

ASKCHEMICALS



Consolidated Financial Statement of ASK Chemicals International Holding GmbH

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ASK Chemicals International Holding GmbH
Consolidated Income Statement
for the financial year from January 1 to December 31, 2024

	Appendix *)	2024 KEUR	2023 KEUR
Revenue	4	703,093	771,208
Cost of sales	5, 6, 10	-561,792	-618,588
Gross result		141,301	152,620
Other income	8	17,653	16,046
Selling expenses	10	-46,304	-51,326
Administrative expenses	10	-54,554	-57,238
Research and development expenses	10	-10,170	-10,510
Other expenses	9, 10	-9,066	-10,810
Operating result (EBIT)		38,860	38,782
Finance income	11	23,895	26,218
Finance costs	11	-95,716	-73,973
Net finance costs		-71,821	-47,755
Share of profit of equity-accounted investees, net of tax	16	-29	66
Result before tax		-32,990	-8,907
Income tax expenses	12	-14,265	-16,705
Group result		-47,255	-25,612
Thereof attributable to:			
Owners of the company		-47,682	-26,087
Non-controlling interests	30	427	475

*) The notes to group financial statements on page 1 et seqq. are an integral part of the consolidated financial statements.

ASK Chemicals International Holding GmbH
Consolidated statement of profit and loss and other comprehensive income
for the fiscal year from January 1 to December 31, 2024

	Appendix *)	2024 KEUR	2023 KEUR
Group result		-47,255	-25,612
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gains (losses) from pensions and similar obligations	21	-125	-2,142
Income taxes on actuarial gains (losses) from pensions and similar obligations	21	-62	610
Total items that will not be reclassified to profit or loss		-187	-1,532
Items that are or may be reclassified subsequently in profit or loss			
Foreign currency translation differences		-633	-6,727
Total items that are or may be reclassified to profit or loss		-633	-6,727
Other comprehensive income, net of tax		-820	-8,259
Total comprehensive income		-48,075	-33,871
Thereof attributable to:			
Owners of the parent company		-48,254	-33,962
Non-controlling interests	30	179	91

*) The notes to group financial statements on page 1 et seqq. are an integral part of the consolidated financial statements.

ASK Chemicals International Holding GmbH
Consolidated statement of financial position
as at December 31, 2024

	Appendix *)	31.12.2024 KEUR	31.12.2023 KEUR
Assets			
Non-current assets			
Property, plant and equipment	13	148,103	170,015
Goodwill	15	22,272	24,329
Other intangible assets	15	19,225	24,050
Equity-accounted investees	16	0	263
Non-current receivables	18	24,854	27,495
Other non-current financial assets	18	5,893	716
Derivatives	25	13,244	0
Deferred tax assets	12	4,073	3,116
Total non-current assets		237,664	249,984
Current assets			
Inventories	17	60,843	91,487
Trade receivables	25	75,244	64,324
Current tax assets		4,362	1,948
Prepayments and other receivables	18	20,958	18,334
Other current financial assets	18	6,091	7,757
Cash and cash equivalents	19	33,542	33,482
Total current assets		201,040	217,332
Total assets		438,704	467,316

*) The notes to group financial statements on page 1 et seqq. are an integral part of the consolidated financial statements.

ASK Chemicals International Holding GmbH
Consolidated balance sheet
as at December 31, 2024

	Appendix *)	31.12.2024 KEUR	31.12.2023 KEUR
Equity and liabilities			
Equity attributable to owners of the parent company			
Subscribed capital	20	25	25
Capital reserves	20	87,655	87,655
Retained earnings		-161,433	-114,390
Other reserves	20	-1,812	-600
Total equity attributable to owners of the parent company		-75,565	-27,310
Non-controlling interest	30	4,629	4,629
Total equity		-70,936	-22,681
Non-current liabilities			
Non-current financial liabilities	23	349,887	297,094
Employee benefits	21	10,975	23,969
Other non-current provisions	22	2,600	7,400
Deferred tax liabilities	12	7,797	5,948
Deferred income		16,146	19,241
Total non-current liabilities		387,405	353,652
Current liabilities			
Current financial liabilities including derivatives	23, 25	17,428	25,315
Trade payables	25	64,348	68,660
Liabilities from supplier factoring	25	9,558	9,777
Current provisions	22	13,257	14,070
Other liabilities	24	13,376	15,220
Current tax liabilities	12	4,031	2,286
Deferred income		237	1,017
Total current liabilities		122,235	136,345
Total liabilities		509,640	489,997
Total equity and liabilities		438,704	467,316

*) The notes to group financial statements on page 1 et seqq. are an integral part of the consolidated financial statements.

ASK Chemicals International Holding GmbH
Consolidated statement of changes in equity
as of December 31, 2024

	Equity attributable to owners of the parent company						Non-controlling interests				Total equity
	Subscribed capital	Capital reserve	Retained earnings	Other reserves		Total	Share of consolidated profit	Other reserves		Total	
				Reserve for actuarial gains (losses) from pensions and similar obligations (net)	Foreign currency translation reserve			Reserve for actuarial gains (losses) from pensions and similar obligations (net)	Foreign currency translation reserve		
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
January 01, 2023	25	87,655	-88,303	895	6,380	6,652	4,543	-19	14	4,538	11,190
Group result	0	0	-26,087	0	0	-26,087	475	0	0	475	-25,612
Other comprehensive income											
Foreign currency translation differences (net)	0	0	0	0	-6,468	-6,468	0	0	-259	-259	-6,727
Actuarial gains (losses) from pensions and similar obligations (net)	0	0	0	-1,407	0	-1,407	0	-125	0	-125	-1,532
Total other comprehensive income	0	0	0	-1,407	-6,468	-7,875	0	-125	-259	-384	-8,259
Consolidated comprehensive income	0	0	-26,087	-1,407	-6,468	-33,962	475	-125	-259	91	-33,871
December 31, 2023	25	87,655	-114,390	-512	-88	-27,310	5,018	-144	-245	4,629	-22,681
January 01, 2024	25	87,655	-114,390	-512	-88	-27,310	5,018	-144	-245	4,629	-22,681
Group result			-47,683			-47,683	428			428	-47,255
Other comprehensive income											
Foreign currency translation differences (net)	0	0	0	0	-999	-358	0	0	-275	-275	-633
Actuarial gains (losses) from pensions and similar obligations (net)	0	0	0	-213	0	-213	0	26	0	26	-187
Total other comprehensive income	0	0	640	-213	-999	-571	0	26	-275	-249	-820
Consolidated comprehensive income	0	0	-47,043	-213	-999	-48,254	428	26	-275	179	-48,075
Transactions with investors											
Dividends	0	0	0	0	0	0	-180	0	0	-180	-180
Total transactions with investors	0	0	0	0	0	0	-180	0	0	-180	-180
December 31, 2024	25	87,655	-161,433	-725	-1,087	-75,565	5,266	-118	-520	4,629	-70,936

ASK Chemicals International Holding GmbH
Consolidated cash flow statement
for the financial year from January 1 to December 31, 2024

	Appendix *)	2024 KEUR	2023 KEUR
Group result		-47,255	-25,612
Depreciation	13, 14	30,070	22,841
Amortization	15	7,668	5,679
Net finance costs	11	71,821	47,755
Share of profit of equity-accounted investees (net of tax)	16	29	-66
Gain on sale of property, plant and equipment as well as intangible assets	8,9	1,269	-12
Other non-cash income and expenses	8, 9	1,888	1,588
Tax expense	12	14,265	16,705
		79,755	68,878
Change in inventories	17	-1,299	15,008
Change in receivables and other assets	18	-19,310	20,757
Change in liabilities and provisions	21, 22, 24	6,142	-43,088
Cash flow from operating activities before interest and taxes		65,288	61,555
Interest paid		-37,873	-22,457
Taxes paid		-13,876	-16,638
Net cash from operating activities		13,539	22,460
Interest received		1,957	2,252
Dividends received	16	235	72
Proceeds from sale of property, plant and equipment as well as intangible assets	13, 15	2,475	360
Acquisition of intangible assets	15	-2,354	-2,705
Acquisition of property, plant and equipment	13	-7,721	-14,674
Proceeds from disposals from the scope of consolidation		6,000	0
Net cash used in investing activities		592	-14,695
Cash inflows / outflows from the raising / repayment of shareholder loans	23, 25	-86,696	0
Repayments of bank loans	23, 25	-4,283	-195,054
Payments for the repayment of the senior facility	23, 25	-225,000	0
Proceeds from the raising of bank loans	23, 25	0	189,924
Proceeds from the issue of a bond	23, 25	325,000	0
Payments from other financial assets and liabilities	23, 25	-16,066	-2,565
Payments for the reimbursement of finance lease obligations (IFRS 16)	14	-5,882	-6,210
Proceeds from other financial assets and liabilities	23, 25	0	502
Dividend paid	20	-180	0
Net cash from financing activities		-13,107	-13,403
Net increase in cash and cash equivalents		1,024	-5,638
Effect of movements in exchange rates on cash held	19	-964	-118
Cash and cash equivalents acquired from acquisition activities		0	0
Cash and cash equivalents at the beginning of the period		33,482	39,238
Cash and cash equivalents at the end of the period		33,542	33,482

*) The notes to group financial statements on page 1 et seqq. are an integral part of the consolidated financial statements.

Notes to the consolidated financial statements

General information

ASK Chemicals International Holding GmbH (hereinafter referred to as "ASK Chemicals"), located at Reisholzstr. 16-18, Hilden, Germany, as the parent company of the ASK Chemicals Group, is registered in the commercial register of Düsseldorf District Court under HRB 73518.

1. Information about the company

The ASK Chemicals Group's business activities include the production of foundry products with a comprehensive portfolio of products and services ranging from binders, coatings, additives, feeders, filters and release agents to metallurgical products such as inoculants, Mg treatment wires, inoculation wires and master alloys for iron casting. Core production, prototype development and a wide range of simulation services round off this offering. Since 2021, the Group has also been offering solutions for high-quality applications in the fields of paints and coatings, fertilizer coating and the production of brake linings and composite materials in a second business segment, "Synthetic Resins & Specialty Products". The Group also operates a company that is active in the construction and operation of air pollution control systems. The Group has a presence in 23 countries with 34 locations, 15 of which have their own production lines, and employs around 1,400 people worldwide. ASK Chemicals maintains research centers in Europe, Asia, America and Africa.

2. Principles for the Preparation of Consolidated Financial Statements

Declaration of compliance with IFRS

The main activities of the Group are described in the Group management report. ASK Chemicals prepared its consolidated financial statements as of December 31, 2024 in accordance with Section 315e of the German Commercial Code (HGB) and in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretation Committee (IFRIC), as well as the interpretations of the Standard Interpretation Committee (SIC), as applicable in the European Union. The IFRS standards and interpretations that are mandatory for financial years beginning on or after January 1, 2024 were applied. The consolidated financial statements are published in the electronic company register.

All amounts are generally stated in thousands or millions of euros. In individual cases, rounding may result in values not adding up exactly to the stated total.

The consolidated financial statements of ASK Chemicals are prepared on the basis of historical cost (historical cost principle) with the exception of financial assets and financial liabilities recognized at fair value, in particular derivative financial instruments. The accounting and valuation methods are presented and explained in detail in section 3.

In accordance with IAS 1 *Presentation of Financial Statements*, a distinction is made between current and non-current assets, provisions and liabilities. Assets, provisions and liabilities are classified as current if they are realizable or due within one year. The cost of sales method is used for the consolidated income statement.

The consolidated financial statements of ASK Chemicals comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement and the notes to the consolidated financial statements. The consolidated financial statements have been

supplemented by the additional disclosures otherwise required under German commercial law (HGB).

The annual and interim financial statements of the companies included in the consolidated financial statements, all of which are prepared as at the reporting date of these consolidated financial statements, are based on uniform accounting and valuation principles.

The consolidated financial statements of ASK Chemicals were prepared in euros. Unless otherwise stated, all amounts are shown in thousands of euros (EUR thousand or KEUR). For computational reasons, rounding differences may occur in the tables and references to the mathematically exact figures. Individual items in the consolidated income statement and the consolidated balance sheet have been summarized for the sake of clarity and explained separately in the notes to the consolidated financial statements.

Publication of the financial statements

These consolidated financial statements were prepared by the management on the date signed and released for publication.

New or amended standards and interpretations

The IASB has published the following standards and interpretations that have already been adopted into EU law as part of the comitology procedure and whose application was mandatory for the first time for the consolidated financial statements as at December 31, 2024. Unless otherwise stated, the amendments have no material impact on the consolidated financial statements of ASK Chemicals International Holding GmbH

- Amendments to IFRS 16 - Leases (lease liabilities from sale and leaseback transactions)
- IAS 1 - Presentation of Financial Statements (Classification of liabilities as current or non-current / Classification of liabilities as current or non-current / Deferral of initial application / Non-current liabilities with ancillary conditions),
- IAS 7 - Cash Flow Statements and
- IFRS 7 - Financial Instruments: Disclosures (Supplier Financing Arrangements) effective for financial years beginning on or after January 1, 2024.

Standards and interpretations not applied early

The IASB has published the following standards and interpretations that have already been adopted into EU law as part of the comitology procedure, but whose application was not yet mandatory for the consolidated financial statements as at December 31, 2024. These new standards and amendments to existing standards will be applied by the Group in the 2025 financial year or later. Unless otherwise stated, the impact on the consolidated financial statements of ASK Chemicals is currently being assessed. No material effects are expected.

- Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability), effective for annual periods beginning on or after January 1, 2025

In the 2024 financial year, the IASB published the following standards and amendments that are relevant to the ASK Chemicals Group but will not come into force until they have been adopted into EU law as part of the comitology procedure.

- Annual Improvements to IFRS Accounting Standards - Volume 11, expected to be effective for the financial year beginning on or after January 1, 2026
- IFRS 18 - Presentation and Disclosures in Financial Statements, expected to be effective for financial years beginning on or after January 1, 2027

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- IFRS 19 - Subsidiaries without Public Accountability: Disclosures expected to be effective for the financial year beginning on or after January 1, 2027
 - Amendments to IFRS 9 - Financial Instruments and IFRS 7 - Financial Instruments: Disclosures (Classification and Measurement of Financial Instruments / Contracts Relating to Nature-Dependent Electricity), expected to be effective for financial years beginning on or after January 1, 2026
 - Amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture), first-time application postponed indefinitely

Measurement

The accompanying consolidated financial statements have been prepared on a going concern basis. In the Group's opinion, there are no material uncertainties in connection with certain events and conditions that cast significant doubt on the Group's ability to continue as a going concern. The Group is therefore in a position to realize its assets in the ordinary course of business and to meet its liabilities, including the obligatory repayment terms of the credit lines.

The revolving credit facility, which was newly agreed in November 2024, provides for the "Senior Secured Net Leverage Ratio" financial ratio, which must be complied with at the end of each quarter, subject to the fulfillment of certain conditions. This ratio is made up of the ratio of senior secured financial liabilities to EBITDA adjusted for special effects. Compliance with this financial ratio must be demonstrated for the first time at the end of the second quarter of 2025.

Based on the financial planning for the coming year, ASK Chemicals assumes that the contractually fixed targets for the financial covenant will continue to be clearly met.

Against this background and based on current market assessments and the plans for the coming financial years drawn up on this basis, ASK Chemicals therefore assumes that the Group will be able to obtain sufficient funds and continue its activities in the foreseeable future.

The consolidated financial statements are therefore generally prepared on the basis of amortized historical cost. Exceptions to this are those matters for which the applicable IFRS require the recognition of fair value. These relate in particular to derivative financial instruments.

Use of estimates and discretionary powers

The preparation of consolidated financial statements requires management to make judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of income and expenses during the reporting period, not least in light of the changed business environment described above. Although these estimates are made to the best of management's knowledge based on current events and circumstances, actual results may differ from these estimates.

The estimates and the assumptions on which they are based are subject to ongoing review. Any necessary adjustments are considered in the reporting period of the review and any subsequent periods affected.

The most important areas that are subject to significant estimation uncertainty or special judgment in the application of accounting policies are presented below.

Information on discretionary decisions in the application of accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is contained in the notes below:

-
- Consolidation: Determining whether de facto control exists (3)
 - Definition of cash-generating units (3, 15)

Information on assumptions and estimation uncertainties that may give rise to a significant risk of material adjustment within the financial year ending December 31, 2024 is provided in the notes below:

- Recognition and measurement of deferred tax assets and income tax uncertainties (12)
- Impairment test of goodwill and other non-current assets (15)
- Provisions for pensions and similar obligations (21)
- Provisions for recultivation obligations, environmental obligations and other contingent liabilities (22, 26)

3. Main Accounting Policies

Consolidation principles

The consolidated financial statements of ASK Chemicals comprise the annual financial statements of ASK Chemicals International Holding GmbH and its subsidiaries. The 2024 financial year of ASK Chemicals begins on January 1, 2024 and ends on December 31, 2024. In deviation from this, the financial year of ASK Chemicals Foundry Solution India Pvt. Ltd (ASK India), Pune/India, ends on March 31. This company was included in the consolidated financial statements of ASK Chemicals on the basis of interim financial statements prepared as at December 31, 2024.

Subsidiaries are fully consolidated from the date of acquisition, i.e. from the date on which ASK Chemicals obtains control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation ends as soon as control no longer exists.

With regard to the Group company ASK Chemicals CIS LLC, which is based in Russia, the management has made the assessment, also against the background of the outbreak of war in Ukraine and the far-reaching sanctions against and by Russia and in an overall view of all relevant factual details, that the central rights are still enforceable and control can be exercised. Nevertheless, in this context, the management is of the opinion that the assets held by the Russian company, mainly trade receivables and inventories, are no longer recoverable and are impaired. With regard to the extent of the impairment losses recognized in these cases, please refer to the comments under inventories (Note 17) and financial instruments (Note 25). As at the balance sheet date, ASK Chemicals CIS LLC reported a net receivable from ASK Chemicals GmbH.

The consolidated financial statements of ASK Chemicals are based on the IFRS financial statements of ASK Chemicals and the consolidated subsidiaries prepared in accordance with uniform Group accounting policies. All intragroup balances, transactions, unrealized gains and losses from intragroup transactions and dividends are eliminated in full. Losses of a subsidiary that is not wholly owned by ASK Chemicals International Holding GmbH are allocated to non-controlling interests even if this results in a negative balance.

Business combinations and goodwill

All business combinations are accounted for using the purchase method in accordance with IFRS 3. Under this method, the purchase price of the business combination is allocated by recognizing the identifiable assets, liabilities and contingent liabilities of the acquired company at their fair values at the acquisition date. Incidental acquisition costs are recognized as an expense directly in the income statement at the time they are incurred.

Goodwill is initially recognized at cost, which is measured as the excess of the total consideration transferred and the amount of the non-controlling interest over the identifiable assets acquired and liabilities assumed of the Group. If this consideration is less than the fair value of the net assets of the acquired subsidiary, the difference is recognized in the income statement under other operating income after final assessment.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated from the acquisition date to the Group's cash-generating units (CGUs) that are expected to benefit from the business combination. This applies regardless of whether other assets or liabilities of the acquired company are allocated to these CGUs.

Investments in financial assets accounted for using the equity method

The Group's investments in financial assets accounted for using the equity method comprise solely investments in associates. Associated companies are companies in which the Group has a significant influence, but no control or joint control, over the financial and operating policies.

Entities in which ASK Chemicals International Holding GmbH does not hold the majority of voting rights, but over which it has the power to directly or indirectly exercise significant influence over financial and operating policy decisions, are included in the consolidated financial statements as associated companies using the equity method. The equity method is used to determine whether an additional impairment loss needs to be recognized for the net investment in the associate. The income statement reflects the share in the result of the associated company. Changes in the equity of the associated company that do not affect profit or loss are recognized directly in the Group's equity on a pro rata basis and presented in the statement of changes in equity.

Currency conversion

The consolidated financial statements are prepared in euros, the functional currency of ASK Chemicals. The functional currency is determined for each Group company and the corresponding items in the financial statements are translated into euros on this basis.

Receivables and liabilities in foreign currencies in the local annual financial statements of the companies included in the consolidated financial statements are translated at the exchange rates applicable on the balance sheet date. Any resulting exchange rate differences are recognized in the income statement under other operating income or other operating expenses if they can be allocated to operating activities. Exchange rate differences from financing activities are shown in the financial result.

Non-monetary items that are measured at historical cost in a foreign currency are translated on the balance sheet date using the exchange rate on the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated at the exchange rate applicable on the date on which the value was determined. The assets and liabilities of subsidiaries outside the European Monetary Union are translated from the respective functional currency into the presentation currency of ASK Chemicals at the exchange rate on the respective balance sheet date. Their income statements and cash flow statements are translated at the average exchange rate for the year, which is an approximation of the exchange rate on the date of the transaction. The equity of subsidiaries is translated at historical exchange rates. Translation differences between the historical exchange rate and the current exchange rate are recognized in other equity items.

If the settlement of monetary items in the form of receivables from or liabilities to a foreign operation is neither planned nor likely to occur in the foreseeable future, these items are considered part of the net investment in the foreign operation. The resulting foreign currency gains

and losses are recognized in other comprehensive income and in the currency translation reserve in equity. One such case is a loan granted by ASK Chemicals GmbH to its subsidiary in Singapore, ASK Chemicals Pte. Ltd, as repayment of this loan is not planned in the foreseeable future. The resulting foreign currency gains of KEUR 467 in the reporting period (PY: foreign currency losses of KEUR 315) were therefore recognized in other comprehensive income and reported in the currency translation reserve in equity.

