 | 355 | (443) | 0.00 | (197) | 0.00 | 494 |
| | | **2,271** | **(1,493)** | **953** | **0.00** | **0.00** | **(197)** | **0.00** | **1,534** |
| **II.** | **Provision for other expenses** | | | | | | | | |
| 1. | Preparation of annual financial statements | 72 | (72) | 142 | 0.00 | 0.00 | 0.00 | 0.00 | 142 |
| 2. | Audit of annual financial statements | 281 | (281) | 860 | 0.00 | 0.00 | 0.00 | 0.00 | 860 |
| | | **353** | **(353)** | **1,003** | **0.00** | **0.00** | **0.00** | **0.00** | **1,003** |
| **III.** | **Provision for outstanding invoices** | | | | | | | | |
| 1. | Outstanding invoices | 4,359 | (2,862) | 3,437 | 0.00 | 0.00 | 0.00 | 0.00 | 4,935 |
| | | **4,359** | **(2,862)** | **3,437** | **0.00** | **0.00** | **0.00** | **0.00** | **4,935** |
| **IV.** | **Provision for holiday wages and salaries** | | | | | | | | |
| 1. | Holiday wages and salaries | 25 | 0.00 | 48 | 0.00 | 0.00 | (25) | 0.00 | 48 |
| | | **25** | **0.00** | **48** | **0.00** | **0.00** | **(25)** | **0.00** | **48** |
| **V.** | **Tax provisions** | | | | | | | | |
| 1. | Tax provisions | 0.00 | 0.00 | 489 | 0.00 | 0.00 | 0.00 | 0.00 | 489 |
| | | **0.00** | **0.00** | **489** | **0.00** | **0.00** | **0.00** | **0.00** | **489** |
| | | **7,008** | **(4,708)** | **5,930** | **0.00** | **0.00** | **(222)** | **0.00** | **8,009** |

### 3.6. Liabilities

Liabilities essentially comprise liabilities to financial institutions of €500,000 thousand (September 30, 2023: €0 thousand) and to affiliated companies in the amount of €195,099 thousand (September 30, 2023: €42,982 thousand), with liabilities to affiliated companies mainly made up of liabilities from cash pooling. Trade accounts payable come to €1,466 thousand (September 30, 2023: €553 thousand).

Liabilities to financial institutions relate to the promissory note loan of €250,000 thousand taken out by the Company on September 27, 2024, and to the syndicated revolving credit facility of €250,000 thousand that was drawn down. Liabilities to financial institutions were used exclusively for the acquisition of the DESTACO Group.

As of September 30, 2024, there are liabilities of €500,000 thousand with a remaining term of more than one year. As of September 30, 2023, there were none with a remaining term of more than one year.

The other liabilities of €900 thousand relate exclusively to VAT liabilities.

## Notes on the income statement

### 3.7. Other operating income

As the parent company of the Stabilus Group, within the framework of corporate management, Stabilus SE provides services in the areas of Public Relations, Treasury, Legal, Tax, Compliance, Internal Audit, and Management. In fiscal 2024, Stabilus SE generated other operating income of €22,138 thousand (2023: €8,063 thousand). This includes, on the one hand, charges of €11,741 thousand for costs of extraordinary significance in connection with the acquisition of DESTACO and, on the other hand, charges of €9,242 thousand for subsidiaries under the Service Agreement. In addition, profits from the translation of foreign currency transactions in the amount of €1,154 thousand (September 30, 2023: €0 thousand) were recognized in profit or loss. Other operating income for fiscal 2024 amounted to €7,599 thousand (2023: €2,244 thousand) in Germany, €1,071 thousand (2023: €934 thousand) in European countries, €2,352 thousand (2023: €1,861 thousand) in Asia, and €11,117 thousand (2023: €3,023 thousand) in North America.

### 3.8. Other operating expenses

Other operating expenses mainly contain expenses of exceptional importance for the acquisition of the DESTACO Group announced in October 2023 in the amount of €12,703 thousand. Furthermore, €17,952 thousand (September 30, 2023: €0 thousand) in foreign currency losses was incurred on the valuation of loans to affiliated companies. Also included are other consulting costs of €1,999 thousand, Group insurance of €1,223 thousand, and audit fees for the half-year and annual financial statements of €1,300 thousand. Supervisory Board remuneration of €736 thousand (September 30, 2023: €666 thousand) is also included.

