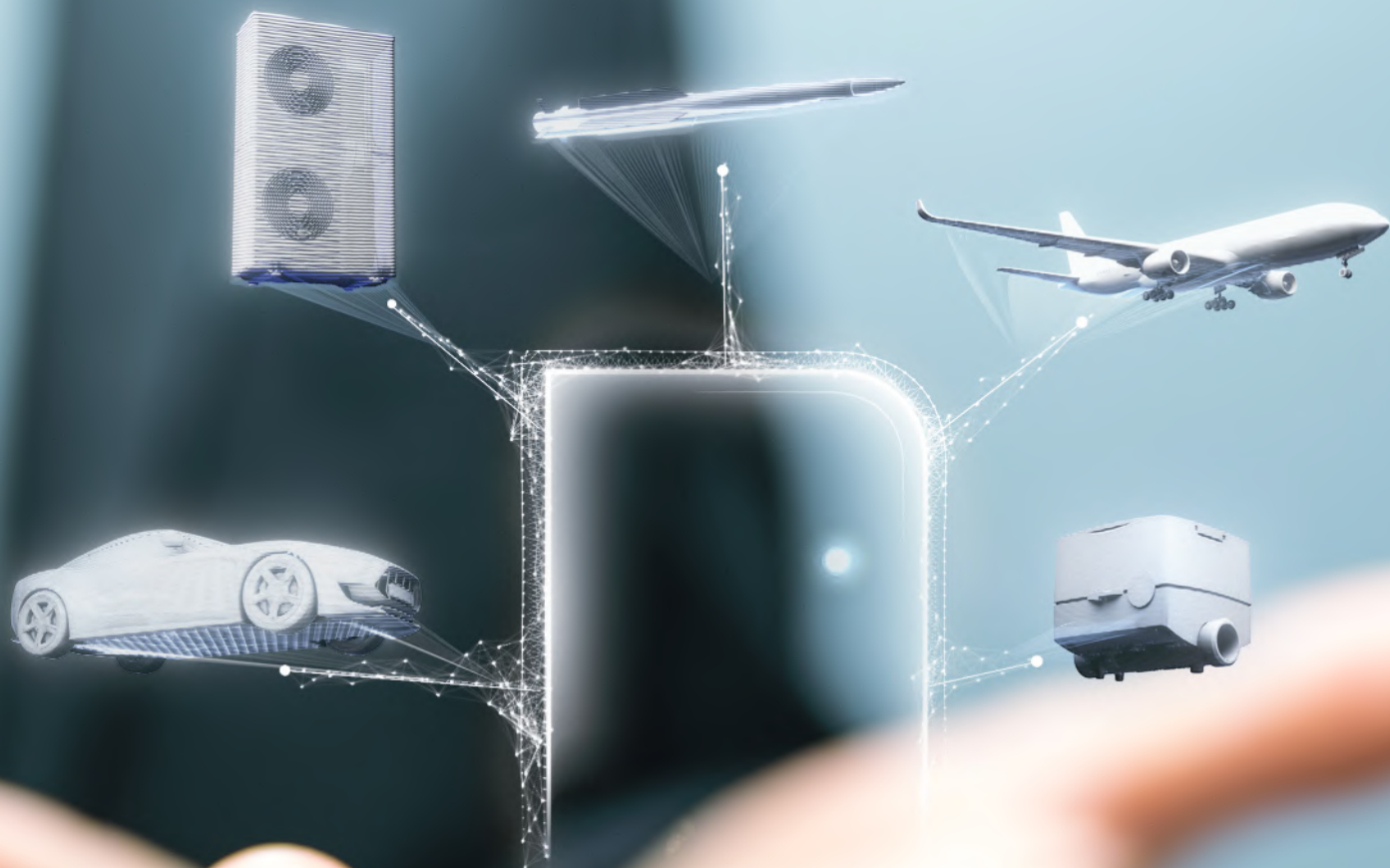


DIEHL



ANNUAL REPORT 2024

MANY SOLUTIONS, ONE GROUP

He was the grand seigneur of our company



Lawyer

Werner Diehl

Entrepreneur and patron

Honored with the Cross of Merit on Ribbon of the Order of Merit of the
Federal Republic of Germany and the Bavarian Order of Merit

* June 1, 1946

† April 10, 2025

With deep respect for his extraordinary life's work and his social and cultural commitment,
we pay homage to a remarkable personality.

Werner Diehl shaped the Diehl family business with great passion, entrepreneurial prudence and exemplary social responsibility.





THE STRENGTH TO OPERATE FLEXIBLY

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2024: the company's growth trend remained encouraging – 2025: despite somewhat challenging conditions, Diehl expects further growth and a significant increase in sales.

Despite the challenging macroeconomic situation, Diehl again performed well overall and recorded strong growth in the reporting year.

The Group's sales rose to €4,695.8 million and thus were €813.2 million, i.e., 20.9% above the previous year's value (€3,882.6 million). EBIT increased significantly from €257.6 million to €460.3 million.

The company continued its encouraging growth trend in 2024, though its individual corporate divisions showed varying developments. Many of the targets were achieved during the reporting year, and some were even exceeded. At the end of the year, sales were in line with expectations and earnings exceeded the forecast.

In the reporting year, the **Metall Corporate Division**, with its four strategic business segments, was once again exposed to strong fluctuations in the markets served which led to significant challenges at all locations. Diehl Metall experienced a decline in sales compared to the previous year

due to the persistently weak situation in the automotive and sanitary industries. Owing to its extensive development expertise, the company is valued as a competent partner to the international automotive industry in the development of pioneering solutions, including components for cooling systems and power modules as well as parts for sensor technology and contact systems for battery storage.

Sales at **Diehl Controls** in 2024 were also below expectations due to the continued weakness in the main markets of white goods and heat pumps. The situation in Europe, in particular, proved to be challenging due to a massive slump in the heat pump inverter business. Political disagreements and regulatory uncertainty continue to hinder the development of this important future technology, which is central to both European sustainability targets and independence from imported fuels. Nonetheless, Diehl Controls continues to focus on the undeniable advantages and long-term success of the heat pump business segment. The corporate division has successfully started producing electronics for the Aerospace & Defence market segment.

The business activities of **Diehl Defence** continued to be determined by the persistent high demand in the reporting year as well, resulting in a further positive development of the corporate division. The current situation regarding security policies continued to result in a sustained high level of procurement activities for the German contracting authority and other European NATO partners. An important long-term framework agreement for 155mm artillery ammunition enables the industry to develop the necessary national capacities and capabilities in Germany.

Due to the continued increase in aircraft orders, **Diehl Aviation** experienced a significant improvement in business. In 2024, the aviation industry continued its stable growth and international demand for air travel reached a new historic high. For Diehl Aviation as a major international aviation supplier, this continuing positive trend is very gratifying. Diehl Aviation's products and services continue to be in high demand among aircraft manufacturers and airlines, both for original equipment and after-sales support. This has enabled the company to significantly increase its sales in 2024.



Diehl Metering continued its positive development from recent years in 2024, recording further growth. This is a welcome result, considering the many challenges the measuring and metering industry is currently facing. In addition to increasing price pressure and fierce industry-wide competition, political and economic factors also strongly impact customers' scope of action in their respective regions of the world. Despite these influences, Diehl Metering strengthened its global position as a leading manufacturer of smart water meters, moving up further in the global ranking of water meter manufacturers.

Investments reached a record high of €332.3 million (previous year: €230.2 million) in the reporting year. At €397.0 million, expenditure on **research and development** increased significantly in 2024 when compared to the previous year (€342.5 million).

Considering the Diehl Group's well-established market position and the diverse portfolio of its five corporate divisions, there is a strong belief in the company's ability to maintain steady and sustainable growth, taking into account both the potential opportunities and risks. Diehl expects sales to increase to more than €5 billion this year as well as a moderate improvement in earnings.

The limited partnership Diehl Stiftung & Co. KG is managed by Diehl Verwaltungs-Stiftung, the general partner. Executive Board and Supervisory Board are the organs of Diehl Verwaltungs-Stiftung.

Organization

Within the spectrum of possible holding formations, Diehl has opted to operate under the umbrella of a strategic management holding company, with corporate divisions that manage their business operationally and strategically with a customer-oriented product and technology portfolio. This combines the advantages of a globally operating large corporation with smaller business segments that are very close to the market and operate independently and flexibly.

Supervisory Board

As one of two executive bodies of the holding company, the Supervisory Board decides on all fundamental matters of Diehl Stiftung & Co. KG; it provides advice and supervises the Executive Board.

The Supervisory Board is composed of the following members: Markus Diehl (Chairman), Konstantin Diehl, Klaus Helmrich and Frank Felix Werdin.

Executive Board

The Executive Board manages the business operations of Diehl Stiftung & Co. KG and represents it externally. Overall responsibility for issues of strategic importance and topics that are relevant to the entire Group lies in the hands of the Executive Board.

The Executive Board consists of the following members: Jens Böhlke, Dr. Christof Bosbach, Dieter Landgraf, Helmut Rauch, Jürgen Reimer (President), Dr. Jörg Schuler and Carsten Wolff. The Executive Board circle also includes the Senior Vice Presidents Dr. Elisabeth Hauschild, Bernd Joeris and Michael Prymelski.