The exchange rates used in the consolidated financial statements are shown below:

1 EURO =	ISO code	2024		2023	
		Closing rate December 31	Average rate	Closing rate December 31	Average rate
Brazilian real	BRL	5.3618	5.4010	5.3618	5.4010
British pound	GBP	0.8691	0.8698	0.8691	0.8698
Chinese renminbi yuan	CNY	7.8509	7.6600	7.8509	7.6600
Danish krone	DKK	7.4529	7.4509	7.4529	7.4509
Indian rupee	INR	91.9045	89.3001	91.9045	89.3001
Japanese yen	JPY	156.3300	151.9900	156.3300	151.9900
Canadian dollar	CAD	1.4642	1.4595	1.4642	1.4595
Mexican peso	MXN	18.7231	19.1830	18.7231	19.1830
Turkish lira	TRY	32.6531	25.7597	32.6531	25.7597
Norwegian krone	NOK	11.2405	11.4248	11.2405	11.4248
Polish Szloty	PLN	4.3395	4.5420	4.3395	4.5420
Russian rouble	RUB	99.0404	92.4709	99.0404	92.4709
Swedish krona	SEC	11.0960	11.4788	11.0960	11.4788
Swiss franc	CHF	0.9260	0.9718	0.9260	0.9718
Singapore Dollar	SGD	1.4591	1.4523	1.4591	1.4523
South African Rand	ZAR	20.3477	19.9551	20.3477	19.9551
South Korean won	KRW	1.433.6600	1.412.8800	1.433.6600	1.412.8800
Czech crown	CZK	24.7240	24.0040	24.7240	24.0040
US Dollar	USD	1.1050	1.0813	1.1050	1.0813

Scope of consolidation

The development of the scope of consolidation is shown in the table below:

	Germany	Rest of Europe	America	Asia	Total
Fully consolidated companies					
January 01, 2023	7	13	8	6	34
December 31, 2023	7	14	7	6	34
Investments accounted for using the equity method					
January 01, 2023	0	1	0	0	1
December 31, 2023	0	1	0	0	1
Total companies					
January 01, 2023	7	14	8	6	35
December 31, 2023	7	15	7	6	35
Fully consolidated companies					
January 01, 2024	7	14	7	6	34
December 31, 2024	6	12	5	6	29
Investments accounted for using the equity method					
January 01, 2024	0	1	0	0	1
December 31, 2024	0	0	0	0	0
Total companies					
January 01, 2024	7	15	7	6	35
December 31, 2024	6	12	5	6	29

With regard to the subsidiary in South Korea, ASK Chemicals Korea Ltd., Ulsan/South Korea, ASK Chemicals' share of capital amounts to 50%. From ASK Chemicals' point of view, control and a consolidation obligation arise from the fact that a majority is held in the corporate bodies exercising voting rights.

The liquidation of ASK Chemicals Gremolith AG was resolved by shareholder resolution on October 12, 2023. The liquidation of ASK Chemicals Gremolith AG was completed as at the reporting date.

ASK Chemicals Metallurgy GmbH, Älvsjö Real Estate AB and xpuris ApS were sold. The sale of ASK Chemicals Metallurgy led to a significant disposal of assets and liabilities, in particular property, plant and equipment (EUR 13.7 million), inventories (EUR 30.7 million) and provisions for pensions and similar obligations (EUR 14.3 million). The gain on disposal in the amount of EUR 2.1 million is recognized in the financial result.

ASK Chemicals de Mexico S. de R.L. de C.V. and ASK Services de Mexico S. de R.L. de C.V. were merged into ASK Chemicals Manufacturing S. de R.L. de C.V.

Intangible assets

Determination of goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the net assets acquired in a business combination. Goodwill is tested for impairment at least once a year.

Impairment of goodwill

Goodwill was allocated to the following cash-generating units (CGU):

	2024 EUR million	2023 EUR million
North America	8.8	8.3
South America	5.3	6.3
Europe	5.5	7.1
Asia	2.7	2.6
	22.3	24.3

Each unit to which goodwill has been allocated represents the lowest level within the Group at which goodwill is monitored for internal management purposes.

ASK Chemicals delineates its CGUs regionally and, on the one hand, follows the organizational alignment of Group management. On the other hand, this reflects the regional delimitation of the companies' business activities, which are essentially limited to the aforementioned markets.

ASK Chemicals tests goodwill for impairment at least once a year, whereby the carrying amount is compared with the recoverable amount of the respective CGU. ASK Chemicals determines the recoverable amount on the basis of the value in use.

The value in use is determined on the basis of the following assumptions:

- The calculation of the CGU's discounted cash flows is based on the budget for the following financial year and the medium-term planning for the financial years following the budget year. In the medium-term planning, individual growth rates are assumed for the financial years up to 2028 and sustainable growth dependent on the CGU for the subsequent years after 2028.
- When determining the recoverable amount, the pre-tax discount rates were applied depending on the geographical location. These discount rates were determined on the basis of the average industry-specific cost of capital and taking into account the beta factor of comparable companies.

ASK Chemicals' medium-term planning is based on country-specific assumptions about the development of key macroeconomic parameters, such as gross domestic product, the development of wage costs, the development of raw material costs, market shares and regulatory conditions. As part of the budget planning process, volumes and sales prices are planned and further developed as part of medium-term planning. From this, budgeted income statements are developed for each company for the planning period, from which the relevant cash flows are derived.

The table below shows the major assumptions used for the measurement of the CGUs:

2024	Discount rate before taxes (%)	Sustainable growth rate (%)	Average EBITDA growth (%)
North America	9.0	1.0	6.8
South America	16.8	1.0	6.0
Europe	10.2	0.8	9.3
Asia	9.5	1.0	6.3

2023	Discount rate before taxes (%)	Sustainable growth rate (%)	Average EBITDA growth (%)
North America	9.0	1.0	12.7
South America	12.1	1.0	5.0
Europe	10.2	0.8	34.6
Asia	10.1	1.0	22.5

The Group carries out the impairment test annually as of December 31 and when there are indications of impairment.

The values in use of the CGUs were as follows in the financial year:

	2024 EUR million	2023 EUR million
North America	428.3	405.6
South America	175.5	263.0
Europe	315.4	240.7
Asia	120.8	141.4

Other intangible assets

Acquired intangible assets are recognized at cost at the time of acquisition. After initial recognition, intangible assets are measured at acquisition or production cost less accumulated amortization and impairment losses.

Internally generated intangible assets are capitalized if the recognition criteria under IAS 38 are met. Otherwise, the costs incurred are recognized as an expense in the period in which they are incurred. In the reporting period, ASK Chemicals capitalized development costs of KEUR 1,771 (PY: KEUR 1,759) for developed or significantly improved products and processes. The production costs of internally generated assets include direct material and labor costs as well as other directly attributable costs incurred to bring the asset to working condition.

Intangible assets with finite useful lives are amortized on a straight-line basis over their respective expected useful lives and additionally tested for impairment if there are indications of impairment.

The useful lives are reviewed annually for appropriateness.

Assets	Useful life
Capitalized development costs	3 to 5 years
Software	3 to 5 years
Technology	6 years
Customer lists	6 to 11 years

The Group does not recognize any intangible assets with indefinite useful lives.

Property, plant and equipment

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

The following table shows the useful lives of property, plant and equipment applied within the Group. The specific useful lives of individual assets are determined within these ranges based on the respective local circumstances.

Property, plant and equipment are depreciated on a straight-line basis over the expected useful life as follows:

Assets	Useful life
Building	10 to 40 years
Technical equipment and machinery	10 to 15 years
Other equipment, operating and office equipment	3 to 10 years

The useful lives are reviewed annually for appropriateness. The carrying amounts of property, plant and equipment are tested for impairment if circumstances arise that indicate an impairment. If there are indications that the carrying amount is higher than the recoverable amount, the relevant asset or assets within the CGU are written down to the recoverable amount.

Financial instruments

Both non-derivative financial assets and derivative financial assets are initially recognized at fair value.

(i) Classification and subsequent measurement

Trade receivables are recognized from the date on which they arise. All other financial assets and liabilities are recognized for the first time on the settlement date when the company becomes a party to the contract in accordance with the contractual provisions of the instrument.

Financial assets

On initial recognition, a financial asset is classified and measured as follows: at amortized cost, FVOCI debt instruments (investments in debt instruments measured at fair value with changes in other comprehensive income) or FVTPL (at fair value with changes in value through profit or loss).

Financial assets are not reclassified after initial recognition unless the Group changes its business model for managing financial assets. In this case, all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

A financial asset is measured at amortized cost if both of the following conditions are met and it has not been designated as FVTPL: It is held within a business model whose objective is to hold financial assets to collect the contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A debt instrument is designated as FVOCI if both of the following conditions are met and it has not been designated as FVTPL: It is held within a business model whose objective is both to hold financial assets to collect contractual cash flows and to sell financial assets, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. All financial assets that are not measured at amortized cost or at FVOCI are measured at FVTPL. This includes in particular all derivative financial assets. Upon initial recognition, the Group will irrevocably decide to designate financial assets that otherwise meet the conditions for measurement at amortized

cost or at FVOCI at FVTPL if this leads to the elimination or significant reduction of *accounting mismatches* that would otherwise occur.

Assessment of the business model

The ASK Group makes an assessment of the objectives of the business model in which the financial asset is held at a portfolio level, as this best reflects the way in which the business is managed and information is provided to management. The information to be considered includes:

- The stated policies and objectives for the portfolio and the implementation of these policies in practice; this includes whether management's strategy is to collect contractual interest income, maintain a particular interest rate profile, match the maturity of a financial asset with the term of an associated liability or expected cash outflows, or realize cash flows through the sale of the assets;
- how the results of the portfolio are evaluated and reported to Group management;
- the risks that affect the results of the business model (and the financial assets held in accordance with this business model) and how these risks are managed;
- how the managers are remunerated - for example, whether the remuneration is based on the fair value of the assets under management or on the contractual cash flows received; and
- Frequency, volume and timing of sales of financial assets in previous periods and expectations of future sales activities.

Transfers of financial assets to third parties through transactions that do not result in derecognition are consistent with the fact that the Group continues to recognize the assets and do not constitute sales for this purpose.

Financial assets that are held or managed for trading purposes and whose performance is assessed on the basis of fair value are measured at FVTPL

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. Amortized cost is reduced by impairment losses. Interest income, exchange rate gains and losses and impairments are recognized in profit or loss. A gain or loss from derecognition is recognized in profit or loss.

The ASK Group sells receivables (factoring) as part of its business activities. The receivables concerned are held in a separate portfolio. The receivables are sold to the factoring company on a daily revolving, scheduled and automatic basis. These receivables are distinguished from other receivables that are not offered for sale on the basis of the purchase/sale criteria in accordance with the factoring agreement. The ASK Group therefore not only maintains a uniform portfolio with both the intention to hold and to sell, but also two separate portfolios, one at amortized cost and one at FVtPL

(ii) Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge currency and interest rate risks. Derivatives are initially recognized at fair value. Derivatives are subsequently measured at fair value. Any resulting changes are recognized in profit or loss.

(iii) Impairment

Financial instruments and contract assets

The Group recognizes allowances for expected credit losses (ECL) for:

- financial assets measured at amortized cost and
- Contract assets.

Allowances for trade receivables and contract assets are always measured in the amount of the expected credit loss over the term.

When determining whether the default risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group takes into account appropriate and reliable information that is relevant and available without undue time and expense. This includes both quantitative and qualitative information and analyses based on the Group's past experience and well-founded estimates, including forward-looking information.

The Group assumes that the default risk of a financial asset has increased significantly if it is more than 30 days overdue.

The Group considers a financial asset to be in default if it is unlikely that the debtor will be able to pay its loan obligation to the Group in full. The Group bases this on empirical values from the respective countries. There is no fixed number of days on which a default can be assumed.

Measurement of expected credit losses

Expected credit losses are the probability-weighted estimates of credit losses. Credit losses are measured as the present value of payment defaults (i.e. the difference between the payments that are contractually owed to a company and the payments that the company is expected to receive).

Expected credit losses are discounted at the effective interest rate of the financial asset.

Presentation of impairment for expected credit losses in the balance sheet

Impairment losses on financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

(iv) Financial liabilities

Financial liabilities are classified and measured at amortized cost or at fair value through profit or loss (FVTPL). A financial liability is classified at FVTPL if it is classified as held for trading, is a derivative or is designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains or losses, including interest expenses, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expenses and foreign currency translation differences are recognized in profit or loss. Gains or losses from derecognition are also recognized in profit or loss.

Leases

The assessment of whether an agreement constitutes or contains a lease is based on the economic substance of the agreement and requires an assessment of whether the agreement depends on the use of a clearly identifiable specific asset or specific assets and whether the agreement establishes a right to use the asset.

The Group as lessee:

On the provision date, the Group recognizes an asset for the right-of-use asset granted and a lease liability. The right-of-use asset is initially measured at cost, which corresponds to the initial measurement of the lease liability, adjusted for payments made on or before the commencement date, plus any initial direct costs and the estimated costs of dismantling or removing the underlying asset or restoring the underlying asset or the site on which it is located, less any lease incentives received

The right-of-use asset is subsequently depreciated on a straight-line basis from the commencement date to the end of the lease term, unless ownership of the underlying asset is transferred to the Group at the end of the lease term or the cost of the right-of-use asset reflects the fact that the Group will exercise a purchase option. In these cases, the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined in accordance with the regulations for property, plant and equipment. In addition, the right-of-use asset is adjusted on an ongoing basis for impairment losses, if necessary, and for certain remeasurements of the lease liability

The lease liability is initially measured at the present value of the lease payments not yet made at the commencement date, discounted at the interest rate implicit in the lease or, if this cannot be readily determined, at the Group's incremental borrowing rate. The Group normally uses its incremental borrowing rate as the discount rate.

The ASK Chemicals Group makes use of the exemption for short-term and low-value leases. A threshold of EUR 5 thousand has been set for low-value leases.

The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the term of the lease.

Inventories

Inventories are measured at the lower of cost and net realizable value. The acquisition or production costs also include incidental acquisition costs and are determined as follows:

- Raw materials - acquisition costs based on the moving average;
- Finished goods and work in progress - production materials and production wages, as well as pro rata production overheads assuming normal capacity utilization.

As the requirements for a qualifying asset within the meaning of IAS 23 are not met, financing costs are not taken into account when determining production costs.

Employee benefits

Defined benefit plans

The Group companies maintain various pension plans in accordance with the regulations and practices in the respective countries in which they operate. In some countries, the pension plans also include post-employment medical care benefits.

The expenses from defined benefit plans are calculated separately for each plan using the actuarial valuation method for current single premiums or the *projected unit credit method*. Actuarial gains and losses and the associated deferred income taxes are recognized in other comprehensive income and presented separately in the statement of comprehensive income. The obligations from defined benefit plans are valued annually by an independent actuary.

Past service cost is recognized at the earlier of (i) the date on which the plan amendment or curtailment occurs; or (ii) the date on which the entity recognizes related restructuring costs or

termination benefits. The service cost is recognized in personnel expenses. The amount recognized as a liability from a defined benefit plan corresponds to the balance of the present value of the defined benefit obligation at the balance sheet date less any past service cost not yet recognized less the fair value of plan assets (if any) at the balance sheet date with which the obligations are to be settled directly. If this amount is negative, the asset is recognized at a maximum of this value plus the present value of future economic benefits in the form of refunds from the plan or reductions in future contribution payments (asset ceiling).

Interest expenses from the compounding of pension obligations and income from plan assets are recognized as net interest expenses in the financial result using the discount rate of the obligation.

Other provisions

Other provisions are recognized when the Group has a present obligation (legal or constructive) to a third party as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. In the income statement, expenses for the formation of provisions are reported net after deduction of any reimbursements. If the interest effect resulting from discounting is material, discounting is carried out using an interest rate that reflects the risks specific to the liability.

The Group recognizes provisions for probable charges from pending legal proceedings if a reliable estimate can be made. Legal fees and court costs are also included in the estimate. The amount of these costs is based on cost estimates by the Group's legal department. This department reviews the provisions at regular intervals and adjusts them if necessary.

Revenue recognition

Revenue is recognized when a performance obligation is satisfied by transferring a promised good or service to a customer. An asset is deemed to have been transferred when the customer obtains control of this asset.

Sales are reported net of sales deductions such as bonuses, discounts or rebates.

Performance obligations and methods of revenue recognition

Revenue is measured on the basis of the consideration specified in a contract with a customer. ASK Chemicals recognizes revenue when control of a good or service is transferred to a customer.

The following list provides information on the nature and timing of the fulfilment of performance obligations from contracts with customers, including key payment terms and the associated principles of revenue recognition.

Standard products:

In accordance with IFRS 15, revenue is recognized when control is transferred. Customers obtain control over standard products in accordance with the general terms of delivery legal ownership and the risks and rewards incidental to ownership are transferred to the customer and the customer has a present obligation to pay. With regard to the transfer of risks and rewards to the customer, the dominant IncoTerms in the Europe region are CPT and DAP, while the situation in the Americas region is heterogeneous. At this point in time, invoices are issued and revenue is recognized. Under certain circumstances, some customers are granted rebates, bonuses or discounts. There are no substantial rights of return for customers. Essentially, only short-term payment terms are granted to customers.

Some of the standard products are held in consignment warehouses. In accordance with the general terms and conditions, the date of transfer of control and therefore the recognition of revenue for some of these warehouses is indicated after the expiry of a certain period, irrespective of the date of withdrawal by the customer. Amounts not yet invoiced are recognized as contract assets.

Financial income and expenses

Financial income includes interest income from financial investments and other financial assets, as well as gains from the disposal of financial assets measured at amortized cost. Income (expenses) from investments accounted for using the equity method are reported separately in the consolidated income statement.

Accrued interest income is recognized using the effective interest method.

Financial expenses include interest expenses for loans and expenses from the compounding of provisions. Accrued interest expenses are recognized in profit or loss using the effective interest method.

Financial income and expenses also include currency gains and losses if they can be allocated to financing activities.

Taxes

The tax expense comprises current and deferred taxes. Current taxes and deferred taxes are recognized in profit or loss, except to the extent that they are related to a business combination or to an item recognized directly in equity or in other comprehensive income.

Actual taxes

Current income tax assets or liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxes

In accordance with IAS 12, deferred taxes are recognized using the liability method for temporary differences between the tax bases of assets and liabilities and their carrying amounts in accordance with IFRS as at the balance sheet date. A deferred tax liability is generally recognized for all taxable temporary differences,

- but not if the deferred tax liability arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit (before income taxes) nor taxable profit or loss; and
- in respect of taxable temporary differences arising on investments in subsidiaries, branches and associates and interests in joint ventures, only to the extent that the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences and unused tax credits and tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits and deductible differences can be utilized,

-
- but not if the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit (before income taxes) nor taxable profit or loss; and
 - in respect of deductible temporary differences arising from investments in subsidiaries and associates and interests in joint ventures, only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available against which the deferred tax asset can be utilized in full or in part.

Unrecognized deferred tax assets are reassessed at each balance sheet date and recognized to the extent that it is probable that the deferred tax asset can be utilized in full or in part in the foreseeable future.

Deferred tax assets and deferred tax liabilities are measured using the tax rates that are expected to apply in the period in which an asset is realized or a liability is settled in the respective country. The tax rates (and tax regulations) used are those that are enacted or substantively enacted by the balance sheet date.

If income taxes relate to items that are credited or charged directly to equity or other comprehensive income, they are also recognized directly in equity or other comprehensive income and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

Discretionary decisions, assumptions and estimation uncertainties

With regard to discretionary decisions, assumptions and estimation uncertainties in connection with income taxes, ASK Chemicals applies IFRIC 23, which clarifies how the recognition and measurement requirements set out in IAS 12 are to be applied if there is uncertainty regarding income tax treatment and includes current and deferred tax assets or liabilities. In accordance with IFRIC 23, uncertain tax treatments may be accounted for separately or together with one or more other uncertain tax treatments. The method that is better suited to predicting the resolution of the uncertainty must be selected. When making the assessment, it must be assumed that a tax authority will examine all amounts that it is authorized to examine and that it has all relevant information for the examination. If it is considered unlikely that the tax authority will accept an uncertain tax treatment, either the most likely amount or the expected value should be applied to each uncertain tax treatment to account for the effect of the uncertainty, depending on which method is more appropriate for predicting the resolution of the uncertainty. If an uncertain tax treatment is accepted, either the most likely amount or the expected value is to be applied to each uncertain tax treatment in order to take into account the effect of the uncertainty, depending on which method is more suitable for predicting the resolution of the uncertainty.

The Group companies are subject to income tax in a large number of countries worldwide. When assessing global income tax assets and liabilities, the interpretation of tax regulations in particular can be subject to uncertainty. Differences in the views of the respective tax authorities regarding the correct interpretation of tax standards cannot be ruled out. Changes in assumptions regarding the correct interpretation of tax standards, for example due to changes in case law, are reflected in the recognition of uncertain income tax assets and liabilities in the corresponding financial year.

Determination of fair values

Some of the accounting policies applied by the Group and the disclosures in the notes require the determination of fair values; this applies to both financial and non-financial assets and liabilities. For measurement and disclosure purposes, the fair values were determined on the basis of the following methods.

Intangible assets

The fair value of customer-related intangible assets (customer base), contract-based intangible assets (advantageous contracts), technology-related intangible assets (know-how) and development projects acquired as part of a business combination is based on the future income of the respective asset (*income approach*).

Trade receivables and other receivables

The fair value of trade receivables and other receivables is determined on the basis of the present value of future cash inflows, discounted at the market interest rate on the balance sheet date if applicable.

Derivatives

The fair value of interest rate options is determined using a recognized option valuation model. The fair value of forward exchange transactions is determined on the basis of the difference between the contracted forward price and the current forward price for the remaining term of the transaction, whereby the difference is discounted using a market interest rate for the relevant foreign currency applicable on the balance sheet date.

If other valuation methods are used, the values used in the methods are based on market data available on the balance sheet date.

Non-derivative financial assets and financial liabilities

Non-derivative financial assets and financial liabilities are initially recognized at the fair value of the consideration received plus (less) any transaction costs. In subsequent periods, they are measured at amortized cost using the effective interest method.

Further information on the assumptions made when determining the fair values can be found in the notes to the respective assets and liabilities.

Notes to the consolidated income statement

4. Revenue

ASK Chemicals generates revenue almost exclusively from the sale of industrial resin and foundry products, including related services. Revenue from services are negligible. There are no other sources of income.

Revenue includes the fees charged to customers for goods and services, less sales deductions from rebates, bonuses and discounts.

The breakdown of Revenue by region is shown in the table below:

	2024 KEUR	2023 KEUR
Germany	114,077	142,001
Rest of Europe	136,254	155,167
Europe total	250,331	297,168
North America	180,427	189,042
South America	154,753	165,845
Asia / Middle East	98,775	102,918
Africa	15,989	15,190
Australia / Oceania	2,818	1,045
Other regions	452,762	474,040
Total sales	703,093	771,208

The breakdown of sales by product line is shown in the table below:

	2024 KEUR	2023 KEUR
Cold Box / Epoxy	170,322	176,191
No Bake / Hot Box	122,223	133,769
Industrial resins	131,932	132,551
Metallurgy	63,923	92,928
Finishing	53,539	60,749
Feeder	46,340	54,851
Special resins	36,906	35,558
Filter	22,668	22,217
Inorganics	20,670	22,308
Separating and auxiliary agents	14,808	16,598
Additives	10,551	12,499
Cores	7,186	5,804
Sand	443	622
Design Services	161	366
Other	1,411	4,197
Total sales	703,083	771,208

The contract balances are as follows:

	2024 KEUR	2023 KEUR
Receivables included in trade receivables and other receivables	75,244	64,324
Contract assets	853	1,362
Contract liabilities	-234	-1,014
	75,863	64,672

For further information in this regard, please refer to the significant accounting policies (Note 3).

5. Cost of materials

The cost of materials in the financial year breaks down as follows:

	2024 KEUR	2023 KEUR
Cost of raw materials and supplies	297,498	346,174
Cost of purchased goods	117,375	139,530
Cost of purchased services	1,311	1,433
	416,184	487,137

6. Cost of Personnel

The composition of personnel expenses is shown in the table below:

	2024 KEUR	2023 KEUR
Wages and salaries	97,124	104,257
Social security contributions	20,830	22,097
Restructuring	1,994	0
Expenses for pensions and other employee benefits	1,793	1,819
	121,741	128,173

The restructuring expenses result from projects in Germany and China.