### 3.9. Income from profit transfer agreements

The profit and loss transfer agreement with the subsidiary Stabilus Motion Controls GmbH, Langenfeld, was concluded in fiscal 2024. Income from profit transfers in the amount of €8,279 thousand was recognized under this contract in the fiscal year 2024 just ended.

### 3.10. Interest and similar expenses

Interest and similar expenses shown in net interest income include interest expenses of €17,692 thousand (September 30, 2023: €788 thousand) resulting primarily from interest expenses from existing debt financing, interest expenses from cash pooling with subsidiaries, and guaranteed commissions.

### 3.11. Income taxes

Income tax comprises non-deductible withholding taxes from administrative expense allocations within the Group of €318 thousand (2023: €258 thousand), corporation tax of €156 thousand, and trade tax and solidarity surcharge of €360 thousand.

## 4 Supplemental disclosures

### 4.1 Employees

In fiscal 2024, an average of 13 employees worked at Stabilus SE (2023: 7).

### 4.2 Share-based payment commitments

**Matching Stock Program (MSP)**

The variable compensation for the individual former members of the Management Board included a matching stock program. The matching stock program (MSP) provides for four annual tranches granted each year during the fiscal years from September 30, 2014, until September 30, 2017. The program “MSP A” was extended by one year to September 30, 2018. Owing to the unpredictable and extraordinary impact of COVID-19 on the share price development of Stabilus, which was beyond management’s influence, the Supervisory Board decided to extend the two-year exercise period for the tranches 2016 to 2018 by two years. This measure retained the incentive effect of the MSP tranches. However, the performance targets, including number of options and exercise prices, remain unchanged. Participation in the matching stock program requires the members of the Management Board to invest in the Company’s shares. The investment must generally be held for the duration of a lock-up period.

The fictitious options are subject to a lock-up period of four years and can be exercised during a subsequent two-year exercise period. The options may be exercised only if the stock price of the Company exceeds a set threshold for the relevant tranche, which the Supervisory Board will determine at the time of granting the options, and which needs to be between 10% and 50% growth over the base price, which is the share price on the grant date. If exercised, the fictitious options are transformed into a gross amount equaling the difference between the option price and the relevant stock price multiplied by the number of exercised options. The Company is planning a cash settlement. The maximum gross amounts resulting from the exercise of the fictitious options of one tranche in general is limited in amount to 50% of the base price. The reinvestment of IPO proceeds from previous equity programs is not taken into account for MSP A.

In fiscal 2024, the number of MSP A share options developed as shown in the table below:

### Number of share options

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| | MSP A (2017) | | MSP A (2018) | |
|---|---|---|---|---|
| | Number of options | Exercise price | Number of options | Exercise price |
| **Outstanding as of October 1, 2023** | **1,340** | **€74.74** | **10,423** | **€74.22** |
| Granted during the year | – | – | – | – |
| Forfeited during the year | – | – | – | – |
| Exercised during the year | – | – | – | – |
| **Outstanding as of September 30, 2024** | **1,340** | **€74.74** | **10,423** | **€74.22** |
| **Exercisable as of September 30, 2024** | **1,340** | **€74.74** | **10,423** | **€74.22** |

performance period are calculated. The absolute TSR value of each company equals the theoretical growth in value of a share holding over the performance period, assuming gross dividends are directly reinvested. The calculated absolute TSR values of Stabilus SE and each index constituent are ranked by size in order to calculate the target achievement.

The target achievement for adjusted EBIT margin is based on a comparison with a strategic target. To determine the percentage of target achievement, the actual adjusted EBIT margin at the end of the respective performance period is compared with the strategic adjusted EBIT margin defined for the respective performance period.

The final number of the virtual shares is determined by multiplying the overall target achievement by the target number of virtual shares granted. The final number of virtual shares is capped at 150% of the target number of virtual shares granted. The payout of the respective tranche of the PSP is calculated by multiplying the final number of virtual shares by the relevant end share price, including any dividends paid during the performance period. The end share price refers to the arithmetic mean of the Stabilus SE's share closing price during the last 60 trading days prior to the respective performance period end date. The payout amount is limited to a maximum of 250% of the target amount (payout cap). The PSP is paid out in cash at the end of the performance period.

#### Performance Share Plan (PSP)

The members of the Management Board of Stabilus SE receive allocations under the Performance Share Plan (PSP) in the form of virtual shares. The virtual shares of the PSP are based on an annual target amount granted at the beginning of a three-year performance period as a future entitlement. In order to determine the target number of virtual shares granted, the annual target amount is divided by the start share price, whereby the start share price refers to the arithmetic mean of Stabilus SE's share closing price over the last 60 trading days prior to the respective performance period start date. The performance factor that determines the final number of virtual shares is calculated at the end of the three-year performance period via the relative total shareholder return (weighted with 70%) and the adjusted EBIT margin (weighted with 30%).