Organizational status as of June 2025

Organizational status as of June 2025

Diehl Metall Stiftung & Co. KG

Diehl Brass Solutions
Röthenbach a. d. Pegnitz

Diehl Metall Schmiedetechnik
Röthenbach a. d. Pegnitz

Diehl Advanced Mobility
Zehdenick

Diehl Augé Découpage
Besançon/France

Diehl do Brasil Metalúrgica
São Paulo/Brazil

Diehl Electronic Components
Wuxi/China

Diehl Metal Applications
Berlin
Teltow

Diehl Metal India
Pune/India

Diehl Power Electronic
Siaugues Sainte-Marie/France

**Diehl SynchroTec
Manufacturing**
Wuxi/China

Diehl Werkzeugbau Seebach
Seebach

Franconia Industries
Elk Grove Village, Illinois/USA

**SMH Süddeutsche Metall-
handels-gesellschaft**
Röthenbach a. d. Pegnitz

Diehl AKO Stiftung & Co. KG

Diehl AKO
Wangen
Nuremberg

Diehl Controls Polska
Namysłów/Poland
Wrocław/Poland

Diehl Controls (Nanjing)
Nanjing/China

Diehl Controls (Qingdao)
Qingdao/China

Diehl Controls Mexico
Querétaro/Mexico

Diehl Controls Development
Center Querétaro
Querétaro/Mexico

Diehl Controls North America
Naperville/USA

Diehl Controls Romania
Brasov/Romania

Diehl Defence GmbH & Co. KG

Diehl Defence
Überlingen
Röthenbach a. d. Pegnitz
Laupheim
Nonnweiler-Bierfeld
Nonnweiler-Mariahütte
Todendorf
Berlin Office
Koblenz Office
Abu Dhabi/U.A.E. Office
Bangkok/Thailand Office

AIM Infrared Modules
Heilbronn

Diehl Energy Products
Röthenbach a. d. Pegnitz

Diehl Retrofit Missile Systeme
Überlingen

DD Präzisionsteile
Überlingen

DynITEC
Troisdorf

EuroSpike
Röthenbach a. d. Pegnitz

GIWS
Nuremberg

JUNGHANS Microtec
Dunningen

JUNGHANS T2M
La Ferté Saint Aubin/France

PARSYS
Schrobenhausen

RAM-System
Ottobrunn

Diehl Defence Verpackungssysteme
Röthenbach a. d. Pegnitz



Diehl Aviation Holding GmbH

Diehl Aviation Laupheim

Laupheim
Debrecen/Hungary
Hamburg
Nyírbátor/Hungary
Querétaro/Mexico
Tianjin/China
Toulouse/France

Diehl Aviation Gilching

Gilching
Dresden
Bangalore/India

Diehl Aviation Hamburg

Hamburg

Diehl Aerospace

Überlingen
Donauwörth
Everett, Washington/USA
Frankfurt am Main
Hamburg
Nuremberg
Rostock
Singapore
Sterrett, Alabama/USA
Toulouse/France

Diehl Aviation

Dubai/U.A.E. Office
Everett, Washington/USA Office
North Charleston Office
South Carolina/USA
Beijing/China Office

Diehl Metering GmbH

Diehl Metering/Germany

Ansbach
Nuremberg
Apolda

Diehl Metering/China

Jinan

Diehl Metering/Denmark

Esbjerg

Diehl Metering/Great Britain

Halifax

Diehl Metering/Italy

Milan

Diehl Metering/U.A.E.

Dubai

Diehl Metering/Austria

Vienna

Diehl Metering/Poland

Bažanowice

Diehl Metering/France

Saint-Louis

Diehl Metering/Singapore

Diehl Metering/Spain

Madrid

Diehl Metering/Sweden

Karlskrona

Diehl Metering/USA

Lisle

Basic Economic Conditions

The German government's Annual Economic Report makes it clear that Germany's economic output fell by 0.3% last year due to the indirect consequences of ongoing Russian aggression against Ukraine, higher (key) interest rates, relatively weak global economic development, a high sickness rate and increasing structural challenges (source: Annual Economic Report of the Federal Government 2024, page 10). The German economy was more severely affected in its development than other major Western economies due to its former heavy dependence on Russian energy supplies, comparatively high share of industry in the creation of value and strong focus on foreign trade. Having largely overcome the immediate economic consequences of the COVID-19 pandemic in 2022, Germany succeeded in avoiding supply bottlenecks and working towards decreasing energy prices last year (source: ibid page 156).

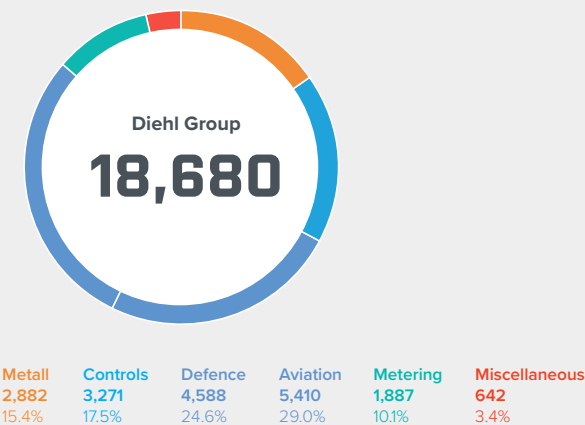
The economic survey conducted by the Association of German Chambers of Industry and Commerce (DIHK) at the beginning of the year predicted that 2025 would prove to be another crisis year for the German economy, following two years of recession (source: DIHK economic survey in February 2025). For the year as a whole, the DIHK expects the gross domestic product to decrease by 0.5%. According to the survey, the business expectations of companies will remain almost unchanged and dismal. The industry is suffering from a lack of domestic orders. Not to mention the numerous structural concerns such as high energy and raw material prices, oppressive labor costs and uncertain economic policy conditions. Even though the global economy is reasonably robust, companies in the manufacturing sector do not expect much impetus from foreign business either. This is weighing on overall business expectations: only 14% of companies expect improvement in the next twelve months, while one-third expect business to deteriorate (source:

ibid). The first part of the "ReArm Europe" plan involves EU member states using public funds for defence at the national level. The member states are prepared to invest more in their own security, provided there is budgetary flexibility. The second part consists of a new instrument that will provide member states with EUR 150 billion in loans for defence investments, enabling them to invest more effectively and, above all, collectively. This involves developing expertise in areas such as air and missile defence, artillery systems, missiles, ammunition drones, drone defence systems as well as cyber defence and military mobility. The third part involves leveraging the strength of the EU budget to increase funding for defence investments. This means that the defence market remains a special case due to the situation.

SALES PER CORPORATE DIVISION (in million euros)



EMPLOYEES PER CORPORATE DIVISION



**Business development
of the Diehl Group**

At Group level, the key performance indicators for business development are sales as well as earnings (EBIT).

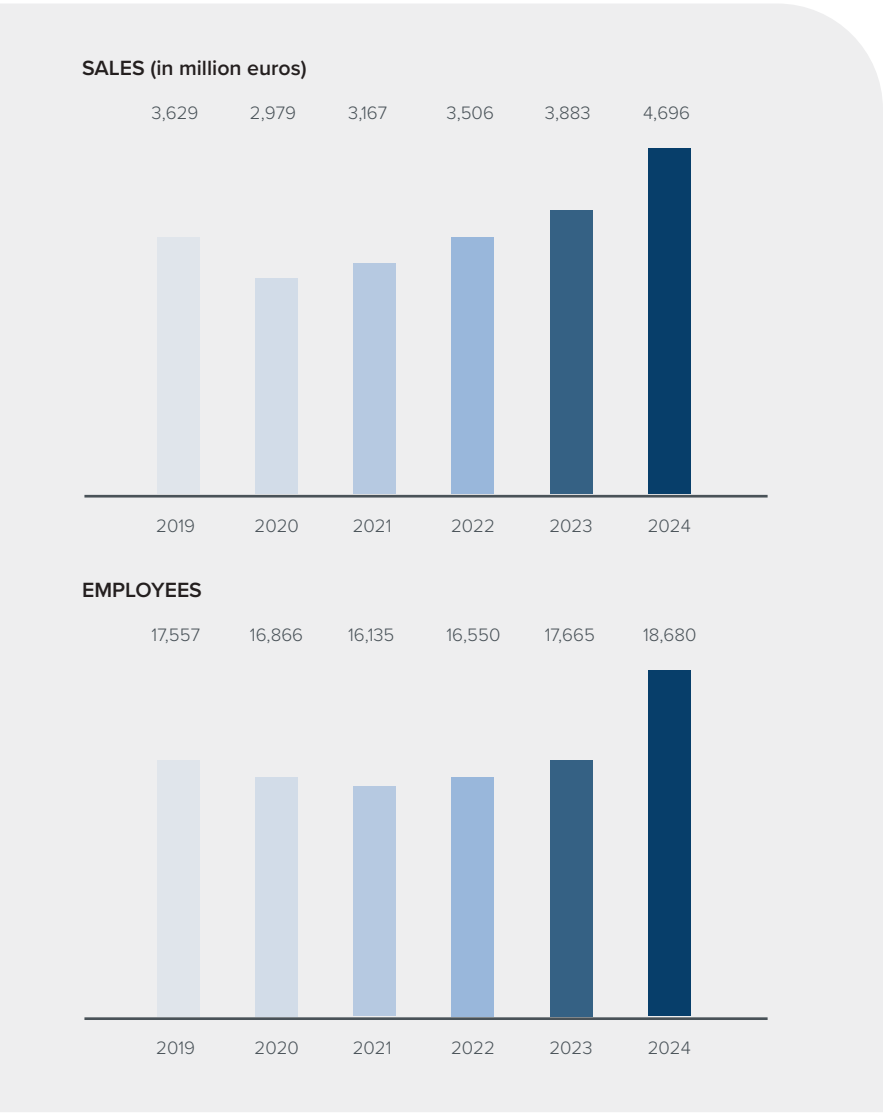
Despite the challenging macroeconomic situation, Diehl again performed well overall and recorded strong growth in the reporting year. The Group's corporate sales rose to €4,695.8 million and thus were €813.2 million, i.e., 20.9% over the previous year's value (€3,882.6 million). EBIT increased significantly from €257.6 million to €460.3 million. The company continued its encouraging growth trend in 2024. However, in terms of individual corporate divisions, only Defence and Aviation were boosted by the positive industry environment, while Metall and Controls were impacted by the negative economic situation in their respective domains. Despite the deteriorating market environment, the Metering Corporate Division was able to continue its positive upward trend of recent years. However, it should be noted that, in 2024 as well, all units did their absolute best on the market thanks to their tremendous commitment. Thus, the Group's broad presence on the market has once again proven its worth in efficiently guiding the entire company through challenging times. Many of the targets were achieved during the reporting year, and some were even exceeded. At the end of the year, sales were in line with expectations and earnings exceeded the forecast.

In view of the persistently weak situation in the automotive and sanitary industries, the Metall Corporate Division failed to meet its budgeted targets. The same holds true for the Controls Corporate Division, which recorded a continued decline in consumer sentiment in the Home Appliance market and ongoing

uncertainty among customers in the heat pump market. Diehl Defence continued the significant growth of previous years due to the sustained high demand for ground-based air defence systems, missiles and ammunition. Diehl Aviation was also able to record a further significant improvement in business in the reporting year in view of the continuing increase in volumes. The products and services of the corporate division continue to be in high demand among aircraft manufacturers and airlines, both for original equipment and after-sales support. Diehl Metering continued its sustained growth and strengthened its position in both

established and new markets by developing local production capacities and increasing customer proximity.