7. Employees

ASK Chemicals employed staff in the following functional areas on the balance sheet date and on average for the year:

December 31	2024	2023
Production	870	1,081
Sales and distribution	289	340
Administration	176	217
Research and development	78	82
Number of employees as of December 31	1,413	1,720
Thereof trainees/others	18	19

Annual average	2024	2023
Production	1,000	1,102
Sales and distribution	317	348
Administration	186	221
Research and development	78	85
Average number of employees per year	1,581	1,756
Thereof trainees/others	18	17

8. Other operating income

The breakdown of other operating income in the income statement according to the cost of sales method is shown in the following table:

	2024 KEUR	2023 KEUR
Foreign exchange gains	5,601	7,562
Income from reversal of provisions	4,459	1,961
Gain on the disposal of assets	2,577	121
Patent and license fees	1,875	2,334
Income from reversal of liabilities	489	1,399
Government grants	84	92
Tax refunds	75	0
Insurance claims	43	85
Commission income	0	3
Other	2,450	2,489
Total	17,653	16,046

Income from the reversal of provisions mainly results from the personnel area and here mainly from Germany. For information on income from the reversal of provisions, please refer to the comments on non-current provisions for employee benefits (Note 21) and other provisions (Note 22).

Gains from the disposal of assets were recognized for the sale of a building in Sweden (KEUR 1,515) and for the sale of the factory in Kurkumbh, India, including land, buildings and equipment (KEUR 900).

ASK Chemicals GmbH incurs patent and license fees from third parties.

Other income includes refunds of excess insurance premiums paid by ASK Chemicals GmbH in the amount of KEUR 518.

9. Other expenses

The breakdown of other costs in the income statement according to the cost of sales method is shown in the following table:

	2024 KEUR	2023 KEUR
Foreign exchange losses	5,653	8,330
Impairment losses on goodwill	1,631	0
Other taxes	245	242
Impairment losses on machinery and equipment	153	281
Loss on the disposal of assets	141	96
Impairment of accounts receivables	21	17
Lawsuit settlements	0	138
Other	1,222	1,706
Total	9,066	10,810

The impairment losses on goodwill result from the impairment of the goodwill that was allocated to the sold entity ASK Chemicals Metallurgy GmbH.

10. Expenses according to the nature of expense method

The table below shows the allocation of items of the statement of profit or loss according to the nature of expense method to functional areas as recognized according to the function of expense method:

2024 KEUR	Income statement items under the function of expense method						
	Cost of sales	Selling and distribution expenses	Research and development expenses	Administrative expenses	Other operating income	Other expenses	Total
Income statement items under the nature of expense method							
Own work capitalized	0	0	1,830	0	0	0	1,830
Changes in inventories	-20,515	0	0	0	0	0	-20,515
Other operating income	346	1,226	86	741	17,653	0	20,052
Cost of materials	-415,386	-362	-262	-174	0	0	-416,184
Cost of personnel	-54,853	-28,477	-7,204	-31,206	0	0	-121,740
Amortization and depreciation	-25,353	-4,883	-3,229	-2,490	0	-1,784	-37,739
Other operating expenses	-46,031	-13,809	-1,392	-21,425	0	-7,282	-89,939
Total	-561,792	-46,305	-10,171	-54,554	17,653	-9,066	-664,235

2023 KEUR	Income statement items under the function of expense method						
	Cost of sales	Selling and distribution expenses	Research and development expenses	Administrative expenses	Other operating income	Other expenses	Total
Income statement items under the nature of expense method							
Own work capitalized	0	0	1,759	284	0	0	2,043
Changes in inventories	-5,323	0	0	0	0	0	-5,323
Other operating income	301	1,159	69	244	16,046	0	17,819
Cost of materials	-486,278	-377	-261	-221	0	0	-487,137
Cost of personnel	-60,756	-31,603	-7,540	-27,988	0	-286	-128,173
Amortization and depreciation	-17,505	-5,317	-2,783	-2,634	0	-281	-28,520
Other operating expenses	-49,027	-15,188	-1,754	-26,923	0	-10,243	-103,135
Total	-618,588	-51,326	-10,510	-57,238	16,046	-10,810	-732,426

11. Net finance costs

Net finance costs are comprised as follows:

	2024 KEUR	2023 KEUR
Financial income		
Foreign exchange gains from financial assets and liabilities	17,996	23,822
Income from the valuation of embedded derivatives	376	0
Income from change in the discount rate	47	10
Income from sale of business	2,249	0
Income from upstream loan	129	14
Unwind of discount on non-current provisions	269	0
Other interest income	2,828	2,372
	23,894	26,218
Financial expenses		
<i>Interest expenses from financial liabilities measured at amortized cost</i>		
Interest expenses for Senior Facility	20,570	23,195
Reversal of finance changes	27,442	11,976
Interest expenses for Shareholder Loan	8,095	8,043
Interest expenses for Bond	5,417	0
Transaction costs for revolving credit facility	400	0
Interest expenses from derivatives	2,395	1,238
Other bank interest	595	954
	64,914	45,406
Foreign exchange losses from financial assets and liabilities	23,919	21,514
Interest expenses and fees from factoring	3,077	3,222
Interest expenses from pension provisions	704	797
Commitment fees	584	616
Unwind of discount on non-current provisions	0	372
Leasing	1,146	955
Interest expenses from change in the discount rate	0	159
Other	1,371	932
	95,715	73,973
Net finance costs	-71,821	-47,755

12. Income Taxes

The income taxes recognized in the 2024 financial year break down as follows:

	2024 KEUR	2023 KEUR
Current tax expenses		
Domestic	-1,023	-3,366
Foreign	-12,266	-14,126
	-13,289	-17,492
Deferred tax expenses		
Domestic	1,928	-673
Foreign	-2,904	1,460
	-976	787
Income taxes	-14,265	-16,705

* (-) means tax expense, unsigned values mean tax income

Current income taxes include tax expenses attributable to the previous year of KEUR -29 (PY: KEUR -115) and deferred income taxes include tax expenses attributable to the previous year of KEUR -636 (PY: KEUR 333).

For the domestic companies, a corporation tax rate of 15.00% was used to calculate current and deferred taxes. A solidarity surcharge of 5.50% on corporation tax and a trade tax rate of 13.90% (due to the trade tax apportionment) were also taken into account. This resulted in an overall tax rate of 29.73% (PY: 29.73%) for the German companies. For the foreign companies, the respective country-specific tax rates of between 17% and 34.77% (previous year 16.44% and 34.56%) were used to calculate current and deferred taxes.

The tax reconciliation shows the development from the expected to the effective income taxes in the income statement using the overall tax rate of 29.73% of ASK Chemicals International Holding GmbH.

	2024	2023
	KEUR	KEUR
Profit before tax	-32,991	-8,907
Tax expenses (PY: income) using the tax rate of 29.73% (= expected tax expenses)	9,808	2,648
Effect of tax rates in foreign subsidiaries	391	64
Other tax reductions due to tax-exempt income		24
Tax increase due to non-deductible operating expenses	-13,919	-18,803
Impairment of goodwill	-839	0
Deferred tax assets not recognized in current year	-8,887	-665
Prior-year taxes	-665	218
Effect of changes in tax rate	-102	-199
Trade tax deductions and additions		-175
Tax credit	241	98
Non-deductible withholding taxes	-700	-3,368
Other		3,453
Income taxes	-14,265	-16,705
Effective tax rate	43.24%	187.55%

The item "Tax increases due to non-deductible operating expenses" in the amount of KEUR -13,919 (PY: KEUR -18,803) mainly includes non-deductible operating expenses due to the German interest barrier regulation in the amount of KEUR -11,762 (PY: KEUR -17,005). In addition, goodwill was written down at the Indian Group company, resulting in a tax effect of KEUR 839.

The item "Unrecognized deferred tax assets" in the amount of KEUR -8,887 mainly comprises KEUR -2,514 in valuation allowances on loss carryforwards, KEUR -3,503 in valuation allowances on temporary differences on the assets side, KEUR -2,878 on the non-recognition of loss carryforwards arising in the current year and KEUR -856 on the expiry of loss carryforwards. In contrast, KEUR 342 is attributable to the utilization of previously impaired loss carryforwards and KEUR 522 to the recognition of previously impaired deferred taxes on temporary differences and loss carryforwards.

Deferred tax assets and liabilities

Deferred taxes are calculated using the respective national tax rates, which range between 17% and 34.77%. Changes in tax rates adopted on the balance sheet date are taken into account.

Deferred tax assets and liabilities as at December 31, 2024 result from:

2024 KEUR	01/01/2024 (after reclassification)		2024 recognized in:				31/12/2024	
	Deferred tax assets	Deferred tax liabilities	Profit or loss	Profit neutral	OCI		Deferred tax assets	Deferred tax liabilities
					Other compre- hensive result	Currency translatio n reserve		
Intangible assets	3,817	-1,457	-1,026	-266	0	-326	3,800	-3,058
Property, plant and equipment	1,037	-6,053	-2,549	911	0	129	1,125	-7,650
Financial assets	184	-1,234	-441	127	0	0	1	-1,365
Other non-current assets	1,251	-13,889	4,006	0	0	547	610	-8,695
Inventories	1,120	-46	-241	10	0	12	881	-26
Trade receivables	266	-33	-27	33	0	-2	248	-11
Other receivables	3,526	-167	20	-3,482	0	-1	57	-161
Liquid funds	0	0	3	0	0	0	3	0
Provisions for pensions	1,404	-999	1,322	-906	-137	-2	844	-162
Non-current provisions	580	-299	441	1,376	9	-9	2,115	-17
Other non-current liabilities	2,287	0	-437	-1,408	0	-19	542	-119
Trade payables	2,122	-43	-857	0	0	0	1,230	-8
Other current liabilities	-1,301	-549	1,172	3,283	139	28	3,422	-650
Other current provisions	575	-312	235	-13	-2	-23	552	-92
Liabilities to Group companies	414	-978	152	0	0	7	556	-961
Tax losses carried forward and tax credits	5,945	0	-2,749	74	0	-2	3,268	0
Total	23,227	-26,059	-976	-261	9	339	19,254	-22,976
Total of deferred tax assets and liabilities within a company	-20,111	20,111					-15,179	15,179
Total deferred tax assets and liabilities	3,116	-5,948	-976	-261	9	339	4,075	-7,797

2023 KEUR	01/01/2023 (after reclassification)		2023 recognized in:				31/12/2023	
	Deferred tax assets	Deferred tax liabilities	Profit or loss	Profit neutral	OCI		Deferred tax assets	Deferred tax liabilities
					Other compre- hensive result	Currency translatio n reserve		
Intangible assets	2,047	-1,986	2,290	0	0	8	3,817	-1,457
Property, plant and equipment	1,340	-6,316	336	0	0	-375	1,037	-6,053
Financial assets	0	-40	-1,010	0	0	0	184	-1,234
Other non-current assets	0	-7,320	-5,317	0	0	-1	1,251	-13,889
Inventories	1,215	-47	-82	0	0	-11	1,120	-46
Trade receivables	1,044	-30	-776	0	0	-6	266	-33
Other receivables	612	-230	2,971	0	0	5	3,526	-167
Liquid funds	0	0	0	0	0	0	0	0
Provisions for pensions	1,455	-830	-806	0	611	-24	1,404	-999
Non-current provisions	2,123	0	-1,834	0	0	-8	580	-299
Other non-current liabilities	1,732	0	548	0	0	6	2,287	0
Trade payables	841	-622	1,862	0	0	-2	2,122	-43
Other current liabilities	574	-556	-1,781	0	0	-86	-1,301	-549
Other current provisions	1,435	-470	-750	0	0	48	575	-312
Liabilities to Group companies	36	-1,867	1,296	0	0	-29	414	-978
Tax losses carried forward and tax credits	2,050	0	3,840	0	0	55	5,945	0
Total	16,504	-20,314	787	0	611	-420	23,227	-26,059
Total of deferred tax assets and liabilities within a company	-11,553	11,553					-20,111	20,111
Total deferred tax assets and liabilities	4,951	-8,761	787	0	611	-420	3,116	-5,948

Deferred tax assets and liabilities are netted when and if there is a legally enforceable right to set off the recognized amounts. This is generally the case if the taxes are related to income taxes levied by the same tax authority and the tax authority allows the company to make or receive a single net payment.

The assessment of the recoverability of deferred tax assets is based on the management's estimate of the realization of deferred tax assets. This depends on the generation of future taxable profits during the periods in which tax valuation differences with regard to temporary differences are reversed and tax loss carryforwards or interest carryforwards can be utilized.

Loss carryforwards

The following loss carryforwards (gross amounts) existed as of December 31, 2024

	2024 KEUR	2023 KEUR
Domestic tax losses carried forward		
Corporation tax	133,611	130,491
Trade tax	126,500	123,739
	260,111	254,230
Foreign tax losses carried forward	10,446	13,241
Total tax losses carried forward	270,557	267,471

No deferred tax assets were recognized for the following items (gross amounts):

	2024 KEUR	2023 KEUR
Domestic tax losses carried forward		
Corporation tax	125,839	113,872
Trade tax	118,624	107,120
	244,463	220,992
Foreign tax losses carried forward	8,626	11,696
Total tax losses carried forward	253,089	232,688
Deductible temporary differences		7,829

Interest carried forward in the amount of KEUR 185,251 (PY: KEUR 145,689) was also not subject to deferred taxes

Domestic loss and interest carryforwards can be carried forward indefinitely. Of the foreign loss carryforwards for which no deferred tax assets were recognized, KEUR 1,565 (PY: KEUR 1,347) can be carried forward indefinitely, KEUR 7,260 (PY: KEUR 7,456) can be carried forward for more than five years, KEUR 0 (PY: KEUR 1,866) can be carried forward for two years and KEUR 0 (PY: KEUR 1,027) can be carried forward for one year.

No deferred tax liabilities are recognized on taxable temporary differences from investments in subsidiaries of KEUR 21,098 (PY: KEUR 4,855), as it is probable that the temporary differences will not reverse in the foreseeable future.

Global minimum taxation

ASK Chemicals International Holding GmbH applies the exception in IAS 12, according to which no deferred tax assets and liabilities are recognized in connection with the second pillar ("Pillar 2") income taxes of the OECD and no disclosures are made in this regard.

13. Property, plant and equipment

2024 KEUR	Land and buildings	Technical equipment and machinery	Other equipment · factory and office equipment	Assets under construc- -tion	Total
Cost					
Balance at January 1, 2024	93,377	160,430	23,945	15,016	292,768
Additions	7,155	2,988	2,466	5,350	17,959
Disposals	-7,385	-2,734	-2,691	-110	-12,920
Reclassifications	497	6,375	204	-7,094	-18
Disposal from the change in the scope of consolidation	-7,427	-20,375	-3,158	-1,720	-32,680
Effect of movements in exchange rates	-1,014	-2,450	26	-743	-4,181
Balance at December 31, 2024	85,203	144,234	20,792	10,699	260,928
Accumulated depreciation and impairment losses					
Balance at January 1, 2024	-27,287	-78,599	-16,867	0	-122,753
Depreciation	-5,054	-11,647	-2,931	0	-19,632
Disposals	-1,963	-6,696	-566	-1,213	-10,438
Reclassifications	5,749	2,144	2,419	0	10,312
Disposal from the change in the scope of consolidation	6,877	18,225	3,021	1,213	29,336
Effect of movements in exchange rates	-174	519	7	-2	350
Balance at December 31, 2024	-21,852	-76,054	-14,917	-2	-112,825
Carrying amount at December 31, 2024	63,351	68,180	5,875	10,697	148,103

2023 KEUR	Land and buildings	Technical equipment and machinery	Other equipment · factory and office equipment	Assets under construc- -tion	Total
Cost					
Balance at January 1, 2023	88,031	148,468	23,946	22,540	282,985
Additions	2,388	4,389	3,966	10,464	21,207
Disposals	-1,152	-3,518	-4,047	0	-8,717
Reclassifications	5,317	11,895	310	-17,658	-136
Effect of movements in exchange rates	-1,207	-804	-230	-330	-2,571
Balance at December 31, 2023	93,377	160,430	23,945	15,016	292,768
Accumulated depreciation and impairment losses					
Balance at January 1, 2023	-23,622	-68,031	-17,164	0	-108,817
Depreciation	-4,768	-14,496	-3,577	0	-22,841
Disposals	710	3,260	3,729	0	7,699
Reclassifications	0	-21	21	0	0
Effect of movements in exchange rates	393	689	124		1,206
Balance at December 31, 2023	-27,287	-78,599	-16,867	0	-122,753
Carrying amount at December 31, 2023	66,090	81,831	7,078	15,016	170,015

Additions to property, plant and equipment (including advance payments and assets under construction) mainly relate to replacement investments amounting to KEUR 3,792 (PY: KEUR 7,168), capacity expansion measures amounting to KEUR 988 (PY: KEUR 4,402), environmental and safety measures amounting to KEUR 1.626 (PY: KEUR 1,445), infrastructure measures

amounting to KEUR 245 (PY: KEUR 478), property, plant and equipment in connection with the introduction of new products amounting to KEUR 238 (PY: KEUR 465), property, plant and equipment in the research and development department amounting to KEUR 92 (PY: KEUR 356) and cost-saving measures amounting to KEUR 740 (PY: KEUR 350)

The disposals from the change in the scope of consolidation mainly result from the sale of ASK Chemicals Metallurgy GmbH and the associated disposal of the related fixed assets.

The depreciation and impairment losses recognized on property, plant and equipment in the financial year are reported under the following items in the consolidated income statement:

	2024 KEUR	2023 KEUR
Cost of sales	25,209	17,429
General administrative costs	1,711	2,002
Distribution costs	2,024	2,161
Research and development costs	973	968
Other costs	153	281
	30,070	22,841

The impairment losses relate to the company ASK Chemicals Metallurgy, which was sold in the financial year and result from the impairment analysis carried out prior to the sale.

With regard to collateral provided, please refer to the comments on financial liabilities (Note 23).

14. Leasing

The ASK Chemicals Group acts as a lessee. The leases include, in particular, land and buildings, technical equipment and machinery, IT equipment, communications equipment and vehicles. No restrictions have been imposed on ASK Chemicals International Holding GmbH and its subsidiaries that have concluded lease agreements.

The following overview shows the development of the right-of-use assets included in property, plant and equipment.

2024 KEUR	Land and buildings	Technical equipment and machinery	Vehicles	Other equipment	Total
Cost					
Balance at January 1, 2024	21,947	4,380	4,370	2,580	33,277
Additions	7,083	1,287	965	903	10,238
Disposals	-5,949	-837	-1,510	-648	-8,944
Reclassifications	0	-113	0	0	-113
Disposal from the change in the scope of consolidation	-1,848	-2,349	-645	0	-4,842
Effect of movements in exchange rates	389	20	-9	78	478
Balance at December 31, 2024	21,622	2,388	3,171	2,913	30,094
Accumulated depreciation and impairment losses					
Balance at January 1, 2024	-9,008	-2,127	-2,521	-1,537	-15,193
Depreciation	-3,557	-1,968	-1,173	-526	-7,224
Disposals	5,495	604	1,322	564	7,985
Reclassifications	0	113	0	0	113
Disposal from the change in the scope of consolidation	1,649	1,770	622	0	4,041
Effect of movements in exchange rates	-103	-14	2	-32	-147
Balance at December 31, 2024	-5,524	-1,622	-1,748	-1,531	-10,425
Carrying amount at December 31, 2024	16,098	766	1,423	1,382	19,669

2023 KEUR	Land and buildings	Technical equipment and machinery	Vehicles	Other equipment	Total
Cost					
Balance at January 1, 2023	21,713	3,328	4,647	2,587	32,275
Additions	1,945	1,416	1,966	1,206	6,533
Disposals	-1,074	-329	-2,212	-1,172	-4,787
Effect of movements in exchange rates	-637	-35	-31	-41	-744
Balance at December 31, 2023	21,947	4,380	4,370	2,580	33,277
Accumulated depreciation and impairment losses					
Balance at January 1, 2023	-7,558	-1,391	-3,331	-1,834	-14,114
Depreciation	-2,355	-1,069	-1,330	-740	-5,494
Disposals	660	315	2,122	1,007	4,104
Effect of movements in exchange rates	245	18	18	30	311
Balance at December 31, 2023	-9,008	-2,127	-2,521	-1,537	-15,193
Carrying amount at December 31, 2023	12,939	2,253	1,849	1,043	18,084

Liabilities from leases are recognized at the present value of the future minimum lease payments and reported under non-current and current financial liabilities. The following overview shows the maturity analysis of contractually undiscounted cash flows.

	2024 KEUR	2023 KEUR
Total undiscounted lease liabilities as of December 31	25,691	23,358
due within one year	4,904	4,697
due between 1 and 5 years	9,258	7,681
due after 5 years	11,529	10,980
Recognized lease liabilities as at December 31	19,269	16,641
Current	3,852	3,854
Non-current	15,417	12,787

The following amounts were recognized in the consolidated income statement:

	2024 KEUR	2023 KEUR
Interest on lease liabilities	-1,128	-954
Expenses relating to short-term leases	-41	-94
Expenses relating to leases of low-value assets	-192	-170

Cash outflows for leases amounting to KEUR 5,117 (PY: KEUR 6,210) were recognized in the consolidated cash flow statement in the 2024 financial year.

As at the balance sheet date, there were potential cash outflows from extension and purchase options amounting to EUR 3.2 (previous year: insignificant), mainly for a building in America.