The target achievement for the relative total shareholder return (TSR) is based on a comparison with the constituents of the MDAX index. In order to determine the relative TSR, firstly the absolute TSR values of Stabilus SE as well as each index constituent of the MDAX over the respective

The number of performance shares developed as follows in fiscal 2024:

### Performance Share Plan

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| MEASUREMENT DATE | Sept 30, 2023 | Sept 30, 2024 | Sept 30, 2024 |
|---|---|---|---|
| Performance period | Oct 1, 2022–Sept 30, 2025 | Oct 1, 2022–Sept 30, 2025 | Oct 1, 2023–Sept 30, 2026 |
| Price of the Stabilus share | €52.95 | €36.70 | €36.70 |
| "Initial price" of the Stabilus share | €51.89 | €51.89 | €52.07 |
| Expected annual dividend yield | 2.0% | 2.0% | 2.0% |
| Remaining duration of granted performance shares | 2.0 years | 1.0 year | 2.0 years |
| Risk-free annual interest rate (duration 2.0 years) | 3.19% | 2.44% | 2.05% |
| Expected target achievement for internal target EBIT | 100% | 100% | 100% |
| Cap per performance share used in the valuation | 250% x €51.89 | 250% x €51.89 | 250% x €52.07 |

### Number of share options

T_118

| | PSP (2022) | | PSP (2023) | | PSP (2024) | |
|---|---|---|---|---|---|---|
| | Number of options | Fair value | Number of options | Fair value | Number of options | Fair value |
| **Outstanding as of October 1, 2023** | **9,554** | **€49.84** | **16,304** | **€54.41** | **–** | **–** |
| Granted during the year | – | – | – | – | 17,630 | €52.07 |
| Forfeited during the year | 1,811 | – | – | – | – | – |
| Exercised during the year | 7,743 | €45.40 | – | – | – | – |
| **Outstanding as of September 30, 2024** | **–** | **–** | **16,304** | **€25.22** | **17,630** | **€29.32** |
| **Exercisable as of September 30, 2024** | **–** | **–** | **–** | **–** | **–** | **–** |

**ESG LTI (ESG = environmental, social, and governance)**

Remuneration for the members of Stabilus SE's Management Board was expanded to include long-term sustainability objectives. The ESG LTI is long-term variable remuneration with a particular focus on sustainability objectives. Tranches, each of which have a four-year term / performance period, are allocated each year. The payout of the respective tranche of the ESG LTI is calculated by multiplying an individual target amount by the target achievement of relevant sustainability objectives determined according to the strategy. The target amount is agreed with each Management Board member in the service agreement and generally amounts to 20% of individual basic remuneration. The sustainability objectives, including measurement methods and targets, are defined by the Supervisory Board before each tranche and are based on a catalog of environmental, social and governance criteria. Further details can be found in the Remuneration of Management Board members section at IR.STABILUS.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE.

The Supervisory Board can decide the number of sustainability objectives with different weightings for each tranche. Target achievement for each sustainability objective can be between 0% and 150%. Payment is also restricted to 150% of the individual target amount and is made in cash after the four-year performance period. The Supervisory Board ensures that the sustainability objectives are relevant to the strategy and, where possible, can be quantified. The selected sustainability objectives, including their weighting, are published in the remuneration report, which provides information on the allocation of an ESG LTI tranche (IR.STABILUS.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE). Targets for each sustainability objective and the resulting target achievement are disclosed in the remuneration report detailing the payment.

## 4.3. Executive bodies

### Members of the Management Board

**Dr. Michael Büchsner** (Chairman of the Management Board) since October 1, 2019

**Stefan Bauerreis** (Management Board CFO) since June 1, 2022

**David Sabet** (Management Board Technical Director) since October 1, 2024

### Members of the Supervisory Board

**Dr. Stephan Kessel** (Chairman of the Supervisory Board, member of the Remuneration and Nomination Committee since February 2023, and member of the Audit Committee until February 2024).

- Member of the Management Board of Hitched Holdings 1 B.V., Schiphol, Netherlands

Additional memberships on Supervisory Boards and executive bodies in accordance with section 125 (1) sentence 5 AktG:

- Novem Group S.A., Luxembourg (Chairman of the Supervisory Board)
- svt GmbH, Schwelm, Germany (member of the Advisory Board)

**Dr. Ralf-Michael Fuchs** (Deputy Chairman of the Supervisory Board since September 2022, Chairman of the Remuneration and Nomination Committee since February 2023).