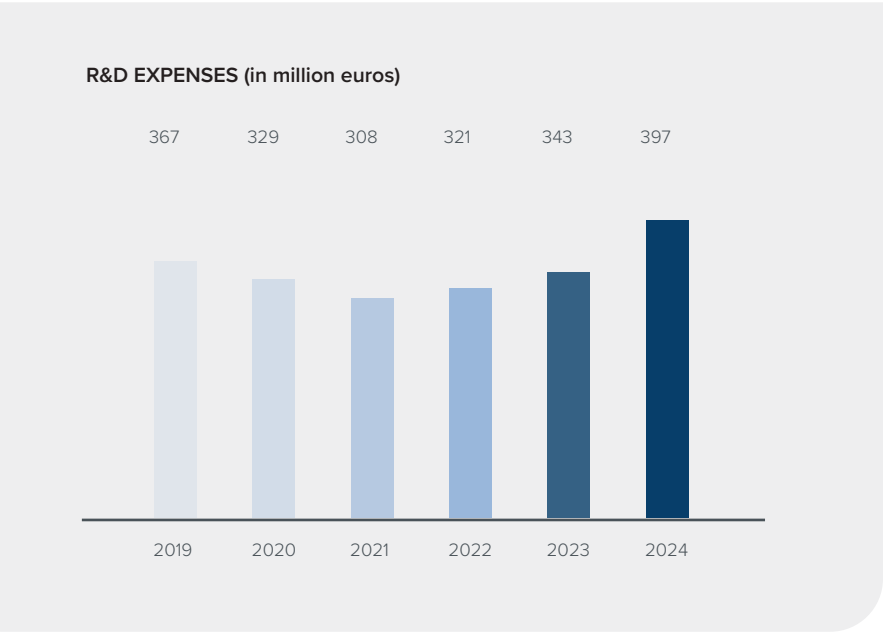
Compared with last year's reporting date, the number of employees increased by 1,015 persons, i.e., 5.7% - to now 18,680 employees due to the continued rise in business volume, particularly in the Defence (816) and Aviation (460) corporate divisions.



Fiscal Year 2024

Aspects of the Financial Situation
[Financial Position and Cash Flows]

The balance sheet total increased by €738.2 million to €4,041.5 million in the fiscal year 2024. Fixed assets increased by €234.6 million to €1,005.8 million due to continued high investments in the expansion of production capacities. Inventories excluding advance payments received amounted to €1,996.0 million, compared to €1,610.0 million in the previous year. This increase was offset by a rise in advance payments received from €2,245.3 million to € 2,781.0 million. Receivables and other assets rose by €110.0 million to €800.0 million due to the increase in trade receivables resulting from higher business volume. On the liabilities side, equity increased from €667.8 million to €992.7 million as a result of a higher net income for the year. Equity ratio improved from 20.2% to 24.6%. Provisions increased by €91.5 million to €1,391.0 million due to higher risk management measures for orders on hand and personnel obligations. The €314.1 million increase in liabilities to €1,572.1 million resulted mainly from increased business volume, which was reflected in advance payments received and trade payables. Liquid assets increased by €368.3 million to €2,014.3 million mainly due to payments received from advance payments in the fiscal year 2024 and, less current financial liabilities of €25.6 million, resulted in cash and cash equivalents of €1,988.7 million compared to €1,623.6 million last year. Cash flow from operating activities fell by €960.6 million to €697.5 million. This decline was primarily driven by a €535.7 million decrease in advance payments received on orders compared to a €1,574.4 million increase during the same period last year.



After deducting the negative cash flow from investments of €276.9 million, free cash flow amounted to €420.6 million. In the reporting year, there was an outflow of €54.7 million from cash flow from financing activities.

Advance investments

The total value of investments in intangible assets and property, plant and equipment amounted to €332.3 million in the reporting year (previous year: €230.2 million) and thus reached a record high. The largest investments were made at Diehl Defence KG, Diehl Aerospace, Junghans Microtec and Diehl Metal Applications. Diehl Metall installed a photovoltaic system with over 9,300 modules on the roofs of the production halls of Diehl Brass Solutions in Röthenbach. The system will achieve a total output of around 4,145 kWp during operation, making a valuable contribution to securing energy and reducing CO₂ emissions at the site. The previous year, a new production building was constructed at DMA in Teltow. The necessary new machines and systems were then installed, primarily for manufacturing highly technical products for the automotive and electrical industries. At the Controls Corporate Division, investments were primarily made at the Wangen site to start the production of electronics for the Aerospace & Defence market segment in order to meet the corresponding demand both from Diehl Group

corporate divisions and external customers. The Aviation Corporate Division advanced the further expansion of internationalization, reaching a new dimension in the reporting year with the groundbreaking of a new location in Querétaro, Mexico. The Customer Service Center in Singapore was also expanded to serve this important growth region more efficiently. As part of the ongoing growth initiative, Diehl Defence continued its investment activities in the reporting year. This includes, in particular, the continuation of construction activities at the existing locations in Überlingen, Röthenbach and Nonnweiler, as well as additional capacity expansion and investment measures at the new locations. In Metering, investments were made in particular to expand strategic capacities and technologies to significantly increase production capacities at the Bażanowice (Poland) and Lisle (USA) sites. The expenditure on research and development of €397.0 million in 2024 was more than that in the previous year (€342.5 million). As in previous years, expenditures are mainly associated with developments in the Defence and Aviation corporate divisions.

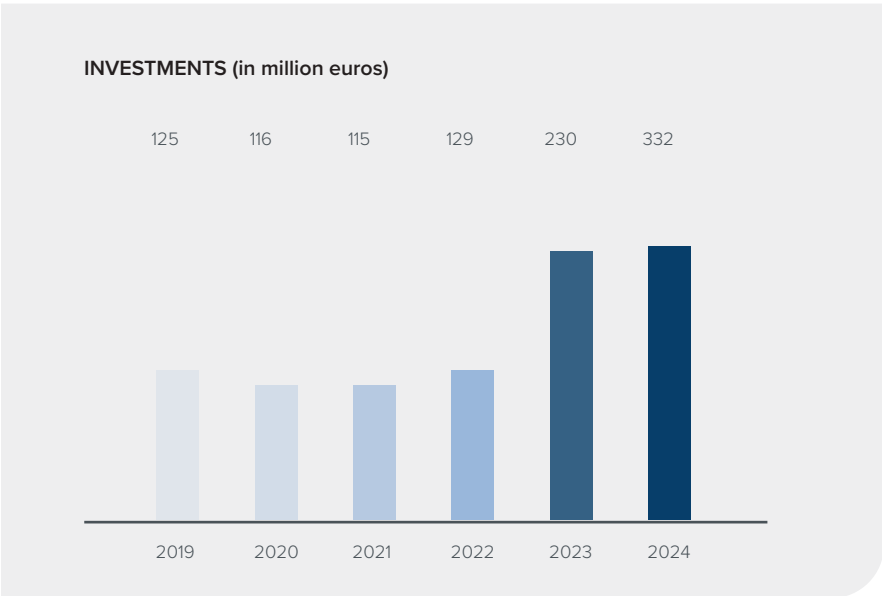
Corporate Legal Changes

The reporting year saw the following changes in the corporate structure:

In the summer of the reporting year, Diehl Defence and TAUBER Holding Germany GmbH established the joint venture “TD Services GmbH.” This venture utilizes the overlapping expertise of the companies to complement each other’s competencies, ensuring a significant contribution to the urgent need for ammunition stockpiling in the Federal Republic of Germany. Dynamit Nobel GmbH was acquired to secure the Troisdorf site of DynItec GmbH in the long term. Additional investment can now be made to expand the capacity within this property.

To expand the international presence and improve customer proximity of the Diehl Aviation Corporate Division in the Americas, Diehl Aviation de México S. DE R.L. DE C.V. was founded in Querétaro. Diehl Rail India Private Ltd., which offers state-of-the-art fire protection solutions, was established in partnership with Rail India to use the existing expertise in the important growth market of rail transportation, in addition to its traditional aviation business.

Diehl’s Metering Corporate Division has acquired PREVENTIO GmbH in Frankfurt/Main, a company that will expand the Analytics & Services division of Diehl Metering with water loss management software, specific expertise and innovative functionalities.





FUTURE-ORIENTED SOLUTIONS.

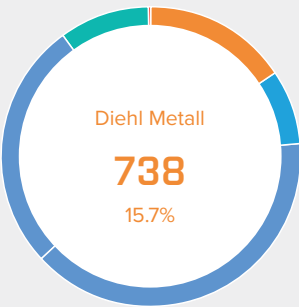
In the reporting year 2024, the Metall Corporate Division, with its four strategic business segments, was once again exposed to strong fluctuations in the markets served which led to significant challenges at all locations.

Diehl Metall thus experienced a decline in sales compared to the previous year due to the persistently weak situation in the automotive and sanitary industries. As a result, it failed to meet its budgeted targets. The major fire at Diehl Metal Applications in Berlin caused considerable damage to buildings and equipment and had a particularly negative impact. Despite the rapid response times, the comprehensive damage-limitation measures and the exemplary commitment of everyone involved, production capacity decreased by one-third as a result of this incident. This led to a corresponding loss of sales. Capacities were proportionately adjusted in response to the loss of orders at other locations of the corporate division due to the economic situation. Although a slight recovery is expected this year, all cost-cutting measures introduced thus far will continue in order to return to a path of stable growth.

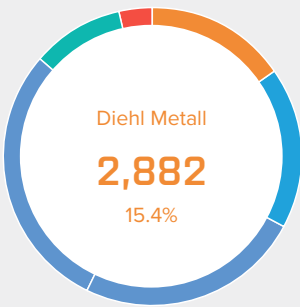


Fiber-reinforced plastic and overmolded metal parts are used at Diehl Metall.

SALES OF DIEHL METALL (IN MILLION EUROS)



EMPLOYEES at DIEHL METALL



The drastic economic downturn in the construction and sanitary sectors particularly affected Diehl Brass Solutions, a strategic business segment (SBS), which faced one of its most challenging fiscal years in 2024. To respond systematically to this development and maintain its position as a reliable pillar of the corporate division's business, Diehl Brass Solutions reduced capacities and resolutely used all available tools for planning and managing production.