15. Goodwill and other intangible assets

2024 KEUR	Goodwill	Concessions, industrial property rights and similar rights as well as licenses to such rights and assets	Capitalized development costs	Other	Total
Historical acquisition or production costs					
as of January 01, 2024	24,329	52,513	11,881	865	89,588
Additions	0	228	2,536	356	3,120
Disposals	0	-5,552	-30	0	-5,582
Reclassifications	0	-271	0	-86	-357
Effect of movements in exchange rates	-426	155	528	-665	-408
Disposals due to the change in the scope of consolidation	0	-1,547	242	18	-1,287
as of December 31, 2024	23,903	45,526	15,157	488	85,074
Accumulated amortization and impairment losses					
as of January 01, 2024	0	-36,109	-4,924	-176	-41,209
Amortization	0	-4,179	-1,818	-40	-6,037
Impairment losses	-1,631	0	0	0	-1,631
Disposals	0	4,538	30	0	4,568
Reclassifications	0	0	0	0	0
Disposals due to the change in the scope of consolidation	0	257	0	24	281
Effect of movements in exchange rates	0	552	-90	-11	451
as of December 31, 2024	-1,631	-34,941	-6,802	-203	-43,577
Residual carrying amounts as at December 31, 2024	22,272	10,585	8,355	285	41,497

2023 KEUR	Goodwill	Concessions, industrial property rights and similar rights as well as licenses to such rights and assets	Capitalized development costs	Other	Total
Historical acquisition or production costs					
as of January 01, 2023	24,492	51,216	9,545	2,831	88,084
Additions	0	827	1,759	118	2,704
Disposals	0	-275	0	-1,116	-1,391
Reclassifications	0	399	691	-954	136
Effect of movements in exchange rates	-163	346	-114	-14	55
as of December 31, 2023	24,329	52,513	11,881	865	89,588
Accumulated amortization and impairment losses					
as of January 01, 2023	0	-32,146	-3,584	-1,282	-37,012
Amortization	0	-4,286	-1,338	-16	-5,640
Impairment losses	0	0	-39	0	-39
Disposals	0	282	0	1,116	1,398
Reclassifications	0	0	0	0	0
Effect of movements in exchange rates	0	41	37	6	84
as of December 31, 2023	0	-36,109	-4,924	-176	-41,209
Residual carrying amounts as at December 31, 2023	24,329	16,404	6,957	689	48,379

The additions in 2024 mainly relate to capitalized development costs of KEUR 2,536 (PY: KEUR 1,759), of which KEUR 1,989 (PY: KEUR 1,114) in Europe and KEUR 547 (PY: KEUR 645) in America.

The scheduled amortization and impairment of intangible assets in the financial year is shown under the following items in the consolidated income statement:

	2024 KEUR	2023 KEUR
Distribution costs	2,859	3,156
General administrative costs	779	631
Research and development costs	2,256	1,815
Cost of sales	144	76
Other operating expenses	1,631	0
	7,668	5,679

Goodwill is allocated to the following CGUs and has developed as follows:

2024 KEUR	Europe	Asia	North america	South America	Total
01.01.2024	7,127	2,617	8,270	6,316	24,330
Disposal from sale of business unit	-1,631	0	0	0	-1,631
Effect of movements in exchange rates	0	92	526	-1,045	-427
31.12.2024	5,496	2,709	8,796	5,271	22,272

2023 KEUR	Europe	Asia	North america	South America	Total
01.01.2023	7,127	2,792	8,567	6,006	24,492
Effect of movements in exchange rates	0	-175	-298	310	-163
31.12.2023	7,127	2,617	8,269	6,316	24,329

16. Investments accounted for using the equity method

As at December 31, 2023, the ASK Chemicals Group accounted for its investment in ASK Chemicals Gremolith AG, Switzerland, using the equity method. The shareholding amounted to 50%. The company was liquidated in 2024 and derecognized accordingly.

The development of the carrying amount is shown below:

	2024 KEUR	2023 KEUR
January 01	263	253
Disposal/income from investments accounted for using the equity method	-263	64
Dividends received in the financial year	0	-72
Foreign currency effects	0	18
December 31	0	263

The following table shows the key figures for ASK Chemicals Gremolith AG, Switzerland.

	2024 KEUR	2023 KEUR
Non-current assets	0	11
Current assets	0	724
thereof cash and cash equivalents	0	380
Current liabilities	0	127
Revenues January 01 - December 31	0	1,828
Earnings before taxes January 01 - December 31	0	246
Earnings after taxes January 01 - December 31	0	209

17. Inventories

Inventories are comprised as follows:

	2024 KEUR	2023 KEUR
Gross amount of inventories		
Raw materials and supplies	16,249	22,704
Work in progress	3,238	13,135
Finished goods and merchandise	43,521	59,193
	63,008	95,032
Impairments of inventories		
Raw materials and supplies	-736	-547
Work in progress	-68	-167
Finished goods and merchandise	-1,361	-2,831
	-2,165	-3,545
Carrying amount of inventories		
Raw materials and supplies	15,513	22,157
Work in progress	3,170	12,968
Finished goods and merchandise	42,160	56,362
	60,843	91,487

The value adjustments for raw materials and supplies are mainly the result of marketability discounts. In the case of work in progress and finished goods, the lack of marketability is taken into account. In the case of the inventories held by the Russian national company in particular, it is assumed in light of the explanations under Note 3. Significant accounting policies (here: consolidation principles) that these are no longer usable by the Group as a whole. Accordingly, additional impairment losses of KEUR 808 (PY: KEUR 805) were recognized on these inventories.

In the financial year, a total net expense of KEUR 1,380 from the addition or reversal of value adjustments (PY: net income of KEUR 159) was recognized in the consolidated income statement.

The inventories recognized in the period essentially correspond to the cost of sales, with the exception of an insignificant proportion of services.

18. Other receivables (non-current and current)

	2024 KEUR	2023 KEUR
Other receivables		
Non-current		
Value added tax	23,376	26,382
Prepaid expenses and deferred charges	1,062	593
Security services	139	186
Receivables from employees	51	57
Other	226	277
	24,854	27,495
Current		
Value added tax	14,242	12,913
Receivables from the sale of non-current assets	2,117	0
Advance payments made	1,409	1,306
Prepaid expenses and deferred charges	590	1,118
Other taxes	418	398
Receivables from employees	75	72
Receivables from insurance refunds	1	545
Creditors with debit balances	311	31
Other	1,795	1,951
	20,958	18,334
	45,812	45,829
Other financial assets		
Non-current		
Derivative financial instruments from bond financing	13,244	0
Loan extended	5,142	0
Deposits	681	619
Other	70	97
	19,137	716
Current		
Deposits	4,138	4,494
Checks	303	1,220
Other	797	681
	5,238	6,395
	24,375	7,111

The non-current receivables from sales taxes in the amount of KEUR 23,376 result from a legal decision in Brazil to offset overpaid sales tax payments in the years 2008 to 2020 against future tax liabilities. This is due to the possibility of excluding ICMS (state sales tax) from the basis for calculating the PIS (social integration tax) and COFINS (social financing tax) to avoid double taxation.

In November 2024, ASK Chemicals Deutschland Holding GmbH issued a fixed-interest bond. Contractual components were identified within the debt issue that contain embedded derivatives that must be separated. These derivatives are primarily exercisable termination rights that enable early repayment of the liability at fixed exercise prices. The fair value of this derivative financial instrument is reported under other non-current assets.

Non-current deferred income consists of KEUR 802 from a discount paid for a 3-year contract that ASK Chemicals Manufacturing S. de R.L. de C.V. paid to third parties.

Receivables from the sale of non-current assets result in the amount of KEUR 1,667 from the sale of the production facility in Kurkumbh/India and outstanding purchase price receivables in the amount of KEUR 450 from the sale of ASK Chemicals Metallurgy GmbH.

For further information on hedging instruments issued as part of the refinancing, please refer to Note 23 Financial liabilities.

19. Cash and cash equivalents

Cash and cash equivalents include bank balances, cash held by the companies, immediately available demand deposits with a maturity of three months or less from the date of acquisition, which are used in the Group to settle current liabilities, and other current, highly liquid financial assets that are only subject to insignificant risks of fluctuations in value.

Cash and cash equivalents in the amount of KEUR 1,500 are subject to restrictions on use. This is collateral deposited for a bilateral credit line. For further details, please refer to the section on financial liabilities (Note 23). The transfer of funds from Russia is restricted as the banks in Germany have suspended payment transactions with Russia.

The interest rate risk to which the Group is exposed and a sensitivity analysis for the financial assets and liabilities are presented in 25. financial instruments.

20. Equity

Subscribed capital

The subscribed capital (share capital) of ASK Chemicals International Holding GmbH amounts to KEUR 25 . The share capital is fully paid in and remains unchanged as of December 31, 2024. There are 25,000 shares issued at a nominal value of EUR 1.00 each.

Capital reserve

The capital reserve resulted from a capital increase carried out by the shareholders in 2014 in the amount of KEUR 35,673 . In April 2021, KEUR 26,982 from a shareholder loan was also contributed to the capital reserve by assignment as a contribution in kind. As part of the acquisition of the SI Group companies, a further KEUR 25,000 was contributed to the capital reserve by the shareholder in October 2021. The capital reserves remained unchanged at EUR K87,655 at the end of 2024.

Retained earnings

Retained earnings comprise the Group's accumulated results.

Other comprehensive income

Other comprehensive income includes the differences from currency translation as well as changes in actuarial gains (losses) from pensions and similar obligations after tax.

Non-controlling interests

Non-controlling interests comprise the net assets not attributable to the ASK Chemicals Group of companies in which the Group does not hold a 100% interest. In addition to the annual results, actuarial gains (losses) and effects from foreign currency translation are also recognized in non-controlling interests.

ASK Portugal distributed a dividend of KEUR 180 to the second shareholder, which holds a 40% stake in the company.

21. Non-current provisions for employee benefits

Non-current provisions for employee benefits include pension provisions and similar obligations on the one hand and a provision for long-term bonus agreements on the other.

	2024 KEUR	2023 KEUR
Other non-current benefits to employees	5,972	4,495
Pension provisions and similar obligations	4,970	19,474
	10,941	23,969

The changes compared to the previous year are mainly due to the sale of ASK Chemicals Metallurgy GmbH and the associated disposal of the related pension obligations.

Other non-current benefits to employees

The provision reported under other non-current benefits relates to bonus agreements for variable remuneration with a long-term incentive effect (long-term incentive plan) for selected members of downstream management levels. The amount of the cash settlement at the end of the term depends on the development of various Group targets. Corresponding remuneration regulations were agreed in individual contracts. The provision in 2024 amounts to KEUR 5,972 .

Pension provisions and similar obligations

Pension provisions relate to obligations from vested rights and current benefits to entitled and former employees of the ASK Chemicals Group and their surviving dependants. Depending on the legal, economic and tax circumstances of the respective country, there are different pension schemes, which are generally based on the length of service and remuneration of the employees. The company pension scheme at ASK Chemicals is both defined contribution and defined benefit. In the case of *defined contribution plans*, the company pays contributions to state or private pension insurance providers. Once the contributions have been paid, the company has no further benefit obligations. The total of all defined contribution pension expenses recognized in personnel expenses, including pension insurance contributions to state pension insurance providers, amounts to KEUR 11,531 (PY: KEUR 12,081).

In addition, ASK Chemicals GmbH has pension commitments in the form of *deferred compensation* models in which salary components are paid to an insurance company to finance the insurance contributions. Insofar as salary components are used as insurance contributions to insurance companies to reinsure the obligations, the obligations from these pension commitments are offset by claims against the respective insurance company in the same amount. Pension provisions amounted to KEUR 4,970 as at December 31, 2023 (PY: KEUR 19,474).

In the case of *defined benefit plans*, the company's obligation is to fulfill the benefits promised to active and former employees directly or indirectly (e.g. through pension funds). Fund-financed pension plans currently exist at ASK Chemicals GmbH, Hilden/Germany and ASK Chemicals Foundry Solution India Pvt. Ltd, Pune/India.

The pension obligation calculated using the *projected unit credit method* is reduced by the amount of the fund's assets in the case of a funded pension scheme.

Approximately 52% of the pension obligations are attributable to Germany (previous year: 87%). The amount of the pension benefit is determined on the basis of fixed amounts dependent on length of service and independent of length of service or individual defined contribution commitments. The pension commitments generally provide for retirement, disability and surviving dependants' benefits, which are paid out as lifelong pensions. Plan assets in Germany exist for only one German pension commitment financed by an insurance company. Here, payment is

made as a lump sum. In addition, other countries have severance plans based on length of service and salary that provide for a lump-sum payment.

The defined benefit plans expose the Group to actuarial risks such as longevity risk, currency risk and interest rate risk.

The company pension scheme, based on defined benefit plans, comprises a total of 379 commitments (previous year: 454) to eligible and former employees of the ASK Chemicals Group and their surviving dependants as at the balance sheet date.

The funding status of the defined benefit obligations is shown in the following table:

2024 KEUR	Germany	Other	Total
Present value of pension entitlements financed by provisions	2,568	2,211	4,779
Present value of the fund-financed pension entitlements	2,063	411	2,474
Present value of the defined benefit obligations (Defined Benefit Obligation)	4,631	2,622	7,253
Fund assets at market value	-2,063	-221	-2,284
Carrying amount as at 31.12.	2,568	2,401	4,969

2023 KEUR	Germany	Other	Total
Present value of pension entitlements financed by provisions	17,027	2,314	19,341
Present value of the fund-financed pension entitlements	4,228	398	4,626
Present value of the defined benefit obligations (Defined Benefit Obligation)	21,255	2,712	23,967
Fund assets at market value	-4,228	-265	-4,493
Carrying amount as at 31.12.	17,027	2,447	19,474

In Germany in particular, the company has decided to utilize the internal financing effect of pension provisions and has only backed a relatively small proportion of pension obligations with plan assets.

The amount of the pension obligation was calculated using actuarial methods, some of whose calculation parameters are based on estimates. In Germany, the assumptions regarding life expectancy are based on the modified Heubeck 2018G mortality tables; in other countries, they are based on the respective country-specific demographic principles. The following economic parameters were used to calculate the pension obligations

2024	Germany	Other
	%	%
Discount rate	2.90	2.0 - 27.7
Expected return on plan assets	2.90	2.0 - 27.7
Future salary/wages growth	2.75	2.0 - 24.9
Future mortality	G-Heubeck 18	Various
Future pension growth	1.26	Experience
Inflation	2.25	Experience

2023	Germany	Other
	%	%
Discount rate	3.30	1.6 - 25.6
Expected return on plan assets	3.30	1.6 - 25.6
Future salary/wages growth	2.75	2 - 22.54
Future mortality	G-Heubeck 18	Various
Future pension growth	1.85	Experience
Inflation	2.25	Experience

The following assumptions regarding life expectancy were made for the obligations in Germany:

Life expectancy at the age of 65 as of the valuation date for a current	2024	2023
65-year-old female person	89.3 years	89.2 years
65-year-old male person	85.9 years	85.8 years
40-year-old female	90.2 years	90.1 years
40-year-old male person	86.5 years	86.3 years

The parameters used take into account the terms of the respective pension obligations measured, with the plans of the German companies having a weighted average term (duration) of 8.7 years (previous year: 11.6 years) and the remaining plans of 9.6 years (previous year: 9.4 years). The discount factor was determined on the basis of the yields achieved on the capital market on the balance sheet date for first-class, fixed-interest corporate bonds.

The fluctuation rate taken into account is based on experience in the individual countries. The salary dynamics include expected future salary increases, which are derived annually depending on inflation and the economic situation in the individual countries, among other factors. The pension commitments do not include any obligations to assume medical costs. The expected return on assets for determining the market value of the fund assets is based on the investment structure of the fund assets and the further development of the capital market, starting from the income generated to date.

Actuarial gains or losses may arise from increases or decreases in the present value of the defined benefit obligations and the fair value of the plan assets measured at market value. This can be caused, among other things, by changes in the calculation parameters, changes in estimates regarding the risk experience of the pension obligations and differences between the actual and expected return on plan assets. Actuarial gains and losses are recognized directly in equity. They include valuation effects from unexpected changes in the actuarial calculation parameters (e.g. interest rates, fluctuation, mortality tables).

2024 KEUR	Germany	Other	Total
Defined benefit obligation as of January 01	21,255	2,712	23,967
Interest expense	-13,658	0	-13,658
Disposal from sale of business unit	582	120	702
Current service cost	101	263	364
Employee contributions	10	0	10
Benefit paid	-2,880	-348	-3,228
Actuarial gains (-) / losses (+)	-779	-49	-828
Plan amendment	0	0	0
Foreign exchange gains (-) / losses (+)	0	-77	-77
Defined benefit obligation as at December 31	4,631	2,621	7,252

2023 KEUR	Germany	Other	Total
Defined benefit obligation as of January 01	19,814	2,402	22,216
Interest expense	748	119	867
Disposal from sale of business unit	136	268	404
Current service cost	371	0	371
Employee contributions	-1,662	-148	-1,810
Benefit paid	1,848	199	2,047
Actuarial gains (-) / losses (+)	0	-2	-2
Plan amendment	0	-126	-126
Defined benefit obligation as at December 31	21,255	2,712	23,967

As the above actuarial parameters have not been subject to any significant fluctuations over time - with the exception of the actuarial interest rate - and are therefore not volatile, no sensitivity analysis has been carried out for them.

If the discount rate had been 0.5 percentage points higher or lower as at December 31, 2024, the defined benefit obligation would have been as follows

2024 KEUR	Germany	Other	Total
Obligation in case of a change in the discount rate + 0.5 %	3,918	2,526	6,444
Obligation in case of a change in the discount rate - 0.5 %	4,264	2,724	6,989

2023 KEUR	Germany	Other	Total
Obligation in case of a change in the discount rate + 0.5 %	19,630	2,614	22,244
Obligation in case of a change in the discount rate - 0.5 %	21,945	2,816	24,761

Average pension payments from defined benefit obligations are expected as follows for subsequent years:

	2025	2026	2027	2028	2029
Expected pension payments from defined benefit obligations in EUR	784	444	687	519	356

The changes in the fair value of the plan assets are shown in the table below:

2024 KEUR	Germany	Other	Total
Fair value of plan assets as at January 01	4,228	265	4,493
Return on plan assets	102	17	119
Employer contributions	51	1	52
Employee contributions	10	0	10
Benefits paid	-2,359	-44	-2,403
Actuarial gains (+)/losses (-)	33	-1	32
Currency gains (+)/ losses (-)	0	-16	-16
Fair value of plan assets as at December 31	2,065	222	2,287

2023 KEUR	Germany	Other	Total
Fair value of plan assets as at January 01	4,731	228	4,959
Return on plan assets	117	16	133
Employer contributions	84	34	118
Employee contributions	371	0	371
Benefits paid	-1,039	-38	-1,077
Actuarial gains (+)/losses (-)	-36	11	-25
Currency gains (+)/ losses (-)	0	14	14
Fair value of plan assets as at December 31	4,228	265	4,493

Plan assets amounting to KEUR 2,287 (PY: KEUR 4,493) consist of claims against insurance companies. They do not include any shares, fixed-interest securities or other liquid assets.

The following table shows the balance sheet development of net obligations from pension provisions and fund assets:

2024 KEUR	Germany	Other	Total
Carrying amount of pension obligation as at January 01	17,027	2,447	19,474
Disposal from sale of business unit	-13,658	0	-13,658
Foreign exchange effects	0	-61	-61
Pension expense (net of settlements)	581	366	947
Pension payments	-521	-304	-825
Fund provisions	-51	-1	-52
Plan changes	0	0	0
Pension obligations at December 31	3,378	2,447	5,825
Actuarial gains (+) / losses (-)	812	48	860
Carrying amount of pension obligation as at December 31	2,566	2,399	4,965

2023 KEUR	Germany	Other	Total
Carrying amount of pension obligation as at January 01	15,083	2,174	17,257
Currency differences	0	-140	-140
Pension expenses (without settlements)	767	371	1,138
Pension payments	-623	-110	-733
Fund endowments	-84	-34	-118
Plan changes	0	-2	-2
Pension obligations as of December 31	15,143	2,259	17,402
Actuarial gains (+)/losses (-)	-1,884	-188	-2,072
Carrying amount of pension obligation as at December 31	17,027	2,447	19,474

The pension expenses incurred in the financial year break down as follows:

2024 KEUR	Germany	Other	Total
Current service cost	101	263	364
Interest expense	582	120	702
Return on plan assets	-102	-17	-119
	581	366	947
of which net interest expense thereof personnel expenses	480 101	103 263	583 364

2023 KEUR	Germany	Other	Total
Current service cost	136	268	404
Interest expense	748	119	867
Return on plan assets	-117	-16	-133
	767	371	1.138
of which net interest expense thereof personnel expenses	631 136	103 268	734 404

22. Other provisions (current and non-current)

Other current and non-current provisions are shown in the table below:

2024 KEUR	Recultiv ation	Environmental protection/ environmental risks	Personnel area	Sales area	Legal risks	Other	Total
Other current provisions							
As of January 01, 2024	0	0	13,523	138	25	384	14,070
Additions	0	0	12,551	80	0	160	12,791
Utilization	0	0	-7,465	-138	-25	-340	-7,968
Reversals	0	0	-3,865	0	0	0	-3,865
Disposals due to change in the scope of consolidation	0	0	-1,934	0	0	0	-1,934
Foreign currency effects	0	0	165	0	0	-2	163
As at December 31, 2024	0	0	12,975	80	0	202	13,257
Other non-current provisions							
As of January 01, 2024	4,296	640	1,338	0	1,126	0	7,400
Additions	1,000	0	309	0	663	0	1,972
Utilization	-404	-67	-95	0	-135	0	-701
Reversals	0	0	-1	0	-761	0	-762
Disposals due to change in the scope of consolidation	-3,892	-570	-645	0	0	0	-5,107
Foreign currency effects	0	-3	-34	0	-164	0	-201
As at December 31, 2024	1,000	0	872	0	729	0	2,601
Total December 31, 2024	1,000	0	13,847	80	729	202	15,858

2023 KEUR	Recultivation	Environmental protection/ environmental risks	Personnel area	Sales area	Legal risks	Other	Total
Other current provisions							
As of January 01, 2023	0	0	12,723	204	0	3,894	16,821
Additions	0	0	11,365	115	25	305	11,810
Utilization	0	0	-9,471	-181	0	-3,139	-12,791
Reversals	0	0	-940	0	0	-782	-1,722
Foreign currency effects	0	0	-154	0	0	106	-48
As at December 31, 2023	0	0	13,523	138	25	384	14,070
Other non-current provisions							
As of January 01, 2023	4,028	575	1,520	0	606	0	6,729
Additions	434	64	41	0	534	0	1,073
Utilization	-166	0	-214	0	-49	0	-429
Reversals	0	0	-12	0	0	0	-12
Foreign currency effects	0	1	3	0	35	0	39
As at December 31, 2023	4,296	640	1,338	0	1,126	0	7,400
Total December 31, 2023	4,296	640	14,861	138	1,151	384	21,470

The main drivers of additions to and utilizations of current provisions in the personnel area are ASK Chemicals GmbH and ASK Chemicals LLC with provisions for bonus payments.

The disposals from the change in the scope of consolidation mainly result from the sale of ASK Chemicals Metallurgy GmbH and the associated disposal of the related provisions.

The recultivation obligations include contractually agreed obligations at ASK Chemicals España S.A.U. for the original restoration of a leased production site.

In the financial year, KEUR 269 was recognized as interest expense (PY: KEUR 372 as interest income) for the compounding of long-term provisions.