**Dr. Joachim Rauhut** (Chairman of the Audit Committee)
Additional memberships on Supervisory Boards and executive bodies in accordance with section 125 (1) sentence 5 AktG:

- MTU Aero Engines AG, Munich, Germany (member of the Supervisory Board until May 2024)

**Dr. Dirk Linzmeier** (member of the Remuneration and Nomination Committee since September 2022)

- CEO of TTTech Auto AG, Vienna, Austria

**Inka Koljonen** (member of the Audit Committee)

- Member of the Executive Board at MAN Truck & Bus SE, Munich, Germany
- Member of the Board of Directors and Chairman of the Audit and Finance Committee at OC Oerlikon Corporation AG, Pfäffikon, Switzerland

**Susanne Heckelsberger** (Member of the Audit Committee since February 2024)
Additional memberships on Supervisory Boards and executive bodies in accordance with section 125 (1) sentence 5 AktG:

- Villeroy & Boch AG, Mettlach, Germany (Member of the Supervisory Board)
- Vitesco Technologies Group AG, Regensburg, Germany (Member of the Supervisory Board until October 1, 2024)

The total compensation of the Management Board amounted to €2,365 thousand (September 30, 2023: €1,981 thousand), comprising share-based remunerations at fair value at the grant date in the amount of €918 thousand, with a number of 17,630 virtual shares (September 30, 2023: €799 thousand). Detailed information on the remuneration system and the remuneration components are shown in the Stabilus SE Remuneration Report.

**Total remuneration of members of the Supervisory Board** T_119

| IN € THOUSANDS | Fiscal 2024 | Fiscal 2023 |
|---|---|---|
| Fixed remuneration | 736 | 688 |
| **Total**[1] | **736** | **688** |

[1] Share of Supervisory Board remuneration attributable to the respective fiscal year.

## 4.4. Related parties

Neither in fiscal 2024 nor 2023 were there any related party transactions which were not implemented on an arm's-length basis.

## 4.5. Auditor's fees

The fees of the auditing services provided in accordance with section 285 No. 17 of the German Commercial Code (HGB) were not disclosed, as they are included in the consolidated financial statements of Stabilus SE, Frankfurt am Main. The fee for the auditor of the consolidated financial statements in the 2024 financial year recognised as an expense in the consolidated financial statements consisted of auditing services, assurance services and other services. The assurance services comprised the business audit in relation to certain financial information in the half-year financial report, the review of the separate non-financial Group report, the content audit of the remuneration report, agreed-upon investigative procedures on contractual obligations and the system audit for compliance with capital market law requirements. The other services related to services in connection with a regulatory investigation.

## 4.6. Liability conditions

On June 28, 2022, Stabilus SE entered into a new facilities agreement with Commerzbank Aktiengesellschaft, DZ Bank AG, Landesbank Baden-Württemberg, Landesbank Hessen-Thüringen Girozentrale, and UniCredit Bank AG as the mandated lead arrangers and facility agent. The facilities agreement is for an amount of €450.0 million with a basic term of five years and a prolongation option of two additional years until not longer than 2029. The facilities comprise a syndicated loan facility of €100.0 million and a syndicated revolving loan facility of €350.0 million. Depending on the Company's gearing, the facility bears interest at between 50 and 150 basis points above Euribor.

The Group's liabilities under the senior facility (the non-current loan of €250.0 million) are measured at amortized cost. The second prolongation option up to June 28, 2029, was drawn in April 2024.

On September 27, 2024, Stabilus SE issued a promissory note loan totaling €250 million. The promissory note loan consists of four tranches with maturities of three and five years, each with fixed and variable interest rates.

On March 4, 2021, and on January 28, 2022, via its subsidiary Stabilus GmbH, Koblenz, Germany, Stabilus SE issued two promissory note loans with a total volume of €150 million. The tranches of the promissory note loan with maturities of five and seven years bear variable interest rates. Stabilus SE is the guarantor of the syndicated credit facilities in the amount of €450.0 million as well as of the promissory note loans. The economic situation of the affiliated companies for which the contingent liabilities exist is positive. In this respect, the Management Board assumes a low probability of utilization.