Due to the undisputed advantages of brass as a material and its indispensable role in many industries thanks to its versatility and durability, Diehl Metall continues to rely on the company's proven innovative strength and the consistent expansion of its tried-and-tested product range.

For example, the new eZeebrass brand was successfully launched as a lead-free standard alloy for customers. eZeebrass has now also been approved by the German Environment Agency (Umweltbundesamt) as a material for use in the sanitary sector. The approval of a major investment in a new extrusion press at the beginning of the year lays the foundation for further growth. Important measures for highly efficient production and further reduction of the CO₂ footprint were also taken with the same commitment. Diehl Metall has long prioritized sustainability in the context of circular economy. This commitment is evident in the company's steadily increasing recycling rate. The company now obtains a significant portion of its electricity supply from renewable energies.

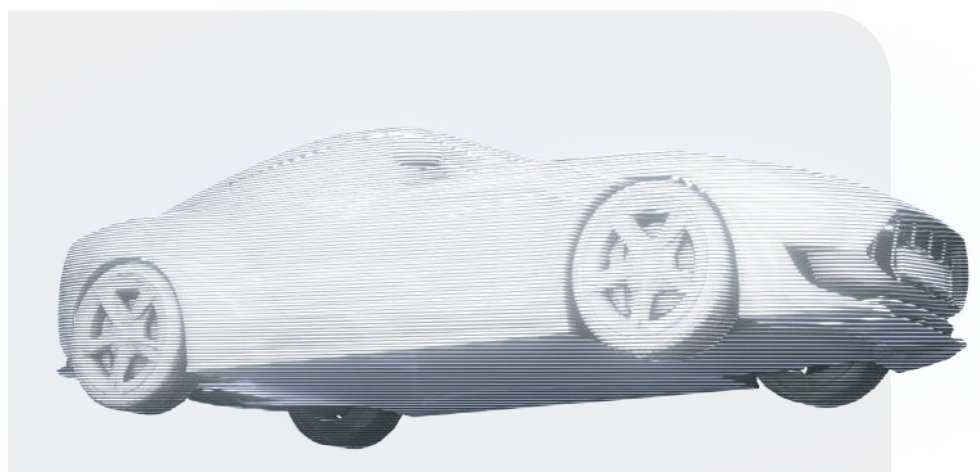
SBS Diehl Metal Forgings achieved a solid fiscal year in 2024 thanks to its proactive planning in anticipation of a decline in sales due to falling global demand for synchronizer rings. The locations in China and Brazil, in particular, contributed to this. Meanwhile, the situation in Europe showed a dichotomy: a strong first half of the year was followed by a second half that was characterized by widespread market weakness for formed brass parts in both the automotive and non-automotive sectors. This market weakness in Europe is currently ongoing and is expected to persist throughout the year. Given this development, the company will continue to significantly reduce its dependence on classic combustion engines and expand its product range of brass formed parts for the non-automotive sector. This will be accompanied by a corresponding expansion of production capacity.

SBS Diehl Metal Applications faced numerous challenges in 2024. This was due, in particular, to the serious fire at the Berlin location, as well as deteriorating economic conditions and a decline in orders in core markets. Although comprehensive insurance benefits covered a large part of the economic loss, the company's activities were significantly impaired for months due to this major damage. The noticeable decline in orders, primarily from the industrial sector, which began in the previous year, is closely linked to the high production costs in Germany, which are becoming an increasingly problematic issue in international competition. Nevertheless, the company is confident that it can strengthen its market position again by restoring lost production capacity to the required state-of-the-art level. The company's international presence should also make an important contribution here.

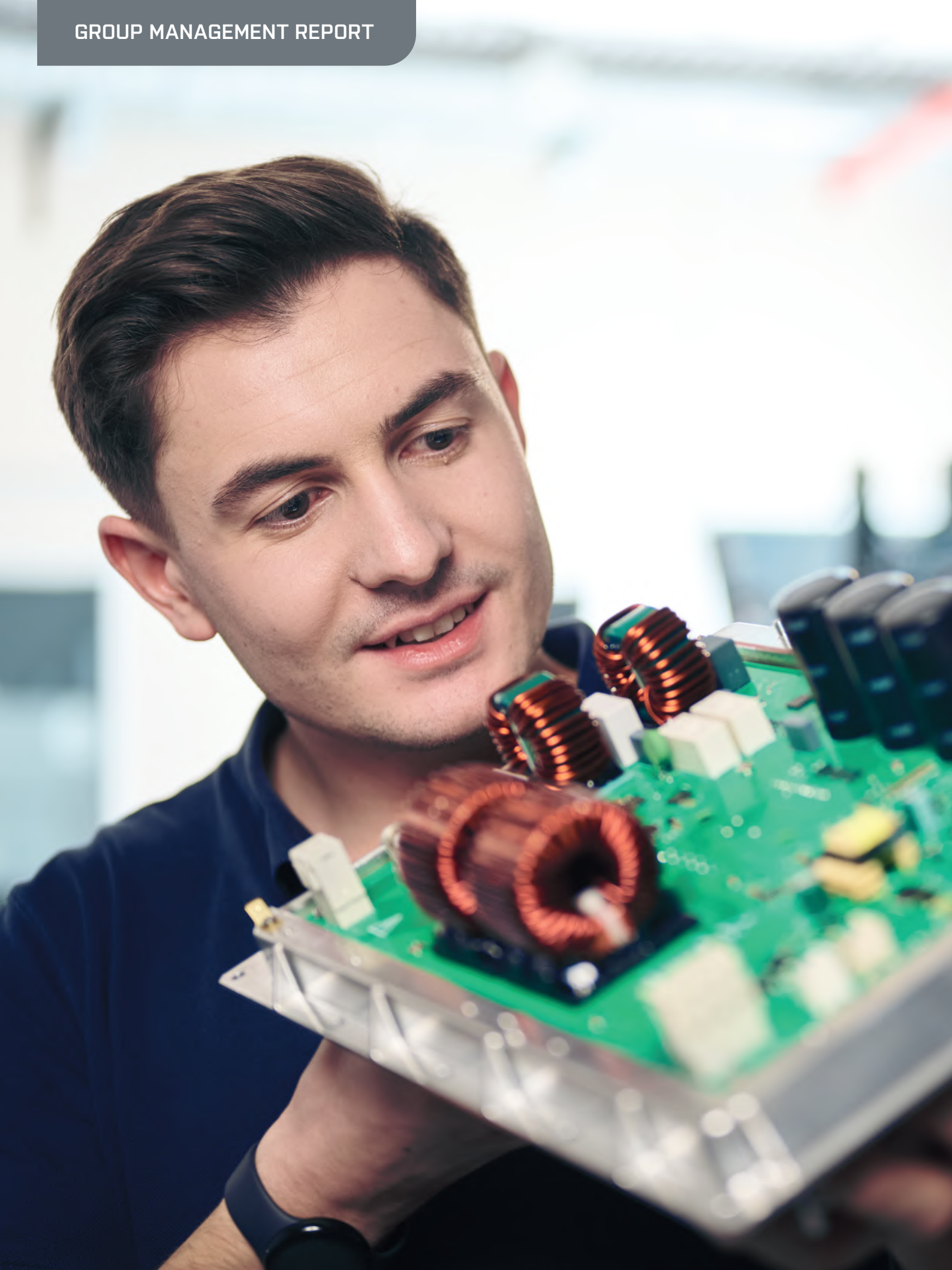
In the reporting year, SBS Diehl Advanced Mobility continued to face the challenges of a rapidly weakening e-mobility market with its core product of cell contact systems for electric and hybrid drives.

Although market demand remained relatively robust in the first quarter of 2024, it declined drastically in the second quarter and continued to decline throughout the rest of the year. Despite intensive efforts, the SBS was unable to adequately adjust its capacities due to the short-term nature of the market downturn. Since there is no visibility of a change in demand in 2025, the necessary capacity adjustments will continue in order to adequately address the new situation.

In the face of widespread market weakness in key regions, the Metall Corporate Division once again demonstrated its ability to quickly adapt to changing requirements in 2024 thanks to the flexibility and commitment of all employees. Such level of commitment will be absolutely essential in the current year as well, in order to ensure that we return to a path of sustainable growth. The significant investments currently underway at the Röthenbach site demonstrate Diehl Metall's commitment to a forward-looking and sustainable approach to brass products.



Numerous Diehl Metall products are used in the automotive industry



FEEL THE DNA OF ELECTRONICS.

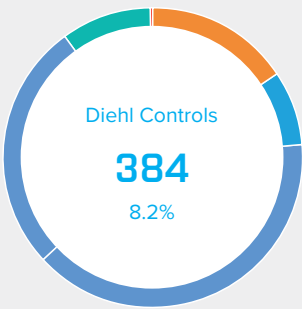
Sales at Diehl Controls in 2024 were also below expectations due to the continued weakness in the main markets of white goods and heat pumps. The situation in Europe, in particular, is proving to be challenging due to a massive slump in the heat pump inverter business.

Political disagreements and regulatory uncertainty continue to hinder the development of this important future technology, which is central to both European sustainability targets and independence from imported fuels. Nonetheless, Diehl Controls continues to focus on the undeniable advantages and long-term success of the heat pump business segment. The ongoing real estate crisis in China has also influenced consumer behavior regarding white goods on the important market there; demand only began to rise in the summer due to targeted government subsidies, ultimately leading to a stabilization of Diehl Controls' sales in Asia. Overall, the American market also showed positive development.

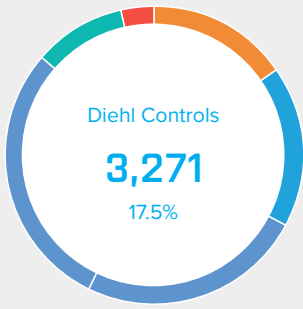


Diehl Controls tests its inverters with the human eye as well as with technical aids.