23. Financial liabilities

All interest-bearing liabilities of ASK Chemicals are reported under financial liabilities. Financial liabilities are made up as follows:

	2024 KEUR	2023 KEUR
Non-current		
Bond	329,479	0
Senior Facility	0	199,485
Shareholder loans	0	76,918
Leasing	15,417	12,787
Other bank liabilities	4,829	7,743
Other financial liabilities	162	161
	349,887	297,094
Current		
Senior Facility	0	11,163
Other bank liabilities	7,463	8,856
Bond	5,417	0
Leasing	3,852	3,854
Liabilities from derivatives	658	1,399
Other financial liabilities	38	43
	17,428	25,315
	367,315	322,409

In order to ensure the long-term financing of the ASK Chemicals Group, a 5-year bond of EUR 325 million with a coupon of 10% was issued on November 1, 2024. In addition, a super senior secured revolving credit facility of EUR 40 million with a term of 4.5 years was concluded. The new financing replaces the previous financing from 2022 in the amount of EUR 265 million. The previous financing consisted of a EUR 225 million Facility B term loan and a EUR 40 million revolving credit facility. The Group therefore continues to have sufficient liquid funds and is in a position to meet its financial obligations.

The revolving credit facility had not been utilized as at the balance sheet date (previous year: EUR 0.05 million in the form of current account drawdowns and EUR 0.04 million in the form of bank guarantees).

Several subsidiaries of the ASK Chemicals Group provide collateral for both the old and the new credit line, which serve exclusively to cover the financial requirements of ASK Chemicals.

The costs associated with this issue in the amount of EUR 10.5 million were capitalized and will be amortized on a pro rata basis over the term until 2029

The revolving credit facility provides for the "Senior Secured Net Leverage Ratio" financial ratio, which must be complied with at the end of each quarter, irrespective of whether certain conditions are met. This ratio is made up of the ratio of senior secured financial liabilities to EBITDA adjusted for special effects. Compliance with this financial ratio must be demonstrated for the first time at the end of the second quarter of 2025.

The revolving credit facility has a variable interest rate with an initial margin of 4.50%. Depending on the level of the senior secured net leverage ratio, the margin can be reduced to up to 3.75%. The coupon on the bond is paid every six months, for the first time on April 15, 2025. Further details on potential risks can be found in Note 25 Financial instruments. The shareholder loan of EUR 62.5 million taken out by the SI Group in 2021 to finance the acquisition of the Industrial Resins division, among other things, was repaid in full when the bond was issued. Including the accrued interest, which has been capitalized at an interest rate of 12.6% after twelve months since October 2023, the loan amount upon repayment was EUR 85.4 million (PY: EUR 78.6 million).

As collateral for a bilateral credit line in favor of ASK Chemicals GmbH, the company has pledged fixed-term deposits in the same amount to a bank that is not part of the banking syndicate. The collateral deposited amounts to EUR 1.5 million (PY: EUR 1.5 million).

The remaining bank liabilities are largely unsecured and of the same rank.

A Mexican company has pledged land and buildings in the amount of EUR 2.4 million (PY: EUR 3.3 million) for a mortgage loan.

The pledge on the non-current assets in Sweden (PY: EUR 0.4 million) was canceled in April 2024 as the asset was sold. As a result, the bank terminated the credit line based on this pledge. The collateral assignment was adjusted as part of the new financing. Two subsidiaries in Spain and the USA pledged their IC receivables from ASK Chemicals GmbH for a total amount of EUR 34.8 million. In addition, two bank accounts of ASK Holdings were pledged to the lenders. In addition, all shares of the subsidiaries fully consolidated in the consolidated financial statements were pledged as collateral for Group financing.

In the previous year, the Group provided the following collateral as security for the syndicated loan for the previous financing:

	2023 KEUR
Inventories pledged as collateral	68,202
Receivables pledged as collateral	42,003
Technical equipment and machinery pledged as collateral	70,160
Pledged bank accounts	20,205
Mortgaged land and buildings	478
Other intangible assets pledged as collateral	2,711
Industrial property rights and similar rights pledged as collateral	3,416
	207,175

Furthermore, in the previous year, all shares in the subsidiaries fully consolidated in the consolidated financial statements and their receivables from other subsidiaries were pledged as collateral.

The financing conditions of the bank loans are as follows:

	Interest rate / coupon	Maturity year	Nominal amount 2024 KEUR	Carrying amount 2024 KEUR
Bond	10%	Until 2029	325,000	
Drawing RCF in EUR	Euribor +4.50%	Until 2029	0	
Discount on senior facility			-1,646	
Capitalized financing costs			-8,914	
Fair Value Bond			15,039	
Accrued interest liabilities			5,417	
Subtotal			334,896	334.896
Various current account liabilities				12.292
Total bank loans				347.188
thereof				
Non-current financial liabilities				334.308
Current financial liabilities				12.880

	Interest rate	Maturity year	Nominal amount 2023 KEUR	Carrying amount 2023 KEUR
Senior Facility				
Term Loan B in EUR	Euribor +6,75%	Until 2026	225,000	
Drawing RCF in EUR	Euribor +5,50%	By 2025	0	
Discount on senior facility			-18,412	
Capitalized financing costs			-7,103	
Accrued interest liabilities			11,163	
Subtotal			210,648	210.648
Various current account liabilities				16.599
Total bank loans				227.247
thereof				
Non-current financial liabilities				207,228
Current financial liabilities				20,019

Including local, bilateral credit lines, the Group had access to credit lines totaling EUR 436.4 million as at December 31, 2024 (PY: EUR 339.6 million). The credit lines of ASK Chemicals are available exclusively for the financing requirements of the ASK Chemicals Group on the basis of contractual agreements with the lending banks. As at the balance sheet date, ASK Chemicals had utilized debt financing sources totaling EUR 363.6 million, of which the largest share is attributable to a bond issue. (PY: EUR 274.3 million). This means that ASK Chemicals has unused

credit lines of EUR 72.8 million (PY: EUR 65.3 million) available for further borrowing. For further details on the existing credit lines, please refer to Note 25 Financial instruments.

Please refer to Note 14 for information on leases.

24. Other liabilities

As at December 31, 2024, ASK Chemicals recognized other liabilities as shown in the table below:

	2024 KEUR	2023 KEUR
Value added tax liabilities	9,236	7,423
Wage tax	1,068	3,677
Liabilities to employees	1,106	1,927
Liabilities from bonuses and cash discounts	564	563
Social security contributions	362	400
Other taxes	624	326
Commission settlements	36	196
License and patent agreements	33	77
Consulting costs	40	0
Other	307	631
Other liabilities	13,376	15,220

25. Financial instruments

Carrying amounts, associated fair values by category of financial instruments and maximum credit risk

The following tables show the categories of financial instruments broken down by balance sheet item. The respective fair values and the maximum default risk of the financial assets are also shown. The maximum credit risk of the financial assets corresponds to the carrying amount on the balance sheet date.

Balance sheet amounts as of December 31, 2024 KEUR	Book values		Total balance sheet amount	Fair value
	Mandatory at fair value	at amortized cost		
Financial assets				
Other non-current financial assets	0	19,137	19,137	19,137
Trade receivables	0	75,244	75,244	75,244
Cash and cash equivalents	0	33,542	33,542	33,542
Other current financial assets	0	4,961	4,961	4,961
Foreign exchange forward contracts	277	0	277	277
Financial liabilities				
Non-current financial liabilities	15,038	334,849	349,887	349,887
Current financial liabilities	0	16,770	16,770	16,770
Trade payables	0	64,348	64,348	64,348
Liabilities from supplier factoring	0	9,558	9,558	9,558
Foreign exchange forward contracts	57	0	57	57
Derivative financial instruments	601	0	601	601

Balance sheet amounts as of December 31, 2023 KEUR	Book values		Total balance sheet amount	Fair value
	Mandatory at fair value	at amortized cost		
Financial assets				
Other non-current financial assets	0	716	716	716
Trade receivables	0	64,324	64,324	64,324
Cash and cash equivalents	0	33,482	33,482	33,482
Other current financial assets	0	7,564	7,564	7,564
Foreign exchange forward contracts	193	0	193	193
Financial liabilities				
Non-current financial liabilities	0	297,094	297,094	297,094
Current financial liabilities	0	23,916	23,916	23,916
Trade payables	0	68,660	68,660	68,660
Liabilities from supplier factoring	0	9,777	9,777	9,777
Foreign exchange forward contracts	161	0	161	161
Derivatives financial instruments	1,238	0	1,238	1,238

The carrying amounts of non-current financial assets and non-current financial liabilities measured at fair value are immaterial. As the fair values would only differ insignificantly from the carrying amounts, the fair values were not determined for reasons of materiality. Due to the variable interest rates of liabilities to banks, the fair value essentially corresponds to the carrying amount.

In November 2024, ASK Chemicals Deutschland Holding GmbH issued a fixed-interest bond. Contractual components were identified within the bond issue that contain embedded derivatives that must be separated. These derivatives are primarily exercisable termination rights that enable early repayment of the liability at fixed exercise prices. The fair value of the embedded derivative included in the non-current financial liabilities as part of the new financing is determined on a quarterly basis. The fair value of this derivative financial instrument is reported under other non-current assets.

If the relevant market interest rate level for the valuation of the derivative had been 100 basis points higher (lower) on the balance sheet date, the overall result would have been affected as follows.

2024 KEUR	Result	
	+ 100bp	- 100bp
December 31, 2024		
Embedded derivative in bond financing	-2,407	3,234

Trade receivables had the following age structure on the balance sheet date:

	2024 KEUR	2023 KEUR
Trade receivables, gross	79,141	68,634
Allowance for doubtful debt	-3,897	-4,310
Net trade receivables	75,244	64,324
Not due	63,114	52,331
Trade receivables due	11,246	11,930
< 30 days	7,726	8,810
31-60 days	1,515	1,647
61-90 days	1,135	513
91-180 days	401	452
181 -360 days	158	280
> 360 days	311	228
Value-adjusted trade receivables	884	63

The valuation allowances recognized on trade receivables developed as follows in the 2024 financial year:

	2024 KEUR	2023 KEUR
Allowance at the beginning of the period	-4,310	-6,084
Addition	-541	-1,625
Reversal	565	2,308
Utilization	348	1,030
Foreign currency translation effect	41	61
Allowance at the end of the period	-3,897	-4,310

The impairments as at December 31, 2024 include both impairments due to events that have already occurred and the estimate of expected credit losses. As at December 31, 2024, impairments of KEUR 2,396 (PY: KEUR 2,521) related to customers who are insolvent or have indicated that they do not expect to be able to settle the outstanding amounts due to their economic circumstances. Impairments of KEUR 275 (PY: KEUR 141) represent the expected credit losses.

As described in Note 3 Significant accounting policies (here: Basis of consolidation), it is assumed that the trade receivables of the Russian company are no longer recoverable. This assumption results in further impairments on trade receivables for the Russian company in the amount of KEUR 1,227 . The receivables of the Russian company are therefore excluded from the age structure of trade receivables.

Estimate of expected credit losses for the Group as at December 31, 2024

The Group uses an impairment matrix to measure the expected credit losses on trade receivables and contract assets.

The loss ratios are calculated using the "roll rate" method, which is based on the probability that a receivable will progress through successive stages in the payment delay.

The roll rates are calculated separately for defaults in different segments on the basis of the following general credit risk characteristics: geographical location and gross domestic product.

The following table contains information on the estimated default risk and the expected credit losses for trade receivables, including contract assets as at December 31, 2024.

2024 KEUR	Loss rate (weighted average)	Gross carrying amount*	Value adjustment	Impaired creditworthine ss
Not due	0,14%	64,056	-89	No
1 - 30 days	0,50%	7,765	-39	No
31 - 60 days	1,75%	1,542	-27	No
61 - 90 days	3,81%	1,180	-45	No
More than 90 days overdue	4,10%	1,829	-75	No
		76,372	-275	
2023 KEUR	Loss rate (weighted average)	Gross carrying amount*	Value adjustment	Impaired creditworthine ss
Not due	0,00%	53,687	0	No
1 - 30 days	0,41%	8,852	-36	No
31 - 60 days	1,91%	1,679	-32	No
61 - 90 days	4,29%	536	-23	No
More than 90 days overdue	4,66%	1,073	-50	No
		65,827	-141	

**taking into account specific valuation allowances recognized*

The maximum default risk for trade receivables and contract assets as at December 31, 2024, broken down by geographical region, corresponds to the carrying amount and is as follows

in KEUR	2024	2023
Germany	1,836	1,354
Rest of Europe	8,321	11,906
America	37,239	24,289
Asia	28,701	28,137
	76,097	65,686

Liquidity risk

The non-discounted contractual cash flows of the financial liabilities, including expected interest payments and other fees associated with the financial liability and excluding the effect of netting agreements, are shown below in accordance with their remaining terms. The analysis is performed on the following basis:

- In the case of variable-interest financial liabilities, it is assumed that market interest rates will remain constant until maturity.
- If the counterparty can influence the payment date, the obligation is taken into account on the earliest possible payment date.
- If there is an obligation to make partial payments, each partial payment will be taken into account on the earliest possible date.

If the repayment amount is not fixed, the amount is stated on the basis of the circumstances on the balance sheet date.

December 31, 2024 KEUR	Carrying amount	Contractual cash flows			
		< 1 year	1 - 5 years	> 5 years	Total
Non-derivative financial liabilities					
Leasing	19,269	4,904	9,258	11,529	25,691
Senior Facility	334,896	32,040	453,158	0	485,198
Liabilities from deliveries and services	64,348	64,348	0	0	64,348
Liabilities from supplier factoring	9,558	9,558	0	0	9,558
Other financial liabilities (non-current)	4,829	414	5,047	0	5,461
Other financial liabilities (current)	7,501	7,501	0	0	7,501
Derivative financial instruments					
Foreign exchange forwards					
Assets	277	277	0	0	277
Liabilities	658	658	0	0	658

December 31, 2023 KEUR	Carrying amount	Contractual cash flows			
		< 1 year	1 - 5 years	> 5 years	Total
Non-derivative financial liabilities					
Leasing	16,641	4,697	7,681	10,980	23,358
Senior Facility	210,648	25,461	262,092	0	287,553
Shareholder loans	76,918	0	123,534	0	123,534
Liabilities from deliveries and services	68,660	68,660	0	0	68,660
Liabilities from supplier factoring	9,777	9,777	0	0	9,777
Other financial liabilities (non-current)	7,743	548	9,028	0	9,576
Other financial liabilities (current)	8,899	8,899	0	0	8,899
Derivative financial instruments					
Foreign exchange forwards					
Assets	193	193	0	0	193
Liabilities	1,399	1,399	0	0	1,399

The senior facility was replaced by the bond issued on November 1, 2024. Further information on the new financing can be found in Note 23 Financial liabilities.

The forward exchange transactions are used entirely for economic hedging; there is no formal hedging relationship using hedge accounting.

There are no indications that cash could flow out significantly earlier or in different amounts.

The cash changes in assets and liabilities allocated to financing activities are presented below:

2024 KEUR	Liabilities / assets						Total
	Financial assets	Liabilities from leasing	Liabilities to credit institutions	Liabilities from bond	Liabilities to sharehold ers	Other financial liabilities	
Balance at January 1	8,473	-16,641	-227,247	0	-76,918	-1,603	-313,936
Cash-effective change	2,638	5,882	240,446	-314,440	86,696	-8,115	13,107
Of which:							
Proceeds / payments from financial assets /liabilities	2,638	5,882		-325,000		-8,115	-324,595
Disbursements from loans			11,163		86,696		97,859
Payments from bank liabilities			229,283				229,283
Payment of transaction costs				10,			10,560
Non-cash change	13,264	-8,510	-25,491	-20,456	-9,778	8,860	-42,111
Of which:							
Interest rate effects		-1,127	97	-5,417	-8,095		-14,542
Foreign currency effects	-64	-207	-73			7,011	6,667
Changes to the fair value	84			-15,039		1,849	-13,106
Non-cash items							
Additions / reversals	13,244	-7,176	-25,515		-1,683		-21,130
Balance at December 31	24,375	-19,269	-12,292	-334,896	0	-858	-342,940

2023 KEUR	Liabilities / assets					Total
	Financial assets	Liabilities from leasing	Liabilities to credit institutions	Liabilities to shareholders	Other financial liabilities	
Balance at January 1	9,391	-16,390	-215,704	-67,367	-803	-290,873
Cash-effective change	-351	6,210	5,130	0	2,414	13,403
Of which:						
Proceeds / payments from financial assets /liabilities	-351	6,210	0	0	2,414	8,273
Payments from bank liabilities	0	0	195,054	0	0	195,054
Proceeds from bank liabilities	0	0	-189,924	0	0	-189,924
Non-cash change	-567	-6,461	-16,673	-9,551	-3,214	-36,466
Of which:						
Interest rate effects		-954	-6,435	-8,043	0	-15,432
Foreign currency effects	-744	396	214		-1,302	-1,436
Changes to the fair value	177	0	0	0	-1,912	-1,735
Non-cash items						
Additions / reversals		-5,903	-10,452	-1,508	0	-17,863
Balance at December 31	8,473	-16,641	-227,247	-76,918	-1,603	-313,936

Income and expenses and gains and losses

2024 KEUR	Interest	Subsequent measurement			Net result
		Net change in fair value	Foreign currency gains and -losses	Impairment losses	
Financial assets measured at amortized cost	-2,267	0	-52	24	-2,295
Financial instruments designated at fair value	647	759	0	0	1,406
Financial liabilities measured at amortized cost	-64,914	0	-6,682	0	-71,596
	-66,534	759	-6,734	24	-72,485

2023 KEUR	Interest	Subsequent measurement			Net result
		Net change in fair value	Foreign currency gains and -losses	Impairment losses	
Financial assets measured at amortized cost	-2,754	0	-768	683	-2,839
Financial instruments designated at fair value	986	-548	0	0	438
Financial liabilities measured at amortized cost	-45,406	0	2,856	0	-42,550
	-47,174	-548	2,088	683	-44,951

Net interest income from financial instruments is recognized in the income statement as net interest expense. The change in fair value and exchange rate differences from financing activities are recognized in the financial result. Impairment losses and exchange rate differences from operating activities are recognized in the operating result.

Foreign currency risk

An increase in the euro or USD of 5% or 10% respectively would have led to a profit (loss) after tax as at December 31, 2024 in the amount shown below. This analysis assumes that all other variables, in particular the interest rate, remain constant. Intragroup balances are taken into account in the sensitivity analysis if they are considered material.

	2024		2023	
	+ 5%	+ 10%	+ 5%	+ 10%
	KEUR	KEUR	KEUR	KEUR
Euro	-75	-151	-224	-449
US-Dollar	-683	-1,366	-279	-558
	-758	-1,517	-503	-1,007

A decline in the EUR and USD by 10% and 5% respectively would have had a comparable impact on earnings as at December 31, 2024 with opposing effects to those described above, provided that all other variables remain constant.

The net volume for which this sensitivity analysis was performed amounts to KEUR 2,450 net liability (PY: KEUR 6,364 net liability) for the EUR and KUSD 22,754 net liability (PY: KUSD 11,471 net liability) for the US dollar.

Interest rate risk

Sensitivity analysis of the fair values of fixed-interest financial instruments

To hedge future cash flows (interest payments) from the credit facility, ASK Chemicals concluded two zero-cost collars for EUR 150 million in the 2023 financial year. The term is approximately 1.5 years. The cap strike is 4.25%. The average floor is 3.275%. The existing hedging agreements were not terminated in 2024, although the underlying senior facility agreement was replaced by the issue of the bond.

The negative market values of interest rate derivatives amounted to EUR 0.6 million (PY: EUR 1.2 million) as at the balance sheet date and are recognized under current financial liabilities.

Cash flow sensitivity of variable-interest financial instruments

A change of 50 basis points (bp) would have the effect on earnings (after tax) shown below as at the balance sheet date.

In the analysis presented, it is assumed that all other variables remain constant.

The net volume for which the cash flow sensitivity for the variable-interest financial instruments (excluding the current interest payments from the interest rate options) is calculated amounted to EUR 327 million as at the reporting date (PY: EUR 215.9 million).

2024 KEUR	Result	
	+ 50bp	- 50bp
December 31, 2024		
Variable-rate instruments	-839	839
Effect on profit (after taxes)	-839	839

2023 KEUR	Result	
	+ 50bp	- 50bp
December 31, 2023		
Variable-rate instruments	-792	792
Effect on profit (after taxes)	-792	792

Market price risk

ASK Chemicals does not recognize any separate financial instruments that are subject to market price risk in addition to the foreign currency and interest rate risks described above. Two termination rights for the 5-year bond of EUR 325 million issued on November 1, 2024, are measured separately from the bond and are subject to interest rate risk and a risk of change in own credit risk.

The following hierarchies are used to determine and report the fair values of financial instruments for each valuation method:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: Measurement parameters that are not quoted prices included in Level 1, but which can be observed for the asset or liability either directly (i.e. as a price) or indirectly (i.e. derived from prices).
- Level 3: Valuation parameters for assets and liabilities that are not based on observable market data.

Determination of the fair value

The fair value of interest rate options is determined using a recognized option valuation model. The fair value of forward exchange contracts and embedded derivatives is determined on the basis of the difference between the contracted forward price and the current forward price for the remaining term of the transaction, whereby the difference is discounted using a market interest rate for the relevant foreign currency applicable on the balance sheet date.

ASK Chemicals has two separately measured termination rights, which are measured together at fair value in Level 3.

	2024		
	Level 1	Level 2	Level 3
	KEUR	KEUR	KEUR
Financial assets measured at fair value	0	277	13,244
Financial liabilities measured at fair value	0	658	0

	2023	
	Level 1	Level 2
	KEUR	KEUR
Financial assets measured at fair value	0	193
Financial liabilities measured at fair value	0	1,399

Effects from offsetting options for financial assets and liabilities

Financial assets and liabilities are generally presented on a gross basis. Framework agreements exist with trading partners for derivative financial instruments which provide for net settlement of transactions under certain circumstances. However, these contracts do not meet the offsetting criteria of IAS 32.

2024 KEUR	Gross amount of derivatives	Net amount of derivatives	Relevant financial instruments that are not offset	Net amount
Assets	277	277	-277	0
Liabilities	-658	-658	277	-381

2023 KEUR	Gross amount of derivatives	Net amount of derivatives	Relevant financial instruments that are not offset	Net amount
Assets	193	193	-193	0
Liabilities	-1,399	-1,399	193	-1,206

Objectives and methods of financial risk management

The fundamental objectives of financial risk management are to achieve a sustainable increase in the value of the Group and to secure liquidity and creditworthiness. The pursuit of these objectives is expressed in a reduction in financing costs, an increase in cash flow from operating activities, an optimization of the capital structure and the maintenance of an effective risk management system.

The Group is exposed to the following risks in particular through the use of financial instruments:

- Credit risk
- Liquidity risk
- Foreign currency risk
- Interest rate risk

Principles of risk management

Financial risk management aims to limit these risks through ongoing business and financing activities. To this end, selected derivative and non-derivative instruments are used to a limited extent depending on the risk assessment.

The following section describes how the Group is exposed to these risks, what objectives, guidelines and procedures are in place to measure and manage these risks and how the Group manages its capital.

Further quantitative disclosures are included throughout these consolidated financial statements.