## 4.7. Appropriation of net profit

The Management Board and the Supervisory Board of Stabilus SE propose using the unappropriated surplus as of September 30, 2024, as follows:

**Appropriation of net profit** T_120

| IN € THOUSANDS | |
|---|---|
| 1. Net loss | (14,750) |
| 2. Profit carried forward from previous years | 256,192 |
| 3. Dividend distributed to shareholders (€1.15 per share) | (28,405) |
| 4. Unappropriated surplus as of September 30, 2024 | 213,037 |

## 4.8. Disclosures in accordance with Section 160 AktG

As of the reporting date of September 30, 2024, Stabilus had received the following notifications in accordance with section 33 WpHG:

**Voting rights notifications in accordance with section 33 WpHG** T_121

| NOTIFYING PERSON / ENTITY AND REGISTERED OFFICE | Threshold crossed (from below or above) | Date threshold crossed | Share of voting rights in % | Voting rights (number) |
|---|---|---|---|---|
| The Goldman Sachs Group, Inc., Wilmington, United States | Over 10% | April 11, 2022 | 11.02% | 2,722,563 |
| Allianz Global Investors GmbH, Frankfurt am Main, Germany | Over 10% | March 15, 2023 | 10.06% | 2,485,396 |
| NN Group N.V., Amsterdam, Netherlands | Over 10% | September 2, 2022 | 10.05% | 2,482,445 |
| Teleios Capital Partners LLC, Zug, Switzerland (Igor Kuzniar) | Over 10% | July 18, 2024 | 10.01 % | 2,471,294 |
| FMR LLC, Wilmington, United States | Over 5% | September 25, 2023 | 6.77% | 1,671,301 |
| Allianz SE, Munich, Germany | Over 5% | July 26, 2024 | 5.31% | 1,311,960 |
| Marathon Asset Management Limited, London, United Kingdom | Over 3% | April 17, 2023 | 5.00% | 1,234,866 |
| Fidelity Investment Trust, Boston, United States | Over 3% | September 2, 2022 | 3.70% | 912,724 |
| Norwegian Ministry of Finance, Oslo, Norway | Over 3% | June 17, 2024 | 3.07% | 757,463 |
| Ameriprise Financial, Inc., Wilmington, United States | Over 3% | November 11, 2022 | 3.25% | 803,409 |
| Janus Henderson Group Plc, St. Helier, Jersey | Over 3% | May 10, 2024 | 3.01% | 744,339 |

### 4.9. Declaration of compliance in accordance with Section 161 AktG

The Management Board and the Supervisory Board of Stabilus SE issued the declaration of compliance on the recommendations of the German Corporate Governance Code (DCGC) in accordance with section 161 AktG (section 285 (16) HGB) and made this available to shareholders. The full declaration is permanently available on the Stabilus SE website under IR.STABILUS.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE.

### 4.10. Subsequent events

On October 25, 2024, Stabilus SE issued a promissory note loan totaling €40 million. The promissory note loan consists of two tranches with maturities of three and five years, each with fixed interest rates.

As of December 5, 2024, there were no further events of material importance for the annual financial statements of Stabilus SE in the period after September 30, 2024, and up until the approval of the annual financial statements.

Koblenz, December 5, 2024

**DR. MICHAEL BÜCHSNER**

**STEFAN BAUERREIS** **DAVID SABET**

Stabilus SE
Management Board

## Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, we, Dr. Michael Büchsner (Chief Executive Officer), Stefan Bauerreis (Chief Financial Officer), and David Sabet (Chief Technology Officer), confirm that the annual financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Company, and the management report, which is combined with the Group management report of Stabilus SE, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company for the remaining months of the fiscal year.

Koblenz, December 5, 2024

**DR. MICHAEL BÜCHSNER**

**STEFAN BAUERREIS** **DAVID SABET**

Stabilus SE
Management Board

# INDEPENDENT AUDITOR'S REPORT

To Stabilus SE, Frankfurt am Main / Germany

## Report on the Audit of the Annual Financial Statements and of the Combined Management Report

### Audit Opinions

We have audited the annual financial statements of Stabilus SE, Frankfurt am Main / Germany, which comprise the balance sheet as at 30 September 2024, and the statement of profit and loss for the financial year from 1 October 2023 to 30 September 2024, and the notes to the financial statements, including the presentation of the recognition and measurement policies. We have not audited the content of the remuneration report, to which reference is made in the chapter 'Share-based payment awards' of the notes. In addition, we have audited the combined management report for the parent and the group of Stabilus SE, Frankfurt am Main / Germany, for the financial year from 1 October 2023 to 30 September 2024. In accordance with German legal requirements, we have not audited the content of the separate non-financial group report pursuant to Sections 315b and 315c HGB, to which reference is made in the section "Non-financial Group report" of the combined management report, or the combined declaration on corporate governance pursuant to Sections 289f, 315d HGB contained in the section "Declaration on corporate governance" of the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 30 September 2024 and of its financial performance for the financial year from 1 October 2023 to 30 September 2024 in compliance with German Legally Required Accounting Principles; here, our audit opinion on the annual financial statements does not cover the contents of the remuneration report to which reference is made in the chapter 'Share-based payment awards' of the notes, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the contents of the separate non-financial group report and the consolidated corporate governance statement referred to above.