SALES OF DIEHL CONTROLS (IN MILLION EUROS)



EMPLOYEES at DIEHL CONTROLS



Despite the unsatisfactory demand situation, Diehl Controls has further expanded its customer and product portfolio to include several important Asian companies in the heating, ventilation, air conditioning and refrigeration (HVAC/R) segment. Prospective customers were also added in the Home Appliances and Professional Appliances segments. The launch of a battery management system for light commercial vehicles in Poland was a success. The successful start of electronics production for the Aerospace & Defence market segment is very important for the corporate division for securing its Germany site. The expansion of this promising product segment is being actively driven to meet the growing demand from both the Diehl Group's corporate divisions and external customers. To this end, new organizational structures were

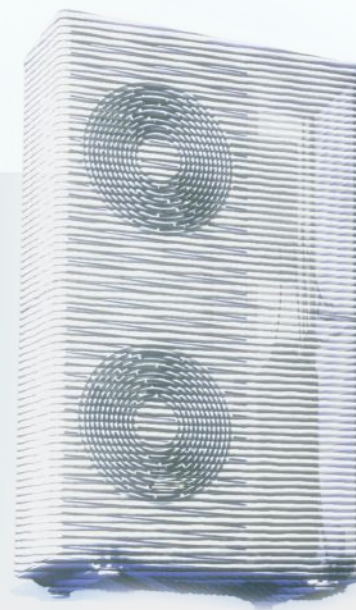
established and extensive investments were made at the Wangen site.

Business growth over the past few years clearly demonstrates that the market for Diehl Controls products has undergone a long-term change. This trend will continue in the coming years. This is forcing Diehl Controls to transform its business and adjust its personnel capacities. To this end, an efficiency program was launched and vigorously pursued in five defined modules in the reporting year. This program also involves adjusting personnel capacities in all regions. With this in mind, a socially responsible downsizing plan was agreed upon with the collective bargaining partner at the Wangen site, which has been in place since September 2024. This transformation of the company will continue in the current year. The focus remains on customer proximity, technology-driven customer solutions and efficiency. To this end, Diehl Controls will introduce new operating models tailored to the respective markets and customers, and combine the strengths of its sites more effectively. For the strategically defined target markets of Home Appliance, Professional Appliance, HVAC/R, Industrial Electronics and Aerospace & Defence, focusing on a value chain geared towards their respective needs should ensure greater customer satisfaction. Diehl Controls will step up all activities that support the decarbonization of industry and society, thus placing the topic of sustainability further at the heart of its focus. Today, Diehl Controls' efficient drive controls are already reducing CO₂ emissions from household appliances by hundreds of thousands of tons. Since 2022, all Diehl Controls plants have complied with the

global environmental standard DIN ISO 14001 and have been successfully recertified since then. To further increase the company's sustainability, the CO₂ footprint for Scopes 1, 2 and 3 was also determined in accordance with the Greenhouse Gas Protocol. Diehl Controls is now setting its own targets for reducing CO₂ emissions based on the "Science-Based Targets Initiative" and pursuing a corresponding action plan. This will include, among other things, supplying the Polish site entirely with green electricity starting this year.

The economic outlook for 2025 is inconsistent across the globe. Given the low growth in economic output forecast for Europe, demand in the white goods sector will change little, and interest in heat pumps will

also remain below initial expectations. In China, on the other hand, production volumes are expected to grow if government subsidies continue. Diehl Controls expects positive one-off effects for the business from the ramp-up, with new and existing customers in the HVAC/R, Aerospace & Defence (A&D), Professional Appliances and Light Commercial Vehicles sectors. The start of major projects in the Home Appliances sector will also further strengthen the business. With necessary capacity adjustments and an ongoing efficiency program, Diehl Controls sees itself well on its way to returning to a path of stable growth as a proven innovation and development partner for its customers.



Inverters from Diehl Controls are installed in heat pumps, among other things



TECHNOLOGY FOR PEACE AND FREEDOM.

The business activities of Diehl Defence continued to be determined by the persistent high demand in the reporting year 2024 as well, resulting in a further positive development of the corporate division.

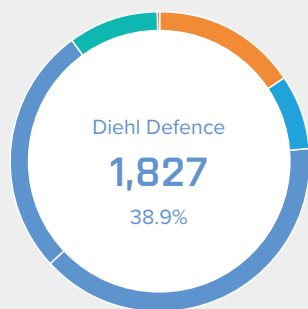
The current situation regarding security policies continued to result in a sustained high level of procurement activities for the German contracting authority and other European NATO partners. This trend of rising defence budgets and greater availability of funds for procuring defence equipment can be expected to continue. For Diehl Defence, the procurement activities by the German contracting authority and other countries with equivalent export rights primarily involved the conclusion of contracts for ground-based air defence systems (GBAD), guided missiles and artillery ammunition. In addition, Ukraine received more goods as part of Germany's aid package, including additional GBAD systems.

The German Air Force was also able to take delivery of its first GBAD system, IRIS-T SLM, in August 2024. New customers for IRIS-T SLM include Slovenia and Bulgaria for the first time as part of the European Sky Shield Initiative (ESSI).

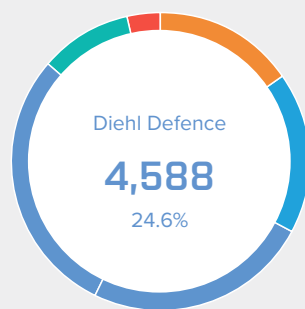


Finest adjustments in optics and photonics are needed for the defence sector.

SALES OF DIEHL DEFENCE (IN MILLION EUROS)



EMPLOYEES at DIEHL DEFENCE



This means that the IRIS-T user family has now grown to 20 countries. As a member of ARGE NNbS, Diehl Defence is also one of the signatories to the development contract for the short-range and very short-range protection air defence system (LVS NNbS). The core of this project is the optimization of medium-range air defence and the development of highly mobile air defence capabilities to protect deployed troops from airborne threats, even while they are on the move. The German procurement agency sees the introduction of the LVS NNbS as a decisive step towards closing a significant capability gap in the Bundeswehr. Additionally, Diehl Defence is currently developing the IRIS-T SLX GBAD variant, which has a range of 80 kilometers, to expand the portfolio in response to diverse customer interests. A study on the integration capability of IRIS-T SLM in the Integrated Battle Command System (IBCS) from Northrop

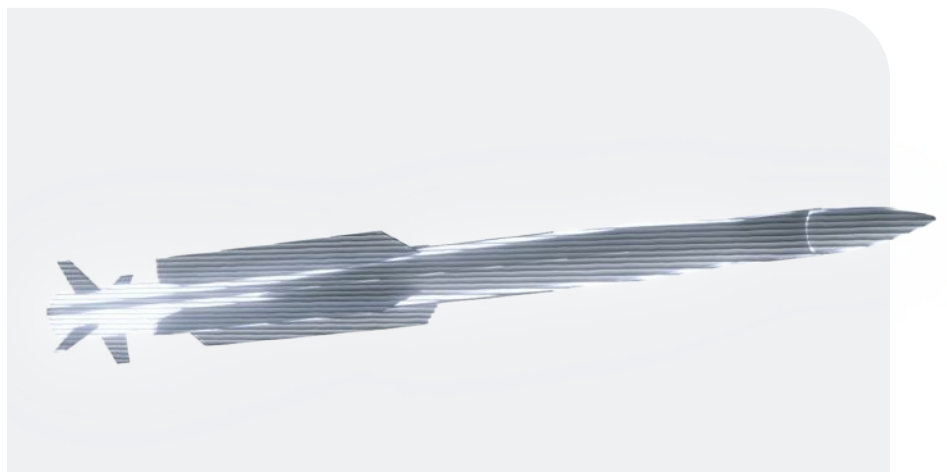
Grumman will further improve interoperability, thus increasing the combat value of the company's systems. An important market success was achieved with the platform armament of the IRIS-T guided missile together with Korea Aerospace Industries (KAI). Diehl Defence has also reached an agreement with the Far Eastern partner to intensify joint integration and marketing activities, initially on the FA-50 and KF-21 platforms. For the first time, an IRIS-T was fired as a guided missile from a KF-21, which is currently under development. Another achievement for Diehl Defence at the end of the year was receiving a contract from the German Procurement Office for the development and series production of the next version of the IRIS-T Block II guided missile system. In addition to the ongoing work on the Future Combat Air System (FCAS) and the HYDEF (Hypersonic Defence Interceptor Study), pioneering technology projects for guided missiles also include the Light Remote Carrier FEANIX (Future Effector - Adaptable, Networked, Intelligent, Xpendable), a long-range propelled missile that can be launched from the air, land or sea.

In the reporting year, Diehl Defence received the largest ammunition order in the company's history with a framework agreement for 155mm artillery ammunition. The long-term focus of this agreement enables the industry to develop the necessary national capacities and capabilities in Germany. In the field of rocket artillery ammunition, Diehl Defence entered into a cooperation agreement with Elbit Systems Ltd in September to be able to deliver the PULS (Precise and Universal Launching System) and Euro-PULS rocket launchers that are designed to meet the specific

requirements of the European and German rocket artillery.

AIM Infrarot-Module GmbH once again recorded growth in sales and orders on hand due to the increased supply of missile components for IRIS-T, RAM Block 2B and AIM-9X. The business relationship between AIM and South Korea were also strengthened. While the relationship was previously limited to the space sector, orders for two-color detectors for industrial applications have now been added for the first time. JUNGHANS Microtec GmbH also recorded further increases in sales, incoming orders and orders on hand. DynITEC GmbH in Troisdorf also continued on its successful path.

In the reporting year, the acquisition of Dynamit Nobel GmbH secured the long-term future of this site by enabling further investments to expand the capacity within this property. To ensure stable, ongoing growth in all the strategic business segments of the corporate division, construction activities continued as planned at all of its locations and the number of employees was also increased significantly.



Diehl Defence supplies individual components and is also responsible for the overall ground-based air defence system.



VALUE TO THE SKY.

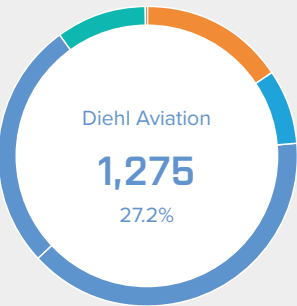
Due to the continued increase in aircraft orders, Diehl Aviation experienced a significant improvement in business in the reporting year as well.

In 2024, the aviation industry continued its stable growth and international demand for air travel reached a new historic high. This positive development was primarily driven by growth in the major passenger markets and an overall increase in international air traffic. A sustained increase in international air traffic to and from China as well as a significant rise in domestic tourism within the People's Republic had a particular impact. Simultaneously, strong demand in the established aviation markets of Western Europe and North America contributed to industry-wide growth. For example, air traffic within Europe reached an all-time high in 2024. However, despite the positive industry development, major aircraft manufacturers and their suppliers faced significant challenges in 2024. First and foremost, there were ongoing problems in the global supply chain that significantly impacted the entire value chain.