The Management Board has overall responsibility for the establishment and supervision of the Group's risk management system.

Financial and risk management is carried out by the Finance department of ASK Chemicals. The internal guidelines regulate the scope of action, responsibilities and controls responsible for the use of financial instruments. Hedging transactions are generally recorded, measured and processed centrally.

The guidelines of the Group's risk management system serve to identify and analyze existing risks, set appropriate risk limits and controls and monitor risks and compliance with specified limits. The risk management guidelines are regularly reviewed in order to keep abreast of changes in market conditions and the Group's business activities. Through training and management

policies and procedures, the Group achieves the development of a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

The Group's own Treasury department ensures the efficient management of market risks as one of its main tasks.

Credit risk

The credit or default risk represents the risk of financial losses to the Group due to non-fulfilment of the contractual conditions of financial instruments by the contractual partner. It exists primarily for uninsured customer receivables and the Group's financial assets.

Outstanding receivables are continuously monitored by the operating divisions at local level. Existing credit risks are taken into account through appropriate risk provisions.

The maximum default risk corresponds to the carrying amounts of the financial assets recognized in the consolidated balance sheet, including derivative financial instruments with a positive market value. To limit the default risk, ASK Chemicals has concluded a global policy with the credit insurer Atradius, through which the majority of the receivables of the European ASK companies and the Brazilian and Turkish branches are covered by trade credit insurance.

The Group's default risk is largely dependent on the characteristics of uninsured customers.

The management has issued credit guidelines according to which every new customer is checked for creditworthiness before being offered the usual payment and delivery terms. Where available, this check is based on external assessments and, in some cases, bank references. Credit limits are set for most customers, which specify the maximum amount of outstanding receivables that can be accepted without prior approval from the management. These limits are reviewed on a regular basis. Customers who do not meet the Group's creditworthiness requirements can only conduct business with the Group on a prepayment basis.

A large number of customers have had business relationships with the Group for several years, during which time credit defaults have been rare. As part of customer-specific credit risks, customers are regularly monitored on the basis of their credit characteristics.

Products are always sold subject to retention of title, so that the Group always has secured rights in the event of non-payment. All new customers must undergo a credit check. Large parts of trade receivables are insured with credit insurers. In addition, outstanding receivables are monitored on an ongoing basis so that the existing default risk is generally limited. There is no concentration of credit risks in the Group. The processing of business with major customers is monitored separately. With regard to the overall existing credit risk, the receivables from these main customers are by no means so significant that they would result in an extraordinary concentration of risk

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial liabilities as they fall due. The Group's approach to managing this liquidity risk is to maintain sufficient liquidity at all times, where possible, to be able to meet all obligations due under normal or stricter conditions without undue loss or damage to the Group's reputation. The Treasury department of ASK Chemicals monitors the Group's liquidity.

The Group evaluates its products and services using activity-based cost rates, which supports the monitoring of cash requirements and the optimization of cash flows from operating investments. The Group normally ensures that it has access to sufficient cash and cash equivalents to cover operating expenses for the next 30, 60 and 90 days and to service existing

financial liabilities. Extraordinary, unforeseeable circumstances such as natural disasters are not taken into account.

The Group also in supplier factoring agreements through its Brazilian subsidiaries, the purpose of which is to enable efficient payment processing of supplier invoices. The agreement enables the Group to centralize the payment of trade payables to the bank instead of paying each supplier individually. Although the agreement does not significantly change the payment terms compared to normal terms with other non-participating suppliers, it contributes to a better prediction of cash outflows. Utilization amounted to EUR 9.6 million at the end of 2024 (PY: EUR 9.8 million)

In addition, the Group has various non-recourse factoring agreements under which the underlying trade receivables are derecognized. As at December 31, 2024, the total purchase line of all non-recourse factoring agreements amounted to EUR 48.0 million (PY: EUR 48.0 million) and the utilization amounted to EUR 26.3 million (PY: EUR 34.2 million).

ASK Chemicals also maintains the following credit lines, taking into account translation effects:

- Syndicated credit line with the financial consortium in the amount of EUR nil million (PY: EUR 265 million),
- Bilateral credit lines with various banks in the amount of EUR 26.6 million (PY: EUR 26.6 million),
- bond in the amount of EUR 325 million,
- Revolving credit facility in the amount of EUR 40 million

The Group prepares short and medium-term liquidity forecasts taking into account cash inflows from operating activities in order to cover liquidity requirements from investing and financing activities. There are no significant concentrations of liquidity risk. To secure long-term liquidity requirements, the existing syndicated loan was replaced in November 2024 by the issue of a bond in the amount of EUR 325 million. For further details, please refer to Note 23 Financial liabilities.

Foreign currency risk

The Group's investment, financing and operating activities expose it to foreign currency risks. These arise from assets and liabilities in foreign currencies as well as expected cash flows from highly probable future purchases and sales. Due to the Group's extensive production and sales activities outside the eurozone, these risks must be managed in relation to various local currencies. Due to ongoing changes in the business environment, the relevant foreign currency constellations can also change within a financial year. The main foreign currency in which the Group generates revenue is the US dollar. In principle, a devaluation of a foreign currency against the euro has a negative impact on the Group's sales revenue and earnings situation, while an appreciation has a correspondingly positive effect.

The Group companies generally conduct their business in the respective local currency. The foreign currency risk associated with ongoing business activities can therefore be classified as low. Nevertheless, some Group companies are exposed to foreign currency risks for outgoing and incoming payments due. The Group has therefore issued treasury guidelines according to which all business units must use foreign currency forwards under the supervision of the Group Treasury department in order to eliminate their foreign currency risk. The Group only enters into forward exchange transactions to hedge existing business transactions.

Foreign currency risks without cash relevance (such risks from the translation of local financial statements into the Group reporting currency) are hedged at the intermediate holding company in Singapore up to an amount of EUR 14 million by means of an equity-replacing loan, as in the previous year.

In the area of financing, foreign currency risks arise in the Group from financial liabilities in foreign currencies (mainly US dollars), which are extended to Group companies for financing purposes. The Treasury department hedges these amounts as far as possible through its Group-wide cash pool activities.

There are no significant concentrations of foreign currency risk.

Risks in connection with termination rights in financing agreements

When issuing a 5-year bond for EUR 325 million on November 1, 2024, the new financing was examined for embedded derivatives. As the company can exercise special termination rights and the early repayment amount does not approximately correspond to the amortized cost on termination, these embedded derivatives were to be measured at fair value on initial recognition as separable embedded derivatives and separated from the host contract without affecting profit or loss on initial measurement. The termination rights are subsequently recognized at fair value through profit or loss.

The fair value measurement (Level 3) is carried out by an external valuer and is based on a model using discounted cash flows. The cash flows of the financing without termination are forecast using a Monte Carlo simulation ("Hull White" model with a factor) and valued in each simulation using a termination calculation ("Longstaff-Schwartz") with a possible comparative interest rate.

Quoted forward rates for interest rates (EURIBOR) and traded interest rate volatilities as well as interest rate premiums and volatilities for the credit risk are forecast for the comparative interest rate for alternative financing. The credit risk and volatility are not observable on the market and are essential for the calculation. A credit risk from a peer group of companies with a "B-" rating was used for the valuation. The volatility of one year was assumed to be 51%. A higher, positive market value would have been determined if the credit risk had been worse or the volatility higher.

The table below shows the reconciliation of the opening balance to the closing balance for level 3 fair values:

	KEUR
Status as at 31.12.2023	0
Issue of new instruments	15,039
Change in valuation recognized in profit or loss	-1,794
Transfer to another level	0
Status as at 31.12.2024	13,244

The change in holdings affecting income was recognized in the financial result and is unrealized until one of the termination rights is potentially exercised.

Capital management

ASK Chemicals' capital management relates to both equity and debt. The aim is to maintain sufficient and balanced working capital, current assets and current liabilities. Due to its broad product range and activities on the global markets, ASK Chemicals generates predictable and sustainable cash flows under normal economic conditions.

26. Contingent liabilities, contingencies and other financial obligations

Contingent liabilities

Sufficient provisions have been made in the consolidated balance sheet for possible risks from legal disputes.

ASK Produtos Químicos do Brasil Ltda. is the defendant in proceedings initiated by the state of São Paulo for a breach of VAT regulations. ASK Produtos Químicos do Brasil Ltda. is accused of obtaining VAT credits by purchasing raw materials from a supplier that was not properly tax-certified. The Group's potential liability in this case amounts to approximately EUR 1.2 million.

In addition, ASK Crios is the defendant in civil proceedings concerning compensation for freight costs and a toll reimbursement claim by the transport company SLCR Transportes Ltda with a potential liability of KEUR 903; in this case, ASK Crios is currently appealing as the competent court has skipped part of the proceedings.

In addition to the contingent liabilities shown above, there are further contingent liabilities in 35 cases, which we estimate at around EUR 1.46 million.

Furthermore, there are currently no legal disputes that could have a material adverse effect on the net assets, financial position and results of operations of the ASK Chemicals Group or ASK Chemicals International Holding GmbH.

Contingencies

In December 2022, a new Group guarantee in the amount of EUR 2.2 million was issued by ASK Chemicals International GmbH to a foreign bank. The Group guarantee serves as security for a new credit line available to our subsidiary in India. ASK Chemicals GmbH has also issued a Group guarantee in the amount of EUR 0.6 million in favor of a European bank so that the subsidiary in the Czech Republic can obtain a credit line from this bank. There are also individual payment guarantees for suppliers with a total value of EUR 0.7 million.

Other financial obligations

	2024 KEUR	2023 KEUR
Order commitments Inventories	27,837	29,649
Purchase commitments Fixed assets	2,332	5,546
Other obligations	10,916	10,712
	41,085	45,907

Order commitment

Purchase commitments include obligations from orders placed by companies in the ASK Chemicals Group for fixed assets and inventories as well as from the purchase of services.

Other obligations

The Group has entered into fixed obligations of EUR 10.8 million (PY: EUR 10.6 million) for IT infrastructure and for the maintenance and servicing of ERP systems.

27. Related Parties

In accordance with IAS 24 (Related Party Disclosures), persons or companies that are influenced by the reporting company or that can influence the company must be disclosed unless they have already been included in the consolidated financial statements as consolidated companies. Related parties of ASK Chemicals are generally the companies accounted for using the equity method, the members of the management and advisory board of ASK Chemicals International Holding GmbH and other natural persons or groups of persons with significant influence, as well as the shareholders of ASK Chemicals International Holding GmbH.

In addition to the influence exerted by the relationship under company law, relationships with related parties mainly consist of supply and service relationships. The supply and service relationships with related parties are listed below.

At equity

ASK Chemicals GmbH received a liquidation dividend of KEUR 235 from the liquidation of ASK Chemicals Gremolith AG in 2024.

Transactions with members of the Advisory Board

In 2024, transactions with members of the Advisory Board amounted to KEUR 36 (PY: EUR nil).

Transactions with the shareholder

On November 1, 2024, ASK Chemicals International Holding GmbH granted its shareholder a loan in the amount of EUR 4.6 million. In December, the company paid the second tranche of EUR 0.4 million to its shareholder. The interest of 13.5% p.a. is capitalized every six months. The term of the loan is set for October 31, 2029

Management fee

In addition, a consulting agreement was concluded with Rhône Group LLC, the investment company in whose fund the ASK Chemicals Group is included. However, in agreement with the investment company, no consulting expenses were recognized in the income statement in the 2024 financial year (PY: EUR nil).

Management participation program

For the purpose of participating in the performance of the Group, a management participation program was set up in the 2015 financial year for selected members of the Advisory Board and the upper management level of the ASK Chemicals Group, the Senior Leadership Team, which falls within the scope of IFRS 2.

As part of the launch of this participation program, Ascot Luxembourg Holdings 1 S.a.r.l. originally contributed 9% of the shares in Ascot Luxembourg Holdings 2 S.a.r.l. at fair value as a limited partner's contribution to the companies Ascot Ordinary Participation 1 GmbH & Co. KG and Ascot Co-Investment Participation 1 GmbH & Co. KG, which were founded for the purpose of management participation, in the course of the 2015 financial year.

For its part, Ascot Luxembourg Holdings 2 S.a.r.l. holds 100% of the shares in Ascot Luxembourg Holdings 3 S.a.r.l., which is the sole shareholder of the Group parent company, ASK Chemicals International Holdings GmbH.

The authorized persons are limited partners of Ascot Ordinary Participation 1 GmbH & Co. KG and Ascot Co-Investment Participation 1 GmbH & Co. KG as at the reporting date.

The program participants acquired the respective limited partnership interests at fair value at the time of acquisition. The fair value of the shares is determined on the basis of the company valuation carried out at the time of acquisition using a comparative value method.

From the Group's perspective, this program is an equity-settled share-based payment. The individual contractual agreements are designed for an indefinite term. In the event that the main shareholder or the beneficiaries leave the company, the beneficiaries are obliged to sell their limited partnership interests at fair value. In the event of a withdrawal within the first 5 years after the acquisition of the limited partnership shares, the fair value is reduced as the selling price by a contractually fixed percentage discount per year of early withdrawal.

In June 2021, four further persons initially joined the group of beneficiaries. There is a loan KEUR 40 for one member of management. Two of these four beneficiaries left the ASK Group in 2024 and another in 2023 and sold their shares.

In 2021, Ascot Luxembourg Holdings 1 S.a.r.l. also established another limited partnership, Ascot Ordinary Participation 2 GmbH & Co. KG, for the purpose of management participation. A further 3.5% of the shares in Ascot Luxembourg Holdings 2 S.a.r.l. were contributed to the newly established company. In 2021, four persons from the group of existing beneficiaries joined as limited partners in this company. In 2023, one further authorized person was added. They acquired their respective shares again at fair value at the time of acquisition. As before, the fair value of the shares is based on the company valuation carried out at the time of acquisition using a comparative value method. Two of these beneficiaries left the ASK Group in 2024 and sold their shares.

In 2022, Ascot Luxembourg Holdings 1 S.a.r.l. founded another limited partnership, Ascot Ordinary Participation 3 GmbH & Co. KG, for the purpose of management participation. A further 2.6% of the shares in Ascot Luxembourg Holdings 2 S.a.r.l. were contributed to this company. One person has joined this company as a limited partner. This person left the ASK Chemicals Group in the first quarter of 2025 and sold his shares in 2024.

There were no other transactions with key management personnel or their family members in the reporting period.

28. Other disclosures

Total remuneration of the Management Board

The remuneration of the Management Board amounted to KEUR 425 in the 2024 financial year (PY: KEUR 1,285).

Total remuneration of former members of the Management Board

Expenses of KEUR 757 (PY: KEUR 627) were incurred for former members of the Executive Board and their surviving dependants in the 2024 financial year.

In the 2024 financial year, pension provisions KUR 986 (PY: KEUR 3,654) were recognized for former members of the Management Board and their surviving dependents.

With the exception of contractual remuneration, there were no transactions with managers and their family members.

Auditor's fee

The following fees were incurred for the services provided by the auditor in the reporting period:

	2024 KEUR	2023 KEUR
Auditor services	458	536
Other services	1,194	25
	1,652	561

Utilization of exemptions

The following domestic Group companies have made full use of the simplification provision of Section 264 (3) HGB:

- ASK Chemicals Deutschland Holding GmbH
- ASK Chemicals Deutschland GmbH
- ASK Chemicals GmbH
- ASK Chemicals CoreTech GmbH

The foreign Group company ASK Chemicals Benelux B.V., Waalwijk, Netherlands, makes use of the relief provisions of Section 403(1) Book 2 of the Dutch Civil Code ("403-Ruling") and is exempt from conducting an audit.

Annual financial statements of ASK Chemicals International Holding GmbH

The annual financial statements of ASK Chemicals International Holding GmbH for the financial year ending December 31, 2024 have been prepared in accordance with the provisions of the German Commercial Code (HGB) and the supplementary provisions of the German Limited Liability Companies Act (GmbHG). The annual financial statements are published in the electronic company register.

Corporate bodies

Management

Frank Goede - Chief Executive Officer ASK Chemicals (until 06.03.2024)

Luiz Totti - Chief Executive Officer ASK Chemicals (from 06.03.2024)

Andrea Bauer - Chief Financial Officer ASK Chemicals (from 01.11.2023 until 26.03.2024)

Advisory Board

Eytan Tigay - Senior Advisor of Rhône Capital LLC (until 14.02.2025)

Lucas Flynn - Managing Director of Rhône Group LLC

Frank Goede - Chief Executive Officer ASK Chemicals (until 06.03.2024)

Gary Reed - Consultant

Charles Herlinger - Consultant

Sergio Sarafopoulos - Consultant

Christopher Stephen Lando - Principal of Rhône Group LLC (until 30.04.2024)

Jose Manuel Vargas Gomez - Managing Director of Rhône Group LLC (from 01.01.2024)

Martin Atlas - Principal of Rhône Group LLC (from 01.05.2024)

29. Other disclosures required by HGB - List of shareholdings

All companies listed here are included in the 2024 consolidated financial statements by way of full consolidation.

Name and registered office of the company	Abbreviation	Capital share %
Germany		
ASK Chemicals International Holding GmbH, Hilden	ASKINT / 1040	100,00
ASK Chemicals Deutschland Holding GmbH, Hilden	ASKDEH / 1030	100,00
ASK Chemicals Deutschland GmbH, Hilden	ASKDE / 1020	100,00
ASK Chemicals GmbH, Hilden	ASK / 1010	100,00
ASK Chemicals Core Tech GmbH, Fuldabrück	WD / 1070	100,00
xpuris GmbH, Düsseldorf	XPURIS / 1080	100,00
Rest of Europe		
ASK Chemicals France S.A.S., St. Pierre la Garenne/France	ASAV / 2240	100,00
ASK Chemicals Benelux B.V., Waalwijk/Netherlands	NECOF / 2140	100,00
ASK Chemicals Austria GmbH, Vienna/Austria	HANTOS / 2310	100,00
ASK Chemicals Scandinavia AB, Älvsjö/Sweden	KW / 2120	100,00
ASK Chemicals Czech s.r.o., Brno/Czech Republic	ASCZ / 2030	100,00
ASK Chemicals Polska Sp. z o.o., Oswiecim/Poland	ASPL / 2020	100,00
ASK Chemicals UK Ltd, London/Great Britain	ASUK / 2110	100,00
ASK Chemicals Italia S.r.l., Milan/Italy	ASIT / 2250	100,00
ASK Chemicals España S.A.U., Getxo/Spain	ASES / 2210	100,00
ASK Chemicals Portugal Lda, Lisbon/Portugal	ASPOR / 2230	60,00
ASK Chemicals CIS LLC, St. Petersburg/Russia	ASRUS / 2010	100,00
ASK Chemicals TR Ticaret Limited Sirketi, Ankara/Turkey	ASTURK / 2320	100,00
North America		
ASK Chemicals Canada Corp., Halifax/Canada	ASCAN / 3040	100,00
ASK Chemicals Manufacturing S. de R.L. de C.V., El Carmen/Mexico	AZTEC / 3070	100,00
ASK Chemicals LLC, Wilmington/USA	ASUS / 3010	100,00
ASK Chemicals US Holding Inc., Dublin/USA	ASKUSH / 3080	100,00
South America		
ASK Crios Produtos Quimicos do Brasil S.A., Rio Claro/Brazil	ACBR / 4020	100,00
Asia		
ASK Chemicals (Zhenjiang) New Materials Technology Co, Ltd, Zhenjiang/China	ASCHIN / 5010	100,00
ASK Chemicals Japan Co, Ltd, Yokohama/Japan	ASJAP / 5030	100,00
ASK Chemicals Korea Ltd., Ulsan/South Korea	ASKOR / 5020	50,00
ASK Chemicals India Pvt. Ltd, Pune/India	AMSC / 5050	100,00
ASK Chemicals Pte. Ltd, Singapore/Singapore	ASSIN / 5040	100,00
ASK Chemicals South Africa (Proprietary) Limited, Alrode/South Africa	ASA / 5060	100,00

30. Subsidiaries with significant non-controlling interests

The following table shows the Group's share of capital and voting rights as well as the key figures for the respective companies.

2024		ASK Chemicals Portugal Lda, Lisbon/Portugal	ASK Chemicals Korea Ltd., Ulsan/South Korea	Total
		ASPOR / 2230	ASKOR / 5020	
Equity share	%	60.00	50.00	
Voting share	%	60.00	50.00	
Non-current assets	KEUR	0	7,961	7,961
Current assets	KEUR	1,784	6,196	7,980
Cash and cash equivalents	KEUR	287	2,753	3,040
Non-current liabilities	KEUR	0	1,446	1,446
Current liabilities	KEUR	444	4,422	4,866
Revenue	KEUR	3,850	11,641	15,491
Comprehensive income	KEUR	247	161	408
Scheduled amortization and depreciation	KEUR	0	-430	-430
Other comprehensive income	KEUR	0	-494	-494
Interest income	KEUR	0	158	158
Interest expenses	KEUR	0	-80	-80
Income taxes	KEUR			
		-74	-284	-358

2023		ASK Chemicals Portugal Lda, Lisbon/Portugal	ASK Chemicals Korea Ltd., Ulsan/South Korea	Total
		ASPOR / 2230	ASKOR / 5020	
Equity share	%	60.00	50.00	
Voting share	%	60.00	50.00	
Non-current assets	KEUR	0	8,727	8,727
Current assets	KEUR	2,001	6,972	8,973
Cash and cash equivalents	KEUR	428	2,992	3,420
Non-current liabilities	KEUR	0	1,390	1,390
Current liabilities	KEUR	458	6,182	6,640
Revenue	KEUR	3,917	13,056	16,973
Comprehensive income	KEUR	313	-69	244
Scheduled amortization and depreciation	KEUR	0	-431	-431
Other comprehensive income	KEUR	0	-769	-769
Interest income	KEUR	0	138	138
Interest expenses	KEUR	0	-125	-125
Income taxes	KEUR	-94	-300	-394

ASK Chemicals Portugal Lda, Lisbon/Portugal, made a profit distribution of KEUR 450 in the reporting period (PY: EUR nil). ASK Chemicals Korea Ltd, Ulsan/South Korea, did not make any profit distributions in the reporting period or in the previous year.

31. Significant events after the reporting date

There were no reportable events after the end of the reporting period.

Hilden, April 17, 2025

Luiz Totti

**Group management report of
ASK Chemicals International Holding GmbH
for the financial year**

January 1 to December 31, 2024

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Foundations of the Group

Business model of the Group

The ASK Chemicals Group, headquartered in Hilden (Germany), is a global supplier of foundry chemicals as well as industrial resins and materials. The company's products are mainly used in foundries and in the manufacture of friction materials, abrasives, refractory materials, paper impregnation, coatings, insulation and composite materials.

The Foundry division offers a wide range of foundry consumables such as binders, coatings, feeders, filters and release agents.