Pursuant to Section 322 (3) sentence 1 German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

### Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the combined management report.

### Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements for the financial year from 1 October 2023 to 30 September 2024. These matters were addressed in the context of our audit of the annual financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the issue of recoverability of the shares in affiliated companies, which we have identified in the course of our audit to be a key audit matter.

Our presentation of these key audit matters has been structured as follows:

a) description (including reference to corresponding information in the annual financial statements)

b) auditor's response

### Recoverability of the Shares in Affiliated Companies

a) As of 30 September 2024, the book value of the shares in affiliated companies within the annual financial statements is €775.2 million (i.e. 56.4% of the balance sheet total).

Once a year, the shares in affiliated companies are tested for expected permanent impairment and, thus, for any impairment need to the lower fair value. Valuation is made under applying the discounted cash flow method.

Due to the outstanding significance of the shares in affiliated companies for the annual financial statements as well as the discretionary estimates to be made by the executive directors in their valuation, this matter was of particular significance within the scope of our audit.

The disclosures made by the Company on the shares in affiliated companies are included in section 2.1 ("Presentation of the material accounting methods") and 3.1 ("Fixed assets") of the notes to the financial statements.

b) As part of our test for permanent impairment of shares in affiliated companies, we traced the valuation process implemented by the executive directors of Stabilus SE.

In accordance with our audit strategy, we performed audit procedures in line with our risk assessment, which was based in particular on headroom and sensitivity analyses as well as our assessment of past planning fidelity. In our impairment testing, we integrated internal valuation specialists into our audit team and, with their support, tested the valuation model and the key parameters underlying the calculations for appropriateness. Furthermore, we tested the expected future cash inflows from the planning for which the executive directors are responsible and which has been approved by the Supervisory Board, as well as the perpetual annuity on the basis of general and industry-specific market expectations. In our audit steps, we included the fidelity of planning in relation to the individual affiliated companies in our assessment. Furthermore, we verified the country-specific discount rates used in the valuation (weighted average cost of capital – WACC) by means of our own control and comparative calculations and checked their plausibility on the basis of market data. Finally, we performed sensitivity analyses both with regard to the growth expectations of the future cash inflows of the affiliated companies and with regard to the discount rates applied and assessed whether the methods applied, assumptions made, data used and parameters applied by the executive directors are justifiable.

### Other information

The executive directors and / or the Supervisory Board are responsible for the other information. The other information comprises

- the report of the Supervisory Board,
- the remuneration report pursuant to Section 162 AktG,
- the separate non-financial group report,
- the combined corporate governance statement included in the combined management report,
- the executive directors' confirmation regarding the annual financial statements and / or the consolidated financial statements and the combined management report pursuant to Section 264 (2) sentence 3, Section 297 (2) sentence 4, and Section 289 (1) sentence 5 HGB, and
- all other parts of the annual report,
- but not the annual financial statements and the consolidated financial statements, not the audited content of the combined management report and not our auditor's report thereon.

The Supervisory Board is responsible for the report of the Supervisory Board. The executive directors and the Supervisory Board as well are responsible for the declaration related to the German Corporate Governance Code according to Section 161 German Stock Corporation Act (AktG), which is part of the combined corporate governance statement included in the combined management report and for the remuneration report. Otherwise the executive directors are responsible for the other information.

Our audit opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the audited content of the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

### Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

### Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual 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 audit opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- evaluate the consistency of the combined management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

## Other Legal and Regulatory Requirements

### Report on the Audit of the Electronic Reproductions of the Annual Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

#### Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the annual financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value 69e771f4d383aed-bf4fd4d5c2bbc884a01921a5680e2c57f91c8fac78799482e, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the annual financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying annual financial statements and on the accompanying combined management report for the financial year from 1 October 2023 to 30 September 2024 contained in the "Report on the Audit of the Annual Financial Statements and of the combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

#### Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the annual financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the "Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our audit firm has applied the requirements of the IDW Quality Management Standards.