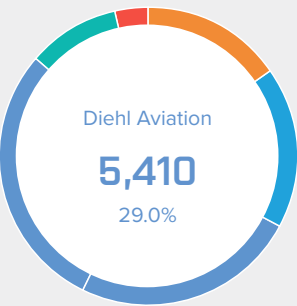


Visual inspection at Diehl Aviation

SALES OF DIEHL AVIATION (IN MILLION EUROS)



EMPLOYEES at DIEHL AVIATION



The aircraft manufacturer Airbus, Diehl Aviation's largest customer, had to reduce its annual delivery target for new aircrafts midway through the year. The US manufacturer Boeing faced safety problems and a week-long strike added to the difficulties, leading to lower delivery figures. Overall, however, the market trend is extremely positive: at the end of 2024, the orders on hand for new aircraft totaled over 17,000 - a new industry record.

For Diehl Aviation as a major international aviation supplier, this continuing positive trend is very gratifying. Diehl Aviation's products and services continue to be in high demand among aircraft manufacturers and airlines, both for original equipment and after-sales support. Consequently, the company significantly increased its sales during the reporting period. Various awards demonstrate that customers value their partnership with Diehl Aviation.

The corporate division received the 2024 Embraer Best Supplier Award in the Interior category. Through this award, the Brazilian aircraft manufacturer recognized Diehl Aviation for its innovative design, user-friendliness, system architecture, outstanding product quality and extremely reliable supply chain. Thanks to its outstanding product quality, reliable delivery and increased competitiveness, Diehl Aviation was also awarded the coveted Diamond Supplier Status by the Canadian manufacturer Bombardier. The corporate division received two more awards in recognition of its innovative strength and commitment to greater eco-efficiency in aviation. Diehl Aviation and its customer, Quantas, received a Crystal Cabin Award in the Passenger Comfort category for introducing the "Wellbeing Zone", which offers more space for movement and healthy snack options, particularly on ultra-long-haul flights. The fact that the lightweight construction specialist Diehl Aviation is also in demand as a partner for air taxi manufacturers was underlined by an important order from Eve Air Mobility. Eve has commissioned Diehl Aviation to design, develop, produce and support the entire interior of its eVTOL aircraft. During the reporting period, Diehl Aviation made great efforts to improve its competitiveness and increase customer satisfaction. This included, in particular, the further expansion of internationalization, which reached a new dimension in the reporting year with the groundbreaking of a new location in Querétaro, Mexico. Querétaro has already started supplying to American customers - aircraft manufacturers and airlines - this year. Having direct proximity to customers in the important growth market of America

enables shorter travel and transportation routes and more effective collaboration than before. The Customer Service Center in Singapore was also expanded to serve this important growth region more efficiently. In 2024, delivery of the 500th on-board lavatory to Airbus was announced at the Hungarian site in Nyírbátor. Another site is under construction in Romania to create additional production capacity. In addition to its traditional aviation business, Diehl Aviation is currently in the process of leveraging its existing expertise in another important growth market, namely rail transportation and, more specifically, the rapidly growing rail transportation market in India. To this end, Diehl Rail India Private Ltd. was established in partnership with Rail India to offer state-of-the-art fire protection solutions for rail vehicles. Diehl Aviation is proud to be considered a particularly attractive employer within the aviation industry. As a result, the company was once again able to largely

meet its need for additional employees in the reporting year despite the ongoing shortage of specialists. New committed talent is indispensable for the industry's continued growth. Therefore, Diehl Aviation is committed to improving its attractiveness as an employer.

Forecasts for the aviation industry predict that global demand for aircraft will double by 2040. As an established and reliable partner with a broad portfolio, Diehl Aviation believes it is well positioned to participate successfully in this growth. To achieve this, the company must expand its competitiveness and portfolio and continuously optimize its operational excellence. The company believes that with its dedicated employees, it is well on its way to maintaining its position in the highly competitive international market in the future. Diehl Aviation therefore remains positive about the future and anticipates further sales growth in the current year as well.



Well-known manufacturers use numerous Diehl Aviation products in their aircrafts.



EMPOWER A SUSTAINABLE FUTURE

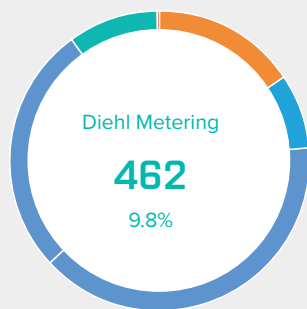
Diehl Metering continued its positive development from recent years in 2024, recording further growth.

This is a welcome result, considering the many challenges the measuring and metering industry is currently facing, and it has been possible because of the great commitment shown by all employees at our locations worldwide. In addition to increasing price pressure and fierce industry-wide competition, political and economic factors also strongly impact customers' scope of action in their respective regions of the world. Despite these influences, Diehl Metering strengthened its global position as a leading manufacturer of smart water meters, moving up from fourth to second place in the global ranking of water meter manufacturers. The targeted focus on local markets and investments in strategic capacities and technologies to increase production capacities at the Bażanowice (Poland) and Lisle (USA) sites have contributed to this. The introduction of a powerful Customer Relationship Management (CRM) tool, which began last year, has also contributed to this.

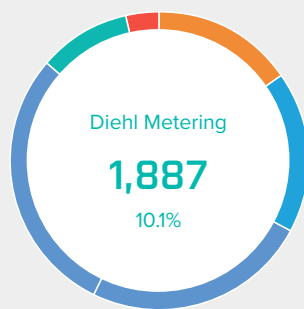


Digital reading of consumption data is becoming increasingly important in the course of digitalization

SALES OF DIEHL METERING (IN MILLION EUROS)



EMPLOYEES at DIEHL METERING



In line with customer requirements, Diehl Metering has consistently expanded and adapted its product range to meet current market demands. With the introduction of the HYDRUS 2.0 LoRa and mioty® version and the new generation of the ALTAIR V5, which complies with the latest eco-design standards, it has expanded its portfolio to include important components. The acquisition of the German start-up PREVENTIO has also been significant. It has enabled the corporate division to expand its Analytics & Services offering, including specific expertise, with innovative functionalities. Diehl Metering is systematically and strategically building its position as an end-to-end solution provider. In addition to its core business of meters, the company continues to offer radio modules, network solutions and software applications. The focus is always on customer benefit and quality throughout the entire supply chain.

Successful customer projects all over the world underline Diehl Metering's global positioning and the versatility of the products on offer. Extensive projects are being executed taking into account the requirements for sustainability and water scarcity, as well as country-specific regulations, different technologies and the condition of the respective pipe networks of utility companies and cities. These projects are on the rise especially in the USA. In Europe, Diehl Metering has established itself as a reliable partner in the field of digital water networks and a supplier of smart water meters in the UK. In Germany, it has optimized the supply network in the region around Berlin using advanced IoT solutions. The company's expertise remains in high demand in Asia and the Middle East. It won the largest single order to date in Southeast Asia and is supporting a cutting-edge project in the field of smart city development in Saudi Arabia.

Diehl Metering incorporates sustainability into all of its activities as a central component of its corporate strategy. Through the release of its new sustainability report and the receipt of multiple EcoVadis awards - including Gold for the company overall, Platinum for the Saint-Louis site in France and Gold for the Bażanowice site in Poland - Diehl Metering shows that ecological and economic action can coexist. The ALTAIR V5 and its eco-design are another example of durability and environmental friendliness.

Diehl Metering's vision for the future remains characterized by innovation and growth in the targeted markets, coupled with the pragmatism necessary to adapt flexibly to rapidly changing market and competitive conditions. Diehl Metering will continue to advance its targeted development as an end-to-end solution provider and expand its business model in the direction of software and services in a focused manner. And if available, also use inorganic options. Despite challenging conditions, identified growth markets present promising opportunities to support customers optimally with state-of-the-art technologies and customized solutions. The successful year 2024 thus gives us a solid basis for continuing the growth path we have embarked on while making a sustainable contribution to the digital transformation and resource conservation of our customers.



HYDRUS 2.0 enables smart metering solutions

OPPORTUNITIES, RISKS AND OUTLOOK



The German government believes that the German economy will continue to face challenges in 2024. At the turn of the year, economic sentiment remained at a very low level, as measured by the ifo Business Climate Index, the Purchasing Managers' Index for industry and the GfK Consumer Climate Index. Although some negative factors from last year, such as the high consumer price increases and the resulting loss of purchasing power, have eased, inflation is likely to remain above the two-percent threshold for some time due to base effects of the termination of temporary relief measures, among other things (source: Annual Economic Report of the Federal Government 2024, page 156). The German government believes that the prospects for global trade will also remain subdued. This will continue to place a significant burden on Germany's industrial goods producers, who are mainly export-oriented (source: *ibid*, page 163).

The special situation in the defence market is an exception.

The DIHK economic survey also puts the export expectations of the German industry in negative territory on balance, though there has been a slight improvement since last fall (source: DIHK economic survey in February 2024). However, there is no sign of a reversal in the trend of weak German exports. Compared to the previous year, the prospects for foreign business would even worsen. Unlike previous crises, exports are not providing any positive economic impetus for economic growth at the moment. According to the survey, the German industry is in a tangible structural crisis and is losing competitiveness internationally. Although prospects for global economic growth and trade remain reasonably robust, many uncertainties remain. Increasing protectionism, such as customs duties imposed by the US administration, is

putting a strain on global trade relations. The export-oriented German economy is particularly impacted by this (source: *ibid*).

As an internationally positioned and broadly diversified company, Diehl has successfully navigated the various crises and challenges of recent years and their diverse effects, and continues its strong growth trend. Therefore, the company believes that it is still on the right track overall. The goal remains to achieve profitable growth in all strategic business segments and all corporate divisions, as a broad and successful presence is crucial for a family-owned company to remain stable and persistent, even in the face of prolonged difficult conditions. As a financially independent, family-owned company, Diehl faces the ongoing challenge of ensuring maximum success of all its strategic business segments on the market. The Metall and Controls corporate divisions continue to



be adversely affected by the persistently bleak economic forecast. In contrast, the Aviation and Metering corporate divisions are likely to benefit from the growing demand for sustainable technologies and products thanks to their corresponding product portfolio. The Defence Corporate Division will continue to experience high sales levels in view of a reassessment of European defence efforts, as a result of which many countries - including Germany - are now investing heavily in their national defence. Currently, the corporate divisions are undergoing various change processes, such as ramp-up or restructuring, at their locations. This requires a great deal from those involved. Clearly, the world is on the move, and new power centers are emerging with economic strength. The Diehl family business must confront these conditions. Under these circumstances, the Group's orientation as a conglomerate will continue to have a

stabilizing effect. The company's risk management procedures enable economic risks to be identified and assessed ahead of time, allowing for the timely implementation of corrective actions.