The sale of the Metallurgy division was completed on September 2, 2024. The Metallurgy business, formerly part of our Materials segment, was operated as a stand-alone business unit at one location and was therefore a natural candidate for divestment. In addition, the Metallurgy business was less complementary to the products sold in our Chemicals division than the other businesses in our Materials division, and the manufacturing process here is much more energy intensive. ASK received a purchase price of EUR 6.5 million for the transaction, of which EUR 6 million was paid in the 2024 financial year. This transaction also released additional working capital of around EUR 7 million. Due to the disposal of the Metallurgy division, 2024 is not fully comparable with 2023. In the 2023 financial year, the division generated sales of around EUR 28 million in the months from September to December. From the management's perspective, there is no essential influence on the assessment of the net assets, financial position and earnings position.

The Industrial Resins division is active in the field of specialty phenolic resins. Our phenolic resins are used in applications that place high demands in terms of fire protection, energy consumption, durability, health and occupational safety.

The ASK Chemicals Group has a production and distribution network with 34 locations in 23 countries and employs around 1,400 people worldwide. With research and development centers in Europe, Asia, America and Africa, we strive to be a driving force for industry-specific innovation.

Important customer groups for our products and technologies in the Foundry division are automotive and truck manufacturers and their suppliers. Other important end customers come from the mechanical engineering, heavy industry and wind power sectors. The market for investment casting products, such as turbine, aviation and medical technology parts, also plays an important role for us.

The ASK Group operates its largest production sites in Cleveland (USA), Rio Claro (Brazil) and Wülfrath (Germany). The Group also has production facilities in Asia and on the African continent.

Structure of the ASK Chemicals Group

ASK Chemicals International Holding GmbH, Hilden/Germany, was founded on April 14, 2014 with share capital of EUR 25 thousand. As part of the acquisition of ASK Chemicals GmbH, Hilden/Germany, and ASK Chemicals Holding LP, Wilmington/USA, from Ashland International Holdings Inc., Clariant Produkte (Deutschland) GmbH and Clariant Corp. on July 1, 2014, ASK Chemicals International Holding GmbH became the parent company of the ASK Chemicals Group (hereinafter referred to as "ASK Chemicals" or the "Group"). As at the balance sheet date of December 31, 2024, the entire ASK Chemicals Group comprised a total of 29 companies

(previous year: 35). The sole shareholder of ASK Chemicals International Holding GmbH is Ascot Luxembourg Holdings 3 S.à r.l.

In terms of its management and reporting structure, the ASK Chemicals Group is divided into four geographical areas: North and South America, Europe and South-East Asia, each with a country holding company in North America, Europe and South-East Asia, which manages the operating national companies.

Research and development

As a global supplier of foundry chemicals and industrial resins and materials, we always want to meet the requirements of the market. This goal is the reason why we attach great importance to research and development and invest in it continuously.

The research and development team consists of chemists, material scientists and laboratory technicians with industry and foundry-specific experience as well as expertise in binders for the foundry industry, coatings, additives or special products, such as binders for the paint and coatings industry, fertilizer coatings, etc. This team works in its own research facilities, which are equipped for the development of new products.

Highlights from product development

From the management's perspective, significant progress was made in research and development in 2024, particularly in the area of industrial resins and sustainable product development. In Europe and the USA, we worked intensively on expanding our business area with industrial resins for various applications.

A key focus of our research work in Europe was the replacement of harmful raw materials with less harmful alternatives. Several projects relating to product safety and the resulting added value for customers were completed to the satisfaction of the management.

In addition, the development of a biodegradable fertilizer coating to produce controlled release fertilizers (CRF) remains a key research objective. From an R&D management perspective, we successfully completed projects to improve the performance of our products, including improving the decomposition behavior of inorganic binders.

A significant milestone in our innovation strategy was the filing of three patent applications in 2024, underlining our commitment to technological progress and our focus on the further development of our product portfolio.

To measure the success of our product development, we use the New Product Vitality Index (NPVI), which measures the proportion of sales generated by products developed in the last five years. In the period from January to November 2024, this figure was 16.6 %. This key figure currently includes our regions of North America, Europe, China, South Korea and Japan as well as our Chemical business with foundry chemicals and industrial resins. However, we plan to integrate additional regions into this key figure in the future to assess our innovation performance even more comprehensively.

In 2024, development costs of EUR 2,536 thousand (previous year: EUR 1,759 thousand) were capitalized in accordance with the relevant accounting regulations. This corresponds to a capitalization rate of 24.9 % (previous year: 14.3 %) of total research and development costs in 2024. The capitalized development costs are mainly personnel costs. In the 2024 financial year, amortization of EUR 1,818 thousand (previous year: EUR 1,377 thousand) was incurred on capitalized development costs, of which EUR 686 thousand was impairment.

Economic report

Macroeconomic and sector-specific framework conditions

As a global manufacturer of foundry chemicals and industrial resins, our business performance is dependent on local economic conditions in the industries that use our foundry chemicals and industrial resins in their production chains.

The global economic growth rate for 2024 is estimated at +3.2 %, which represents a slight slowdown in growth compared to 2023.¹

The development of prices for our most important raw materials (e.g. furfuryl alcohol, DBE, MDI, solvents, paraformaldehydes and phenol) in 2024 was characterized by geopolitical uncertainties, volatile energy prices and regulatory tightening. Despite a slight calming of the market, the supply situation remained tense, particularly for critical products such as MDI or methanol-based raw materials. Raw materials stabilized at a low level in 2024.

The automotive sector, one of our main markets, developed more slowly in 2024 than in 2023. The number of cars sold worldwide increased by +2 % compared to the previous year and, with around 89 million units sold, reached an only slightly lower level than in 2019 before the pandemic.² The European market recorded an increase in car sales of +3.3 % compared to the previous year. The US market registered sales growth of +1.7 %. In China, sales figures rose by +1.9 %, in India by +3.9 %, while in Japan, the number of units sold fell by -7.1 %.³

Due to our international business activities with subsidiaries in Europe, North and South America and Asia, we are also exposed to fluctuations in exchange rates against the euro. A strengthening of the euro against other currencies would generally lead to negative effects on sales and positive effects on costs. The first half of 2024 is largely characterized by a stable average exchange rate of the euro against the US dollar, whereas the euro gained strength in the third quarter, which it completely lost again in the fourth quarter and reached its lowest level at the end of the year. In contrast, the average exchange rate of the euro against the Brazilian real is characterized by an almost constant appreciation. For a detailed analysis of the effects, please refer to the comments on the Group's earnings position.

Business performance

Business performance in the 2024 financial year was influenced by the following events:

A regional decline in demand in our key markets, particularly in Europe, and the sale of the Metallurgy business meant that the volumes sold fell short of the previous year's figures.⁴ Despite the unfavorable volume trend and the increased pressure on our sales prices due to

¹ Source: IMF World Economic Outlook January 2025 Update

² Source: Marklines

³ Source: Global Data - Global Light Vehicle Forecast December 2024

⁴ Source: S&P Global Comparative Industry Service: Macroeconomic Assumptions; Dec 2024

⁴ Source: S&P Global - Comparative Industry Service, Jan 2025

price reductions for our key raw materials, we succeeded in increasing the Group margin (EBITDA/sales) from 8.7 % in the previous year to 10.9 % thanks to price and cost management.

The 2024 financial year was influenced by a challenging market environment characterized by a combination of macroeconomic pressure, geopolitical uncertainties and ongoing sector-specific challenges.

The economies in Europe, whose GDP barely grew in 2024 and which recorded a decline in industrial production⁴, were particularly affected.⁵ Against this backdrop, sales volumes in Europe in particular fell significantly short of the previous year's figures, while North America only recorded a slight decline and business in Asia and South America even expanded.

This trend was reinforced by the sale of the Metallurgy business, the largest share of which was in Europe.

The strong dependence on the automotive market was a challenge for volume development in 2024. While the level of light vehicles produced in the previous year was reached globally, fewer vehicles were produced in Europe and North America.⁶ Although Asia saw an overall increase in production figures, the number of vehicles with combustion engines produced also fell significantly in this region.

The volume trend had an even greater impact on the construction and agricultural machinery (excavators, wheel loaders, cranes, tractors, combine harvesters, etc.) and commercial vehicles (medium and heavy trucks, buses), the most important industries after automotive, which recorded a very sharp global slump in production figures in 2024.⁷

Volumes increased significantly in Asia and South America, where business share was gained and market share expanded in the industrial resins segment.

The development of prices for our most important raw materials (e.g. furfuryl alcohol, DBE, MDI, solvents, paraformaldehydes and phenol) stabilized at a lower level in 2024 after further declines in 2023. The lower raw material prices in 2024 were partly passed on to our customers through reduced sales prices.

ASK countered the sometimes challenging market environment with consistent cost management, with the result that selling and administrative expenses fell both in absolute terms, mainly due to the streamlining of the management structure and the nearshoring of some departments, and in relation to sales. Despite lower volumes (-1 %), the ASK Group was able to achieve a slight increase in gross profit in relation to sales (+1P%) and a stable gross profit of 20 % relative to sales, which, together with lower selling and administrative expenses (EUR -7.7 million; -7 %), led to an operating result on a par with the previous year.

We therefore conclude that, from the management's perspective, the 2024 financial year went very well overall for the ASK Chemicals Group considering the macroeconomic and political situation.

⁵ S&P Global Comparative Industry Service: Macroeconomic Assumptions, Dec. 2024

⁶ GlobalData (LMC Automotive), Light Vehicle Engine Forecast, Q4-2024

⁷ GlobalData (LMC Automotive), Commercial Vehicle Production Forecast, Q4-2024; S&P Global, Comparative IndustryService, , Jan 2025

Position of the company

Earnings position of the Group

Revenue

In the 2024 financial year, we generated sales of EUR 703.1 million (previous year: EUR 771.2 million). The regional breakdown is as follows:

Region in EUR million	2024	2023
Germany	114.1	142.0
Rest of Europe	136.3	155.2
North America	180.4	189.0
South America	154.8	165.9
Asia/Middle East	98.8	102.9
Africa	16.0	15.2
Australia/Oceania	2.8	1.0
Total	703.1	771.2

In Germany, sales were largely generated by the Group companies ASK Chemicals GmbH and ASK Chemicals Metallurgy GmbH. The Metallurgy business, which was sold on September 2, 2024, accounted for EUR 15.9 million (previous year: EUR 29.8 million) in Germany. Worldwide, the ASK Group generated sales of EUR 63.9 million (previous year: EUR 92.9 million) with Metallurgy products. In the first eight months of 2023, this figure was EUR 64.9 million worldwide. Sales in the "Rest of Europe" region are distributed heterogeneously across a large number of countries.

Overall, sales declined in all regions with the exception of Australia/Oceania and Africa. In Europe, the decrease is primarily due to declining volumes, partly due to the sale of the Metallurgy business, as well as lower prices for the products sold. These price reductions resulted from a drop in raw material costs, which were largely passed on to customers in the form of material surcharges. The decline in sales in North America is mainly due to raw material price-driven reductions, partially offset by an improved product mix. In South America, sales fell mainly due to negative currency translation effects with slightly positive effects from volumes. Overall, sales in Europe fell by EUR -46.8 million, in the North America region by EUR -8.6 million and in the South America region by EUR -11.1 million compared to the previous year.

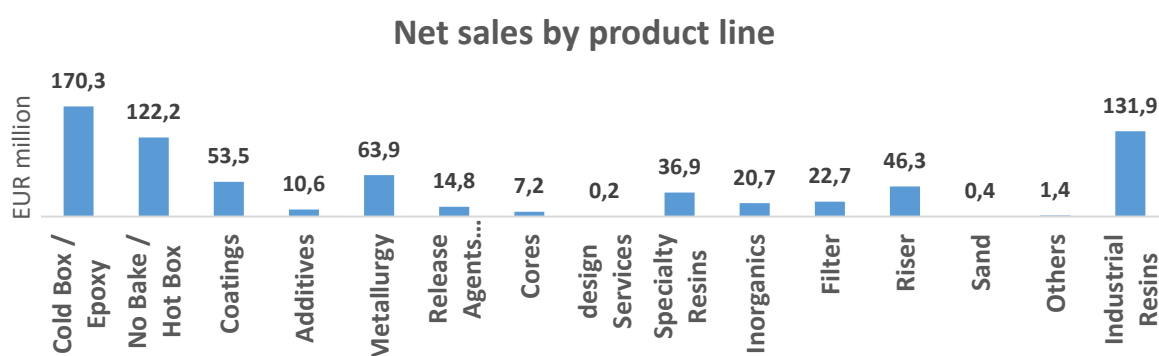
In Asia/Middle East, sales fell by EUR -4.1 million despite a positive volume trend. This was mainly due to the sale of the Metallurgy business, price reductions and currency translation effects.

In the 2024 financial year, sales of EUR 703.1 million were EUR -68.1 million (-8.8 %) below the 2023 level and below the sales forecasts for 2024, for which a range of EUR 780 million to EUR 820 million was targeted. The development of sales compared to the sales forecasts was impacted by the sale of the Metallurgy division, which is only included in the current financial year until the sale on September 2. Adjusted for the expected sales from Metallurgy business

for the months of September to December, this would have resulted in a range of EUR 730 million to EUR 740 million. The further development of sales is mainly due to lower sales prices and lower volumes. Among other things, negative currency translation effects and unbudgeted raw material price reductions passed on to customers exacerbated the decline in sales.

The regional breakdown of our total sales shows an increase in the share of sales compared to 2023 in the North America region from 24.6 % to 25.7 % and in South America from 21.4 % to 22.0 %, as well as in Asia from 13.3 % to 13.8 %. In Europe, however, the share of sales fell from 38.6 % to 35.9 %. This primarily reflects the effects of the difficult market environment in Europe, while the share in the North America, South America and Asia/Middle East regions increased due to relatively smaller declines in sales.

Based on our product portfolio, sales developed as follows:



Our top-selling product lines Cold Box, No Bake, Coatings & Additives, Feeding Systems (filters and risers) as well as Metallurgy and Industrial Resins account for around 88 % of our sales.

The share of our main product lines in total sales is as follows: Cold Box 24.2 % (previous year: 22.8 %), No Bake 17.4 % (previous year: 17.3 %), Coatings & Additives 9.2 % (previous year: 9.6 %), Feeding Systems 9.8 % (previous year: 10.0 %), Metallurgy 9.1 % (previous year: 12.0 %), Release Agents 2.1 % (previous year:

2.2 %), Specialty Resins 5.2 % (previous year: 4.6 %), Inorganics 2.9 % (previous year: 2.9 %) and Industrial Resins 18.8 % (previous year: 17.2 %).

Compared to the 2023 financial year, the product mix has developed in favor of the Chemicals and Industrial Resins divisions and at the expense of the Materials division. In Chemicals, the Cold Box product line in particular increased its share of Group sales. In the Materials division, the Filter product line in particular increased its share of sales, while the business with Metallurgy products accounted for a smaller proportion of the Group's sales due to the sale of the business unit. In South America, the improved market environment and the strong foothold of the Industrial Resins business in this region led to an increase in the share of industrial resins in the Group's sales.

Cost development

The cost of sales amounted to EUR 561.8 million in the 2024 financial year (previous year: EUR 618.6 million). This corresponds to a ratio of 79.9 % of net sales (previous year: 80.2 %). In percentage terms, the cost of sales has therefore fallen by 0.3 percentage points compared to the previous year.

The main components of the cost of sales are the cost of materials with a share of 73.9 % (as a percentage of total cost of sales; previous year: 78.6 %) and personnel costs with a ratio of 9.8 % (previous year: 9.8 %). The gross margin (net sales - cost of sales) amounted to EUR 141.3 million or 20.1 % of net sales (previous year: EUR 152.6 million or 19.8 %).

Selling, general and administrative (SG&A) costs comprise selling expenses, research and development costs, administrative costs and other costs. SG&A costs and other operating income break down as follows:

Total SG&A costs		
in EUR million	01. January to December 31, 2024	01. January to December 31, 2023
Distribution costs	46.3	51.3
<i>% Share of net sales</i>	<i>6.6 %</i>	<i>6.7 %</i>
Research and development costs	10.2	10.5
<i>% Share of net sales</i>	<i>1.4 %</i>	<i>1.4 %</i>
Administrative costs	54.6	57.2
<i>% Share of net sales</i>	<i>7.8 %</i>	<i>7.4 %</i>
Other operating income	-17.6	-16.0
<i>% Share of net sales</i>	<i>-2.5 %</i>	<i>-2.1 %</i>
Other	9.0	10.8
<i>% Share of net sales</i>	<i>1.3 %</i>	<i>1.4 %</i>
Total	102.4	113.8
<i>% Share of net sales</i>	<i>14.6 %</i>	<i>14.8 %</i>

The main components of selling expenses were personnel expenses with a ratio (as a % of selling expenses) of 61.6 % (previous year: 61.5 %) and other operating expenses with a ratio of 29.8 % (previous year: 29.6 %).

The main components of administrative expenses were personnel expenses with a ratio (as a % of administrative expenses) of 57.2 % (previous year: 48.9 %) and other operating expenses with a ratio of 39.3 % (previous year: 47.0 %).

Other operating income amounted to EUR 17.6 million with a ratio of 2.5 % to net sales (previous year: EUR 16.0 million; 2.1 %). This includes income from exchange rate effects in the amount of EUR 5.6 million (previous year: EUR 7.6 million). Other costs amounted to EUR 9.0 million with a ratio of 1.3 % to net sales (previous year: EUR 10.8 million; 1.4 %). Expenses from exchange rate effects amounted to EUR 5.7 million (previous year: EUR 8.3 million).

Result from operating activities (EBIT)

In the 2024 financial year, the result from operating activities amounted to EUR 38.9 million and the EBIT margin (i.e. EBIT in relation to sales) was 5.5 % (previous year: EUR 38.7 million; 5.0 %).

Operating result (EBITDA)

In the 2024 financial year, the operating result (i.e. result from operating activities before depreciation and amortization) of EUR 76.6 million was significantly higher than in the previous year (EUR 67.3 million) and thus within the forecast range of EUR 75 million to EUR 85 million. The main drivers of the positive earnings development were the savings achieved as part of cost-cutting measures, particularly in the area of SG&A costs (in particular personnel, consulting and representation costs), while sales volumes remained largely stable. This corresponds to an EBITDA margin (i.e. EBITDA in relation to net sales) of 10.9 % (previous year: 8.7 %).

Financial result

The financial result amounted to EUR -71.8 million (previous year: EUR -47.8 million). It mainly results from the interest expenses incurred in the 2024 financial year from the shareholder loan (EUR 8.1 million, previous year: EUR 8.0 million), the syndicated loan (EUR 20.6 million, previous year: EUR 23.2 million), the bond (EUR 5.4 million, previous year: EUR 0.0 million), the early reversal of the financing costs of the old Group financing that was terminated in November, as well as the amortization of the financing costs for the shareholder loan and the syndicated loan (EUR 27.4 million, previous year: EUR 12.0 million).

The investment in ASK Chemicals Gremolith AG, Switzerland, was included in the Group using the equity method and the company was liquidated in 2024. This resulted in a loss of EUR 263 thousand in the 2024 financial year. The disposal of the Metallurgy business resulted in a gain on disposal of EUR 2.1 million for the Group.

Financial position and net assets of the Group

Objectives and principles of financial management

We control our financial management centrally for the entire Group. This enables us to manage and deploy our liquidity efficiently from a management perspective. The aim of our financial management is to ensure sufficient liquidity at all times, limit financial risks and monitor the capital structure. All of our financial activities are geared towards our operating business and the Group's strategic orientation. From the management's perspective, this ensures that we have the necessary financial flexibility for the continuous further development of the ASK Chemicals Group.

As part of Group financing, financial management provides the necessary funds, arranges loans and provides guarantees for loans of subsidiaries in the form of sureties. Through internal financial equalization, we reduce the volume of external financing and optimize cash and capital investments within the Group: we use liquidity surpluses at individual Group companies to finance the cash requirements of other Group companies as part of our cash management system. Deliveries and services between Group companies are increasingly offset via internal financial accounts. In this way, we significantly reduce the turnover on our bank accounts. We systematically analyze currency, interest rate and credit risks and limit them through the use of financial processes and financial instruments. We also use derivative instruments to a manageable extent. However, these were not designated in a hedging relationship in the past financial year.

Group financing

In order to ensure the long-term financing of the ASK Chemicals Group, a five-year bond with a volume of EUR 325 million and a coupon of 10.0 % was issued on November 1, 2024. In addition, a super senior secured revolving credit facility of EUR 40 million with a term of 4.5 years was concluded. The new financing replaces the previous financing from 2022 in the

amount of EUR 265 million (of which EUR 225 million Facility B Term Loan and EUR 40 million revolving credit facility) and was used to replace it. The shareholder loan of EUR 62.5 million taken out to finance the acquisition of the Industrial Resins division from the SI Group in 2021, among other things, was repaid in full when the bond was issued. Including the accrued interest, which has been capitalized at an interest rate of 12.6 % after twelve months since October 2023, the loan amount upon repayment was EUR 85.4 million (previous year: EUR 78.6 million). A total of EUR 90.0 million was transferred to the sole shareholder Ascot Luxembourg Holdings 3 S.à r.l., resulting in a financial receivable from the shareholder of EUR 5.1 million including interest as at the balance sheet date.

With the new Group financing, the management believes that the Group continues to have sufficient liquid funds and is in a position to meet its financial obligations at all times.

Liabilities amounted to EUR 325.0 million as at the balance sheet date (previous year: EUR 225.0 million), whereby the revolving credit facility was not utilized (previous year: EUR 0.05 million in the form of overdraft facilities and EUR 0.04 million in the form of bank guarantees).

Several subsidiaries of the ASK Chemicals Group provide collateral for both the old credit line and the new Group financing, which serves exclusively to cover the financial requirements of ASK Chemicals. The current collateral package includes the company shares via the guarantors as well as several material bank accounts and long-term intercompany receivables.

The revolving credit facility provides for the financial ratio "Senior Secured Net Leverage Ratio", which must be complied with at the end of each quarter, subject to the fulfillment of certain conditions. This ratio is made up of the ratio of senior secured financial liabilities to EBITDA adjusted for normalization effects. Compliance with this financial ratio must be demonstrated for the first time at the end of the second quarter of 2025.

The revolving credit facility has a variable interest rate with an initial margin of 4.50 %. Depending on the level of the senior secured net leverage ratio, the margin can be reduced to up to 3.75 %. The coupon on the bond is paid every six months, for the first time on April 15, 2025.

With regard to possible risks in connection with future compliance with the contractually fixed targets for the financial covenant, please refer to the "Financial risks" section in the opportunity and risk report.

There is a non-recourse factoring program in Germany, seven other European countries, Brazil, Mexico and the USA. The total purchase line amounts to EUR 48.7 million (previous year: EUR 48.0 million). As at December 31, 2024, the utilization of all non-recourse factoring agreements amounted to EUR 26.3 million (previous year: EUR 34.2 million). In addition, our Brazilian subsidiary operates supplier factoring programs with a utilization of EUR 9.6 million as at the end of 2024 (previous year: EUR 9.8 million).