#### Responsibility of the Legal Representatives and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents based on the electronic files of the annual financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The Supervisory Board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

#### Auditor's Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited annual financial statements and to the audited combined management report.

### Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the general meeting on 7 February 2024. We were engaged by the Supervisory Board on 27 May 2024. We have been the auditor of Stabilus SE, Frankfurt am Main / Germany, since the financial year 2022/2023.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

## Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as with the audited ESEF documents. The annual financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

## German public auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Stefan Dorissen.

Frankfurt am Main / Germany, December 5, 2024

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

**STEFAN DORISSEN**
(German Public Auditor)

**SVEN HENRICH**
(German Public Auditor)

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# FINANCIAL CALENDAR

**Financial calendar** T_122

| DATE[1, 2] | PUBLICATION / EVENT |
|---|---|
| January 27, 2025 | Publication of quarterly statement Q1 FY2025 |
| February 5, 2025 | 2025 General Meeting |
| May 5, 2025 | Publication of interim report H1 FY2025 |
| July 28, 2025 | Publication of quarterly statement Q3 FY2025 |
| November 10, 2025 | Publication of provisional annual results for FY2025 |
| December 8, 2025 | Publication of 2025 Annual Report |

[1] We cannot rule out changes of dates. We recommend looking at the information in the Investors / Financial Calendar section of our website (ir.stabilus.com/investor-relations/financial-calendar).
[2] Please note that our fiscal year (FY) ends in September (e. g. FY2025 comprises a twelve-month period from October 1, 2024, to September 30, 2025).

# DISCLAIMER

This Annual Report is also published in English. The German version takes precedence in case of doubt.

### Forward-looking statements

This Annual Report contains forward-looking statements that relate to the current plans, objectives, forecasts, and estimates of the management of Stabilus SE. These statements take into account only information that was available up to and including the date on which this Annual Report was prepared. Stabilus SE management does not guarantee that these forward-looking statements will prove correct. The future performance of Stabilus SE and its subsidiaries and the results actually achieved are subject to a number of risks and uncertainties that could cause actual events or results to deviate significantly from the forward-looking statements.

Many of these factors are beyond the control of Stabilus SE and its subsidiaries and so cannot be predicted accurately. These factors include changes in economic conditions and the competitive situation, changes in the law, fluctuations in interest or exchange rates, legal disputes and investigations, and the availability of funding. These and other risks and uncertainties are set forth in the Combined Management Report. Other factors can also have a negative impact on our performance and results.

Stabilus SE neither intends to nor assumes any separate obligation to update forward-looking statements or to change these to reflect events or developments that occur after the publication of this Annual Report.

### Rounding

Certain numbers in this Annual Report have been rounded up or down. There may therefore be discrepancies between the actual totals of the individual amounts in the tables and the totals shown, as well as between the numbers in the tables and the numbers given in the corresponding analyses in the text of the Annual Report. All percentage changes and key figures in the Combined Management Report were calculated using the underlying data in millions of euros (€ millions) to one decimal place.