Diehl has a comprehensive strategy for maintaining and securing the operation of the IT systems (back-up solutions, emergency data centers) as well as for safeguarding contractual delivery obligations. The central CISO office works closely with IT specialists in all areas to ensure that the company's digital applications and systems are continuously developed and rigorously secured with additional tools. Despite all the measures taken and to be taken in the event of an emergency, there is naturally still a residual risk of temporary business interruptions with possible effects on the Group's sales and earnings.

In addition to the risks described above, the Group's activities have a number of peculiarities:

about half of the business volume in the Metall Corporate Division depends on the market prices for copper and zinc. High volatility leads to fluctuations in turnover but those have no effect on the employment situation. Therefore, sales forecasts are generally difficult to make for Diehl Metall. Increased raw material prices, resource scarcity, rising energy costs and a shortage of skilled workers often necessitate new solutions and great dedication from everyone involved in order to maintain the usual delivery capabilities. According to forecasts for the industry (source: M+E Economic Report February 2025), "demand will continue to decline in 2025, orders on hand have collapsed. Export, production and personnel plans have at least stabilized at a low level. Nevertheless, the number of companies that are pessimistic about the coming months has increased as compared to the end of the year. Thus, a speedy recovery is nowhere in sight." However, Diehl Metall, with its strategic business segments in the Classic and Progressive Metal areas, sees itself well down the road to successfully meeting the changing demands of the markets. Due to the undisputed advantages of brass as a material and its indispensable role in many industries thanks to its versatility and durability, the company relies on its own proven innovative strength and the consistent expansion of its tried-and-tested product range, for example by introducing a new lead-free standard alloy (eZeebrass). Moreover, owing to its

extensive development expertise, Diehl Metall is valued as a competent partner to the international automotive industry in the development of pioneering solutions, including components for cooling systems and power modules as well as parts for sensor technology and contact systems for battery storage. Diehl Metall continues to prioritize recyclable alloys and composite materials in order to actively contribute to climate protection and resource conservation as a partner to its customers.

Diehl Controls will continue to face disparate challenges across the globe in 2025. Given the low growth in economic output forecast for Europe, demand in the white goods sector will change little, and interest in heat pumps will also remain below initial expectations. In China and North America, however, the market is expected to grow slightly. The Diehl Controls Corporate Division expects positive special effects for the business from the ramp-up, with new and existing customers in the HVAC/R, Aerospace & Defence (A&D), Professional Appliances and Light Commercial Vehicles sectors. The same applies to the start of major projects in the Home Appliances sector. Capacity reduction and the ongoing efficiency program provide a new stable foundation for Diehl Controls.

Demand for defence equipment is expected to remain high in the coming years, which means that Diehl Defence can look forward to a stable and growing market. On the other hand, changes in political, economic and social conditions

harbor the risk that individual factors may adversely affect the business success of Diehl Defence, for example, changes in the fiscal situation of customer countries. The progress of the war in Ukraine, crisis situations in the Middle East and East Asia and changes in transatlantic relations may impact business activities at a global level. Even the company's growth and the necessary capacity expansion of personnel, infrastructure and suppliers will be a huge challenge over the next few years.

As a major supplier to the long-haul market, Diehl Aviation sees itself well positioned to successfully participate in the forecast growth of the aviation industry with its broad portfolio. Forecasts for the aviation industry predict that global demand for aircraft will double by 2040. To achieve this, however, the company must expand its competitiveness and continuously optimize its operational excellence. This includes further internationalization, which reached a new dimension in the reporting year with the groundbreaking of a new location in Querétaro, Mexico. Querétaro has already started supplying to American customers - aircraft manufacturers and airlines - this year. Having direct proximity to customers in the important growth market of America enables shorter travel and transportation routes and more effective collaboration than before. The company believes that with its dedicated employees, it is well on its way to maintaining its position in the highly competitive international market in the future.



Diehl Metering further strengthened its global position as a leading manufacturer of smart water meters, moving up from fourth to second place in the global ranking of water meter manufacturers. To achieve this, a more targeted focus on important local markets as well as investment in their strategic capacities and technologies was necessary. A powerful customer relationship management (CRM) tool, which helps fulfill customer wishes even faster and in a more customized manner, also contributes to this. As a result, Diehl Metering's vision for the future remains characterized by innovation and growth in the targeted markets, coupled with the pragmatism necessary to adapt flexibly to rapidly changing market and competitive conditions. The company will continue to advance its targeted development as an end-to-end solution provider and expand its business model in the direction of service and software. As before, all its activities will continue to focus on sustainability. With its long-standing self-image and its innovative products, Diehl Metering sees itself ideally positioned in the market as environmental, economic and social sustainability are at the core of all decisions for the company's global customers.

Sustainability is still a top priority for the Group and all corporate divisions. As a family-owned company operating internationally, Diehl has always attached great importance to sustainable and economically efficient approach, using the tried-and-tested method of combining tradition with innovation. Not only is sustainable management an obligation, it is also an important factor in ensuring long-term economic success and future viability. A Group-wide sustainability structure ensures the overall coordination of the Diehl Group's

numerous sustainability efforts. As an important cross-cutting issue, sustainability - alongside other important aspects - has become an integral part of business strategy and decision-making. Sustainability-related risks and opportunities are integrated into the strategy and risk management process. The Executive Board and the Supervisory Board are regularly informed about current developments. The Diehl Group summarizes the material effects of its own business activities in the form of a sustainability report once a year.

In the reporting year, the Diehl Group once again demonstrated its overall strong potential for continuous and significant sales growth in the coming years through further broad-based growth. This primarily applies to Diehl Defence, Diehl Aviation and Diehl Metering. Prospectively, it also applies to Diehl Metall and, in a changed market environment, to Diehl Controls. However, these individual corporate divisions face different challenges along the way, such as a ramp-up, restructuring or further strengthening of profitability, which are demanding change processes that require a great deal from those involved. In addition, there are ongoing uncertainties in planning due to the sometimes erratic changes in the global political environment, the continuing weakness of the global economy and the progression of the war in Eastern Europe and the Middle East. Nonetheless, the Diehl Group remains optimistic about the future and is committed to maintaining its growth trend. This also includes the unconditional review of all activities with regard to their long-term prospects and the strategic expansion of the technology and product portfolio. Diehl's decentralized structure, which has been a crucial formula for success, will be

strengthened even further, as will the Group's focus on major future issues, such as digitalization, AI and sustainability. Due to the established risk management system, the risks existing in the corporate divisions are classified as moderate from the Diehl Group's perspective. Given the expected difficult conditions, 2025 will also be a challenging year for the Diehl Group. Considering the Diehl Group's well-established market position and the diverse portfolio of its five corporate divisions, there is a strong belief in the company's ability to maintain steady and sustainable growth, taking into account both the potential opportunities and risks. Diehl expects sales to increase to more than €5 billion this year as well as a moderate improvement in earnings.

Nuremberg, April 11, 2025

Diehl Verwaltungs-Stiftung

Jürgen Reimer
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Carsten Wolff

EMPOWER A COOPERATIVE CULTURE.



As of the reporting date, i.e., December 31, 2024, the Diehl Group had a total of 18,650 employees at its locations around the world. A comparison with the previous year (17,665) shows an increase of 1,015 employees (5.7%) due to the continued rise in business volume, particularly in the Defence (816) and Aviation (460) corporate divisions. As of the reporting date, the German locations of the Diehl Group employed 12,434 people (previous year: 11,686). In Germany, this means an increase of 748 personnel, primarily due to an increase in employees in the Defence and Aviation corporate divisions (798 and 201, respectively). The proportion of persons employed domestically has thus increased to 66.6 %.

For Diehl, training and dual study programs are of great importance in order to meet the constantly growing demand for recruiting specialists and developing young talent. In addition to technical

training, great importance is also placed on interdisciplinary qualifications, as is done during seminars, workshops and study tours. The trainers consider it an important task to teach the junior staff the necessary soft skills in addition to the pure knowledge content. Over the reporting year, we enhanced and expanded our various training marketing activities at all locations to reach as many potential participants as possible for our career training and dual study programs. We will continue to conduct in-person meetings at schools and other related events such as trade fairs, vocational information days and craftsmanship days at individual locations. We increased the number of week-long, short-term trial work placements offered in various training occupations. These placements provide students with an insight into the working environment and were well-received. To encourage especially young women to pursue technical careers, Diehl has long been participating in the

“Girls' Day” and the “Girls for Technology Camp” initiatives run by Bildungswerk der Bayerischen Wirtschaft e.V. as well as similar educational initiatives in other German states. Throughout the reporting year, Diehl continued to post a variety of content on numerous social media platforms, covering a wide range of topics related to training and dual studies to update its members on the latest news on training and dual studies at Diehl.

Compared to previous years, the number of junior staff currently employed has significantly increased to 498 trainees (2023: 455) – of which 433 (2023: 389) are in Germany. They are trained in over 20 recognized occupations at 15 training facilities around Germany. More than 100 junior employees are currently enrolled in the dual study programs offered at nearly all training facilities. In close cooperation with universities, we offer over 30 various career programs that combine studies and advanced on-the-job training placements in the company's locations. 20 more prospective professionals from other affiliated partner companies that do not offer in-house training were enrolled in the career-related basic and specialist training programs to acquire the relevant hands-on skills at Diehl's training facilities.

Diehl's future sustainability and appeal as an employer depend heavily on its specialist staff and managers, as well as their qualifications. In order to promote a lively learning culture, it is necessary to increasingly focus on virtual qualification in addition to continuing traditional face-to-face approaches in order to be able to offer suitable measures and learning content. Whether for employees with potential for more advanced roles, junior staff, or experts, the scope of on-the-job and off-the-job qualification



opportunities at Diehl will continually be adjusted to current requirements and supported with digital tools.

The company is committed to various measures that facilitate a better work-life balance for staff, including those in management positions. In accordance with legal requirements, the proportion of women does not fall short of the quota already achieved in the corresponding management levels.