Cash flow statement

The cash flow is summarized as follows:

	2024 EUR million	2023 EUR million
Cash flow from operating activities	13.5	22.5
Cash flow from investing activities	0.6	-14.7
Cash flow from financing activities	-13.1	-13.4

The cash flow from operating activities is mainly characterized by a negative consolidated result of EUR 47.3 million, which is off-set by the adjustment of depreciation/amortization, finance result and change in net current assets resulting in a total of EUR 13.5 million (previous year: EUR 22.5 million). Cash flow from operating activities before interest and taxes paid amounted to EUR 65.3 million (previous year: EUR 61.6 million).

Cash flow from investing activities amounted to EUR 0.6 million and is largely characterized by the cash inflow from the sale of the Metallurgy business and investments in property, plant and equipment. The latter mainly relate to technical equipment and machinery as well as assets under construction in Germany, Mexico, Brazil, the USA and India.

The cash flow from financing activities amounted to EUR -13.1 million and is mainly determined by bank loans, the new Group financing and lease liabilities. The cash inflow from the issue of the bond in the amount of EUR 325 million was mainly used to repay the previous financing of EUR 225 million and to repay a loan to the shareholder Ascot Luxembourg Holdings 3 S.à r.l. in the amount of EUR 86.7 million.

Taking into account exchange rate effects and changes in the scope of consolidation, cash and cash equivalents amounted to EUR 33.5 million (previous year: EUR 33.5 million).

Balance sheet structure

As at December 31, 2024, total assets amounted to EUR 438.7 million (previous year: EUR 467.3 million). Property, plant and equipment amounting to EUR 148.1 million (previous year: EUR 170.0 million) mainly relates to buildings and land, advance payments as well as machinery and equipment at the production sites in Germany, Spain, Brazil, North America, India, China, South Africa and Korea. In 2024, property, plant and equipment include right-of-use assets from leases in accordance with IFRS 16 in the amount of EUR 19.7 million (previous year: EUR 18.1 million). Intangible assets amounted to EUR 41.5 million (previous year: EUR 48.4 million). This mainly includes goodwill from the acquisition of the ASK Group on July 1, 2014 and the acquisition of the Industrial Resin business from the SI Group in 2021 totaling EUR 22.3 million (previous year: EUR 24.3 million). Another component of intangible assets is the customer base acquired as part of the acquisition of the European Foundry division of Hexion Inc. as well as customer relationships and technology assets from the acquisition of the companies from the SI Group in 2021.

Current assets comprise inventories of EUR 60.8 million (previous year: EUR 91.5 million), trade receivables of EUR 75.2 million (previous year: EUR 64.3 million), other current assets including income tax refund claims, prepayments and other receivables of EUR 31.4 million (previous year: EUR 28.0 million) and cash and cash equivalents of EUR 33.5 million (previous year: EUR 33.5 million).

Working capital (inventories + trade receivables - trade payables - trade factoring liabilities) fell from around EUR 77 million in the previous year to around EUR 62 million. The change was

mainly influenced by the disposal of the Metallurgy business. Another influencing factor was the reduction in the factoring volume and the increase in business at our new plant in Mexico, with longer payment terms customary in the region compared to the payment terms otherwise customary at ASK.

Equity amounted to EUR -70.9 million (previous year: EUR -22.7 million), of which EUR 4.6 million (previous year: EUR 4.6 million) was attributable to minority interests. The development of equity is attributable to the consolidated net loss for the year of EUR -47.3 million and negative effects from currency translation with a loss of EUR -1.0 million, which is mainly influenced by the translation of the subsidiaries' financial statements from local currency into euros, and the valuation of pension provisions amounting to EUR -0.2 million and the change in retained earnings due to the difference from currency translation amounting to EUR 0.6 million. Financial liabilities amounting to EUR 367.3 million (previous year: EUR 322.4 million) mainly consist of liabilities from the bond, lease liabilities and liabilities to banks. Non-current provisions amount to EUR 13.6 million (previous year: EUR 31.4 million), of which EUR 11.0 million (previous year: EUR 24.0 million) is attributable to pension and similar obligations. Provisions for recultivation amounting to EUR 1.0 million (previous year: EUR 4.3 million) include contractually agreed obligations at ASK Chemicals España S.A.U. for the restoration of a leased production site. Current provisions amount to EUR 13.3 million (previous year: EUR 14.1 million) and consist primarily of provisions for personnel. Trade payables amounted to EUR 64.3 million (previous year: EUR 68.7 million). Liabilities from supplier factoring amounted to EUR 9.6 million (previous year: EUR 9.8 million) and are attributable to our Brazilian subsidiary. Other liabilities amounting to EUR 13.4 million (previous year: EUR 15.2 million) mainly consist of VAT liabilities, wage tax liabilities and liabilities to employees.

Investments

In the 2024 financial year, we invested a total of EUR 7.7 million (previous year: EUR 14.7 million) in property, plant and equipment and EUR 2.4 million (previous year: EUR 2.7 million) in intangible assets. In contrast, depreciation of property, plant and equipment amounted to EUR 30.1 million (previous year: EUR 22.8 million). The investment coverage ratio therefore decreased by 0.2 to 0.4.

The majority of investments in intangible assets amounting to EUR 2.5 million (previous year: EUR 1.8 million) related to capitalized development costs.

Additions to property, plant and equipment (including advance payments and assets under construction) mainly relate to replacement investments amounting to EUR 3.8 million (previous year: EUR 7.2 million), environmental and safety measures amounting to EUR 1.6 million (previous year: EUR 1.5 million), capacity expansion measures amounting to EUR 1.0 million (previous year: EUR 4.4 million), cost-saving measures amounting to EUR 0.7 million (previous year: EUR 0.4 million). Infrastructure measures amounting to EUR 0.2 million (previous year: EUR 0.5 million), property, plant and equipment in connection with the launch of new products amounting to EUR 0.2 million (previous year: EUR 0.5 million) and property, plant and equipment in the research and development department amounting to EUR 0.1 million (previous year: EUR 0.4 million).

Liquidity Management and off-balance sheet financial instruments

In addition to the bond in the amount of EUR 325 million and the revolving credit facility, we also use a centralized cash pooling system to finance the Group. This is financed and managed by the company ASK Chemicals GmbH. The revolving credit facility in the amount of EUR 40 million had not been utilized as of the reporting date, meaning that we have sufficient financial flexibility

for the Group and all subsidiaries. For further information on the bond and the revolving credit facility, please refer to the previous section "Group financing" in the presentation of the Group's financial position and net assets. With regard to possible risks in connection with future compliance with the contractually fixed targets for the financial covenant, please also refer to the "Financial risks" section of the opportunity and risk report.

To hedge the future cash flows (interest payments) from the variable credit facility at that time, we concluded two zero-cost collars for EUR 150 million in the 2023 financial year. This hedged two thirds of the Term Loan B exposure (EUR 225 million) with a term of around 1.5 years. The cap strike is 4.25 %. The average floor is 3.275 %. The negative market values of the interest rate derivatives amounted to EUR 0.6 million as at the balance sheet date. With the last fixing on January 17, 2025, the cash flows from the zero cost collars are fixed until the end of the term in July 2025.

In addition, we enter into forward exchange transactions and currency swaps in order to exchange cash inflows and outflows in foreign currencies into euros or other currencies, primarily US dollars. This enables us to provide our Group companies with an optimum supply of liquid funds and to structure our financing effectively. The positive market values of the forward exchange transactions as at the balance sheet date amount to EUR 277 thousand and are recognized as current assets, while the negative market values amount to EUR 57 thousand and are recognized as current liabilities.

We also act as a lessee. The leases include, in particular, land and buildings, technical equipment and machinery, IT equipment, communication systems and vehicles. We make use of the option not to recognize short-term and low-value leases in the balance sheet and to include service rates in the lease payments. The residual carrying amounts of right-of-use assets amounted to EUR 19.7 million as at the reporting date (previous year: EUR 18.1 million), while the residual carrying amounts of lease liabilities totalled EUR 19.2 million (previous year: EUR 16.6 million).

"From the management's perspective, the Group's net assets, financial position and results of operations are satisfactory overall. The company has sustainable earning power and a balanced financing structure. The liquidity position is appropriate. However, consolidated equity is clearly negative. Overall, despite possible economic uncertainties, the Group believes it is well positioned to overcome future challenges and enable further growth.

Financial key performance indicators

Our management processes are steered by indicators that measure economic success. The key figures are intended to reflect rapidly changing market conditions so that we are capable to take targeted countermeasures to negative developments at an early stage. The key performance indicators used to manage the company are sales and EBITDA.

These key figures are recorded and monitored in our reporting system. Any deviations from plan are analyzed by management and countermeasures are taken if necessary.

Due to the size of the Group, non-financial performance indicators play a subordinate role in internal Group management.

Forecast

Overall, we see that the global economy continues to be fraught with uncertainty, for example due to the ongoing Russia-Ukraine war, the conflicts in the Middle East, continued high interest

rates and foreign trade tensions, particularly in the relationship between the USA and China. There are also some uncertainties in connection with the political environment due to the elections in various parts of the world. Taking this environment into account, the extended Executive Committee has prepared the forecast for 2025 based largely on findings compiled by our internal information teams, taking into account industry studies (e.g. from GlobalData, S&P Global) and regional economic forecasts (e.g. from the IMF).

For 2025, we expect sales in the region of EUR 700 million. This assumes raw material prices at the level of the second half of 2024. Should procurement prices change significantly, we assume that we will be able to pass these on to our customers to a large extent. The sales level would change accordingly.

We expect EBITDA to be in the range of EUR 100 million to EUR 110 million. The improvement will be supported by the expected volume growth in North America, India and South America, the global growth in industrial resins and the measures to optimize the cost structure. In more stagnating markets - we expect Europe to remain weak (deindustrialization) - the focus will be on further optimizing the cost position in production, sales and administration and on reviewing our production sites.

As expected, the beginning of 2025 was difficult in terms of European market development, with the other regions performing well. The European market is expected to recover.

Opportunities and risks report

The starting point for our opportunity management is always our operating divisions. Our close customer relationships and detailed market observations enable us to identify local, regional or global developments and trends in our product areas at an early stage. The findings we gather are verified using quantitative and qualitative market data, research projects and project plans from existing and potential customers, as well as fundamental social trends. The business strategies of the regional organizations and product lines are then aligned with the operational opportunities and economic goals identified in this way, provided they are in line with our Group strategy.

Strategic opportunities

Identifying strategic opportunities is one of the tasks of our Executive Committee in collaboration with the operating divisions. Investments and potential acquisitions and shareholdings are discussed together with the Executive Committee and part of the Management Board. In particular, information on macroeconomic, sector-specific, international, regional or local developments is taken into account. However, our main focus is on profitability and the generation of cash from the projects. Strategic projects are only implemented with the approval of the Management Board and - above a certain size - after a resolution has been passed by the Advisory Board.

By selling the Xpuris and Metallurgy businesses, we were able to increase our efficiency and reduce complexity. The further expansion of the product range in the segments (Chemicals, Materials and Industrial Resins) is a high priority for us. We will also continue to drive forward the comprehensive marketing of the entire product range at all locations. We remain particularly active in the emerging markets of Europe, Asia and Latin America, as these comparatively young markets have high growth potential. We see future opportunities for our products in the growth markets of Turkey, India and Mexico in particular.

Economic, business environment and industry opportunities

Opportunities arise for us as a result of the changing social awareness for greater sustainability. Increased environmental awareness in the face of climate change is leading to ever stricter environmental regulations and higher requirements for industrial companies worldwide (e.g. requirements for foundries to reduce chemical emissions and odors in the air (e.g. VOCs), more recycling and less disposal of waste products such as used sand or amines). From the management's perspective, our products and technologies play a key role in determining market developments in this area.

Research and development opportunities

Our research and development remains a key driver for sustainable and efficient product solutions that meet the needs of our customers and further develop our business in a future-oriented manner.

We are continuously expanding our technology platform in order to take advantage of the opportunities that present themselves to us. As our development in recent years has been largely determined by the market launch of innovations and improved products as well as a broader product range, we are convinced that we

are on the right path for the future. Market demand is met through product optimization, new product developments and product enhancements.

In Europe in particular, we see the opportunity to offer our customers products that generate added value with innovative and environmentally friendly solutions.

However, the desire for new innovative and environmentally friendly developments is not limited to Europe. Rather, a similar trend can also be seen in Asia (e.g. China or Korea), which is reflected in the growing interest in products such as INOTEC™, MAGNASET™, ECOCURE™ BLUE, etc.

Integrated risk management

Risk management is intended to identify and assess business risks so that they can be managed uniformly by the Group management. Risk management and risk reporting are based on forecast periods of at least two years. It is integrated into the strategic and operational controlling process and consists of three components:

The monitoring system ensures that risks in the central divisions and the company's locations are identified and reported in good time.

Risk Controlling then carries out a comprehensive assessment and quantification of all risks and checks the extent to which they are already hedged or should be hedged. We reduce identified risks as far as possible and economically justifiable and review the scope of hedging on an ongoing basis. In addition to operational risks, we also systematically record risks that go beyond day-to-day business.

Finally, our early warning system for extraordinary risks ensures that risk mitigation measures are taken immediately.

In accordance with our internal risk classification, we consider the following risks to be the most significant risks for our company in the order in which they are listed. The presentation is made before taking into account the effects of possible countermeasures.

Financial risks

As part of our operating activities, we are exposed to financial risks that belong to the general conditions that cannot be influenced. This primarily includes exchange rate, default, liquidity and capital market risks, which can have an impact on the financial position, net assets and results of operations. The aim of our risk management is to hedge against lasting consequences for the Group's financial performance. We also use standard derivative financial instruments for this purpose.

Despite our international focus, we are only exposed to low exchange rate risks (transaction risks). This is due to the decentralized production structure with a high proportion of production and value creation in the respective currency areas. The risks to our financial, asset and earnings situation from exchange rate developments are correspondingly limited.

The valuation of receivables can be impaired if business partners fail to meet their payment obligations. We mitigate this risk with our intensive receivables management.

We regularly discuss current and future interest rate, currency and commodity price developments as well as the use of derivative financial instruments. Interest rate risk is caused by changes in interest rates. On the one hand, they affect the amount of interest expenses, on the other hand they also influence the market value of the financial instruments.

The liquidity risk for us generally consists of not being able to meet our payment obligations on the due date due to insufficient availability of funds. We reduce this risk through several measures: Centralized financing of our Group companies provides all subsidiaries with the necessary cash and cash equivalents. Furthermore, the syndicated loan (Senior Facilities Agreement/SFA) concluded in 2022 in the amount of EUR 265 million was replaced on November 1, 2024 by a bond in the amount of EUR 325 million and a revolving credit facility in the amount of EUR 40 million. The new financing gives us sufficient financial flexibility to take appropriate measures in line with our general objective of profitable growth.

The new revolving credit facility provides for financial covenants for the Senior Secured Net Leverage Ratio, which must be met at the end of each quarter, depending on the drawdown of the revolving credit facility. This target (leverage ratio covenant at 5.75x) will be tested for the first time on June 30, 2025 if the drawdown of the revolving credit facility in cash exceeds 50 %. As at the balance sheet date, the revolving credit facility had not been drawn down. If the financial covenant had been tested as at the balance sheet date, the leverage ratio would be around 3.0x.

Based on our financial planning for the coming year and with the help of detailed model calculations beyond the financial year, we assume that the contractually fixed targets for the financial covenant will continue to be clearly met.

In view of our current high negative equity, there is a fundamental refinancing risk that our bond, which matures in November 2029, cannot be replaced or can only be replaced at unfavorable conditions. To limit this risk, we pursue a forward-looking financing strategy which, in addition to maintaining adequate liquidity reserves, focuses in particular on transparent communication with our lenders and rating agencies, as well as consistent financial reporting.

Raw material pricing volatility and supply risks

In 2024, the challenges in the chemical raw materials sector continued to be characterized by geopolitical uncertainties, volatile energy prices and regulatory tightening. Despite a slight calming of the market, the supply situation remained tense, particularly for critical products such as MDI or methanol-based raw materials.

ESG issues continue to gain in importance, particularly in view of stricter EU regulations such as the Corporate Sustainability Due Diligence Directive (CSDDD). The implementation of our new monitoring tool for supplier assessment enables proactive risk management and faster responses to compliance incidents.

In addition, the multi-supplier strategy was once again expanded further and local sources moved to the fore to strengthen resilience to market disruptions or logistics problems - an essential step in view of increasing geopolitical tensions and changing trade relations.

Country-specific and macroeconomic risks

Geopolitical and trade policy developments around the world in particular can create uncertainty for the global economy and for our business development. We are keeping a close eye on how local elections in various parts of the world will affect international trade.

Since 2022, the Russia-Ukraine war has had a significant impact on the economic situation in Europe - but also worldwide - particularly due to rising energy and raw material costs. These price increases have slowed down in 2022-2024, but prices are still volatile and have contributed to rising inflation in Europe, but also in other regions.

We are observing a deindustrialization movement in Western Europe, with some companies moving eastwards or to other regions and countries. Thanks to our global positioning, we are able to counter this risk and supply our customers in all regions.

The conflicts in the Middle East may continue to have a negative impact on global economic sentiment. Established trade routes are also less secure and significantly longer transportation routes can lead to higher freight costs.

Furthermore, a further escalation of tensions between the United States and China and a further deterioration in political relations between the world's largest economic players could lead to increased uncertainty and adversely affect both the global economic outlook and our business performance. Overall, there are still no signs of an economic recovery in the Chinese market. The US government's current customs policy is also causing additional uncertainty for our customers, particularly regarding automotive production in Mexico.

The Brazilian market, which is important for us, continues to be affected by political instability and a high inflation rate as well as an increase in interest rates. The assumption is that as long as the Chinese market does not recover, the pressure from Chinese suppliers to export more will remain.

The elections held in the USA, India and the EU Parliament in 2024 led to changes in the governments and economic policies in these countries, with an impact on international trade.

Industry risks

Recognizing market changes at an early stage is very important for our business management. We therefore periodically analyze current and medium-term economic and industry trends in order to identify emerging developments at an early stage. This enables us to adjust our planning in good time and counteract a potential downturn with appropriate operational measures to safeguard our finances and earnings. In particular, we are keeping a close eye on the automotive and foundry industries, which have a strong influence on our business. In addition, we are minimizing the negative effects of possible supplier insolvency on the procurement side with a multi-supplier strategy, for example. We counter default risks on the customer side by taking out appropriate credit insurance.

Regulatory risks

Globally, chemical regulations and environmental conditions are changing to increasingly stringent restrictions on formulations and operations. This not only represents a potential risk, but also offers us opportunities by deepening our understanding of the new restrictions and developing adapted or new products for our customers that meet these restrictions.

Regulations in the chemical and foundry industry are increasing worldwide. We employ specialists to monitor these requirements and adapt our processes to meet them.

Technological change

The development of new products and processes is a central component of our growth strategy. Our competitive position and our sales and earnings performance are significantly influenced by the development of products and processes. We can only counter the risks of technological change with an innovative product portfolio. The high complexity and dynamics of both the technologies and the markets fundamentally harbors the risk that research and development projects will not be continued for technological, economic or legal reasons and cause irreversible costs. For this reason, our projects are essentially close to our customers and their needs. Our processes are geared towards driving forward new developments together with the customer. In this way, we ensure that funds for research and development are used in a targeted manner and lead to short payback periods.

Production risks

In any manufacturing industry, plant breakdowns and business interruptions pose a risk to earnings performance. Reasons can include technical or human error, natural disasters, interruptions in the supply of raw materials or intermediate products and adverse effects in the supply chain. Regardless of the cause, these interruptions can lead to limited delivery capability or even loss of customers. We reduce this risk by operating our production capacities according to stable and integrated processes. We focus on the early detection of effects and damage minimization. When incidents occur, we mainly focus on analyzing the causes in order to eliminate triggers and identify and introduce preventive measures. So-called near-incidents can be reported using a software which thus help us to prevent potential incidents.

With the increasing market share of electric vehicles, the demand for components/cast parts for combustion engines is falling drastically. Although cast parts are also required for the electric powertrain, there is currently still a great deal of uncertainty as to which casting processes will prevail and what this means for ASK products. As not all casting processes are equally relevant for ASK, there is a risk of a decline in demand and therefore production.

In view of our global presence, we also have the option of distributing our production capacities for individual products across several locations worldwide to ensure continuity of supply for our customers.

However, the manufacture of chemical products also entails risks for people and the environment; these arise from the production, filling, storage and transportation of raw materials, products and waste. We continue to critically measure our environmental, health and safety performance, including benchmarking versus the industry as a whole. We strive for continuous improvement, always with the aim of completely preventing accidents.

We have insured property damage and business interruption damage to facilities and plants as well as environmental damage that could be caused by our production facilities to an economically justifiable extent. We reduce potential product risks, such as liability claims due to product defects, through the high quality and safety standards of our products and continuous quality control.

Management's overall statement to the risk and opportunity situation

At the end of this reporting year, the management continued to analyse intensively the risks of all Group companies and possible interactions. Any opportunities associated with the risks were not taken into account.

The review of the overall risk situation for us resulting from various individual risks led to the following assessment:

Overall, we currently classify the overall risk situation of our company as manageable. Organizationally, we have created all the conditions necessary to become aware of emerging changes in the risk situation at an early stage and to take immediate countermeasures. The management carried out a thorough review and successfully adapted the entire organization to adjust to the rapid changes in the economy.

With the refinancing of the ASK Chemicals Group completed in the second half of 2024, we believe we are in an appropriate financial position for 2025. Thanks to our broad, global focus, we expect to be able to reduce the effects of regional risks.

The global trend towards greater sustainability in economic activity continues to represent a great opportunity for us, as increased environmental awareness is reflected in ever stricter regulations for industrial production processes. We are very well positioned in this area with our products and technologies for the foundry industry. We continue to improve our operating result, in particular through cost optimization and high-quality products for our customers.

Hilden, April 17, 2025

Luiz Totti

Independent Auditor's Report

To ASK Chemicals International Holding GmbH, Hilden

Opinions

We have audited the consolidated financial statements of ASK Chemicals International Holding GmbH, Hilden, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from January 1 to December 31, 2024, and notes to the consolidated financial statements, including significant information on the accounting policies. In addition, we have audited the group management report of ASK Chemicals International Holding GmbH for the financial year from January 1 to December 31, 2024.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of December 31, 2024, and of its financial performance for the financial year from January 1 to December 31, 2024, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and the group management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Section 317 HGB and the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the group management report.

Responsibilities of Management for the Consolidated Financial Statements and the Group Management Report

Management is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU.
- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by management in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Düsseldorf, April 22, 2025

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Kadlubowski
Wirtschaftsprüfer
[German Public Auditor]

Lusmeier
Wirtschaftsprüfer
[German Public Auditor]