# QUARTERLY OVERVIEW

## Quarterly overview[1)]

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| IN € MILLIONS | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 |
|---|---|---|---|---|---|---|---|---|
| Revenue | 336.3 | 350.7 | 313.5 | 305.4 | 307.5 | 306.5 | 310.6 | 290.7 |
| EBIT | 22.9 | 39.3 | 30.9 | 20.3 | 32.5 | 38.4 | 37.1 | 29.1 |
| Adjusted EBIT | 41.9 | 43.1 | 38.9 | 33.3 | 43.2 | 41.9 | 40.8 | 32.6 |
| Profit / (loss) for the period | 17.5 | 24.3 | 18.1 | 12.2 | 23.5 | 21.7 | 42.6 | 15.5 |
| Capital expenditure (capex) | (22.8) | (23.4) | (19.3) | (17.4) | (28.2) | (22.1) | (10.5) | (12.9) |
| Free cash flow (FCF) | 52.7 | 28.9 | (634.4) | 32.4 | 3.9 | 48.3 | 12.1 | 32.4 |
| Adjusted free cash flow | 54.9 | 37.9 | 3.7 | 36.2 | 14.2 | 48.3 | 12.1 | 32.7 |
| | | | | | | | | |
| EBIT margin as % of revenue | 6.8% | 11.2% | 9.9 % | 6.6% | 10.6% | 12.5% | 11.9% | 10.0% |
| Adjusted EBIT margin as % of revenue | 12.5% | 12.3% | 12.4% | 10.9% | 14.0% | 13.7% | 13.1% | 11.2% |
| Profit / (loss) for the period as % of revenue | 5.2% | 6.9% | 5.8% | 4.0% | 7.6% | 7.1% | 13.7% | 5.3% |
| Capital expenditure (capex) as % of revenue | 6.8% | 6.7% | 6.2% | 5.7% | 9.2% | 7.2% | 3.4% | 4.4% |
| FCF as % of revenue | 15.7% | 8.2% | (202.4)% | 10.6% | 1.3% | 15.8% | 3.9% | 11.1% |
| Adjusted FCF as % of revenue | 16.3% | 10.8% | 1.2% | 11.9% | 4.6% | 15.8% | 3.9% | 11.2% |
| Net leverage ratio | 2.8x | 2.8x | 2.8x | 0.2x | 0.3x | 0.3x | 0.5x | 0.3x |
| | | | | | | | | |
| Employees[2)] | 7,984 | 7,987 | 8,173 | 7,450 | 7,426 | 7,091 | 7,110 | 6,992 |
| Total assets[3)] | 1,910.9 | 1,971.3 | 1,956.4 | 1,343.7 | 1,334.3 | 1,256.2 | 1,227.4 | 1,235.1 |
| Equity[3)] | 677.7 | 704.6 | 692.6 | 695.9 | 712.0 | 679.3 | 659.5 | 657.4 |
| Equity ratio[3)] | 35.5% | 35.7% | 35.4% | 51.8% | 53.4% | 54.1% | 53.7% | 53.2% |

1) The sum totals of quarterly figures may deviate slightly from the figures for the year as a whole due to rounding.
2) Active and inactive employees, excluding contract workers, apprentices, trainees, and graduates.
3) Figures at the end of the quarter.

# MULTI-YEAR OVERVIEW

## Multi-year overview

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| IN € MILLIONS | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|---|
| Revenue | 1,305.9 | 1,215.3 | 1,116.3 | 937.7 | 822.1 | 951.3 |
| EBIT | 113.3 | 137.1 | 142.2 | 121.3 | 56.0 | 124.0 |
| Adjusted EBIT | 157.1 | 158.4 | 156.2 | 135.0 | 96.7 | 142.7 |
| Profit / (loss) for the period | 72.0 | 103.3 | 104.3 | 73.8 | 30.0 | 80.9 |
| Capital expenditure (capex) | (82.9) | (73.7) | (45.1) | (40.6) | (47.6) | (56.5) |
| Free cash flow (FCF) | (520.4) | 96.7 | 58.2 | 88.6 | 61.2 | 48.5 |
| Adjusted free cash flow | 132.8 | 107.3 | 81.7 | 88.6 | 62.3 | 89.9 |
| | | | | | | |
| EBIT margin as % of revenue | 8.7% | 11.3% | 12.7% | 12.9% | 6.8% | 13.0% |
| Adjusted EBIT margin as % of revenue | 12.0% | 13.0% | 14.0% | 14.4% | 11.8% | 15.0% |
| Profit / (loss) for the period as % of revenue | 5.5% | 8.5% | 9.3% | 7.9% | 3.6% | 8.5% |
| Capital expenditure (capex) as % of revenue | 6.3% | 6.1% | 4.0% | 4.3% | 5.8% | 5.9% |
| FCF as % of revenue | (39.8)% | 8.0% | 5.2% | 9.4% | 7.4% | 5.1% |
| Adjusted FCF as % of revenue | 10.2% | 8.8% | 7.3% | 9.4% | 7.6% | 9.5% |
| Net leverage ratio | 2.8x | 0.3x | 0.4x | 0.6x | 1.2x | 1.0x |
| | | | | | | |
| Employees[1)] | 7,984 | 7,426 | 6,840 | 6,573 | 6,433 | 6,696 |
| Total assets | 1,910.9 | 1,334.3 | 1,266.6 | 1,166.6 | 1,083.6 | 1,099.2 |
| Equity | 677.7 | 712.0 | 669.7 | 544.3 | 469.6 | 499.6 |
| Equity ratio | 35.5% | 53.4% | 52.9% | 46.7% | 43.3% | 45.5% |

[1)] Active and inactive employees, excluding temporary workers, apprentices, trainees, and graduates.

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Further information including news, reports, and publications can be found in the Investors section of our website at **IR.STABILUS.COM**.

## INVESTOR RELATIONS

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STABILUS