Diehl's renewed success in the reporting year can be attributed to the great commitment and wealth of ideas of all employees all over the world.



Despite their different roles, all employees of the company share a common understanding of mutual appreciation, customer proximity and a passion for technological development in all areas. The Executive Board would like to extend its heartfelt gratitude to all employees and their representatives whose unwavering objectivity and helpful collaboration has guided the company to sustainable, future-proof solutions.

SUSTAINABLY SHAPING THE FUTURE TOGETHER.

For the Diehl Group, sustainable management is not only an obligation, but also an important factor in ensuring long-term economic success and future viability. Major challenges, such as climate change and resource scarcity, are prompting a shift in thinking and the development of innovative solutions. As an internationally networked company, Diehl believes it is responsible for contributing to the solution of these global issues. Sustainability - alongside other important aspects - has become an integral part of Diehl's business strategy. Many decisions can no longer be made without taking sustainability into account.

The Diehl Group has defined four strategic, Group-wide priorities for its sustainability efforts: climate change, health and safety, equal treatment as well as equal opportunities and corporate policy. These priorities demonstrate Diehl's long-term, Group-wide ultimate objective to ensure sustainability. Last year, the company actively implemented improvements in these focus areas and took numerous measures: for example, PV systems were installed and put into operation at the sites in Laupheim and Röthenbach. The company also managed to increase the share of green electricity in the German supply network to almost 20 percent through power purchase agreements (PPAs).

To ensure a safe working environment, the safety culture at the locations was further strengthened. The occupational health and safety management system was successfully certified in accordance with DIN EN ISO 45001 at all Diehl Metering locations. Thus, the Metering Corporate Division is thus following in the footsteps of the Metall Corporate Division, which certified all its German locations in 2023. Another important aspect of its corporate culture is treating employees with trust and fairness. To promote a working environment characterized by respect and equal opportunities, the company developed a Group-wide guideline to raise awareness among managers and employees and avoid unconscious bias.



The merger of the Compliance and Data Protection divisions further strengthened the governance structures, ensuring, even more concretely, that business practices are even more ethical and transparent. Comprehensive training supports compliance with these standards.

In addition, the Diehl Group makes targeted investments in technologies and solutions that support sustainable social transformation. These include innovative products such as smart meter networks, lightweight construction components to save kerosene and CO₂ in aviation, efficient power electronics, lead-free alloys and system solutions for air defence. These measures are part of a comprehensive strategy to incorporate sustainability into business considerations.

Integrating sustainability criteria not only strengthens compliance, but also creates long-term value and competitiveness. In order to shape a sustainable and successful future, the Diehl Group will continue to take advantage of sustainability-related opportunities and minimize its ecological and social impact.

BEYOND DAILY BUSINESS

Due to the many different challenges society faces, important issues, particularly social concerns, unfortunately often take a backseat. However, it remains important and necessary to continue to help those who are in need of support due to illness or other severe fate. For many years, the Karl Diehl Foundation for People in Need [Karl-Diehl-Stiftung für Menschen in Not, KDS] has supported especially elderly and sick people in the Nuremberg network of good cooperation between local authorities, dioceses, administrative

regions and public welfare. Unfortunately, as the costs for heating, electricity and living expenses are constantly rising, the number of people in need who are struggling to pay for these costs and need support is growing. The KDS sees itself as particularly challenged in these times as an important point of contact for people in need. Founded in May 1987, the KDS has helped economically disadvantaged families and individuals in well over 17,000 cases.

The Irmgard Diehl Children's Foundation (IDS) again recorded an increase in the number of applications in the reporting year. The IDS has been working for many years with around twenty social institutions to help abused, traumatized, socially disadvantaged, sick and disabled children and young people from the Middle Franconia, Upper Franconia and Swabia regions. Funding is provided above all for treatments in the medical/therapeutic field, in particular treatment methods with horses, dogs, and dolphins, the costs of which are usually not covered by health insurers.

In 2024, Diehl continued to support the Association of the Old Town Friends of Nuremberg [Nürnberger Altstadtfreunde], which can now look back on over 50 years of dedicated work preserving and restoring the historic old town of Nuremberg. Currently, this active association is focusing its efforts on renovating the Pilatushaus. Widely regarded as Nuremberg's largest and most beautiful half-timbered house, the Pilatushaus is in danger of collapsing. Extensive start-up funding from Diehl and many other donations have made it possible to start work on the landmark building below the castle.

In 2024, Diehl continued to support the "Helfmer zamm!" campaign launched last year by a Nuremberg cabaret artist Bernd Regenauer. This involved inviting 600 homeless people from Nuremberg and the Nuremberg region to a goose dinner in a cozy setting during the week before Christmas. In the reporting year, the company also supported the commendable work of the Nuremberg food bank [Nürnberger Tafel] and the social initiatives of the city of Nuremberg.





DIEHL

DIEHL VEWALTUNGS- STIFTUNG

Consolidated financial statement as of
December 31, 2024

CONSOLIDATED BALANCE SHEET OF DIEHL VERWALTUNGS-STIFTUNG AS OF DEC. 31, 2024

Assets

	December 31, 2024 K€	December 31, 2023 K€
A. Fixed assets		
I. Intangible assets	26,325	20,862
II. Tangible assets	953,913	723,738
III. Financial assets	25,589	26,669
	1,005,827	771,269
B. Current assets		
I. Inventories		
1. Raw materials and supplies	862,168	644,790
2. Work in process (goods and services)	698,061	576,590
3. Finished goods and merchandise	209,481	193,791
4. Advance payments	226,255	194,878
5. Advance payments received on orders	-1,995,965	-1,610,049
	0	0
II. Receivables and other assets		
1. Trade receivables	565,342	450,030
2. Receivables due from affiliated companies	696	554
3. Receivables due from companies in which participations are held	75,145	75,180
4. Other assets	158,768	164,196
	799,951	689,960
III. Securities		
Other securities	1,579	1,537
IV. Cash, bank balances and checks	2,014,281	1,645,937
	2,815,811	2,337,434
C. Prepaid expenses	26,446	20,145
D. Deferred tax assets	193,397	174,399
	4,041,481	3,303,247

Shareholders' Equity and Liabilities

	December 31, 2024 K€	December 31, 2023 K€
A. Shareholders' equity		
I. Capital of Diehl Verwaltungs-Stiftung		
1. Capital stock	511	511
2. Reserves	344	326
3. Retained earnings brought forward	1,500	1,443
	2,355	2,280
II. Receivables and other assets		
1. Capital of the corporate division Diehl Stiftung & Co. KG	895,887	588,804
2. Other third party shareholders	94,424	76,764
	990,311	665,568
	992,666	667,848
B. Accruals and provisions		
1. Accruals for pensions and similar obligations	770,576	759,193
2. Tax accruals	61,478	56,282
3. Other accruals and provisions	558,949	484,028
	1,391,003	1,299,503
C. Liabilities		
1. Liabilities due to banks	69,068	74,988
2. Advance payments received on orders	785,086	635,271
3. Trade payables	512,761	380,771
4. Payables due to affiliated companies	1,686	1,876
5. Payables due to companies in which participations are held	103,208	87,375
6. Other liabilities	100,241	77,668
	1,572,050	1,257,949
D. Prepaid expenses	60,809	64,310
E. Deferred tax liabilities	24,953	13,637
	4,041,481	3,303,247

CONSOLIDATED INCOME STATEMENT OF DIEHL VERWALTUNGS-STIFTUNG FOR THE PERIOD FROM JAN 1. TO DEC. 31, 2024

	2024 K€	2023 K€
1. Sales revenue	4,695,778	3,882,569
2. Increase in finished goods and work in process	134,492	89,856
3. Other capitalized services and materials	22,091	12,200
4. Other operating income	207,488	164,320
5. Cost of materials and services		
a) Cost of raw materials, supplies and purchased goods	– 2,058,388	– 1,705,843
b) Cost of purchased services	– 349,668	– 290,667
	– 2,408,056	– 1,996,510
6. Personnel expenses		
a) Wages and salaries	– 1,085,730	– 972,488
b) Social security and pension costs	– 236,659	– 211,648
– thereof for pensions:	– 36,216	– 31,191
	– 1,322,389	– 1,184,136
7. Amortization and depreciation on intangible assets and tangible assets	– 125,586	– 110,320
8. Other operating expenses	– 746,392	– 600,897
9. Income from investments	267	404
– thereof from affiliated companies:	127	244
10. Income from investments in associated companies	2,849	– 5
11. Income from other securities and loans forming part of financial assets	6	74
12. Other interest and similar income	78,060	43,634
– thereof from affiliated companies:	22	22
13. Writing down of financial assets and marketable securities	– 1,257	– 1
14. Interest and similar expenses	– 36,530	– 32,394
– thereof to affiliated companies:	– 8	– 5
15. Income tax	– 157,334	– 94,791
– thereof deferred taxes:	17,275	11,011
16. Earnings after tax	343,487	174,003
17. Net income for the year	343,487	174,003
– thereof part of other shareholders:	343,412	173,922

CONSOLIDATED CASH FLOW STATEMENT OF DIEHL VERWALTUNGS-STIFTUNG FOR THE FISCAL YEAR 2024

	2024 K€	2023 K€
Net income for the year	343,487	174,003
Adjustment to reconcile between closing rate and average rate	1,336	– 138
Depreciations/write-ups on fixed assets	126,939	110,501
Increase in provisions	80,864	69,780
Other non-cash expenses / income	30,018	13,611
Loss / gain on disposal of fixed assets	92	– 413
Increase in inventories, trade receivables and other assets	– 555,816	– 423,957
Increase in trade payables and other liabilities	707,999	1,705,254
Interest expenses / interest income	– 41,530	– 11,240
Other investment earnings	– 547	– 1,304
Income tax expenses	174,594	109,730
Income tax payments	– 169,943	– 87,689
Cash flow from operating activities	697,493	1,658,138
Proceeds from disposals of tangible and intangible assets	1,553	5,922
Payments for investments in tangible and intangible assets	– 320,644	– 226,943
Payments from disposals of/acquisition of financial assets	– 2,133	– 7,419
Payments from the purchase / sale of consolidated companies	– 24,782	0
Payments from financial assets from short-term financial management	– 43	1,414
Interest received	68,578	32,996
Dividends received	547	1,304
Cash flow from investing activities	– 276,924	– 192,726
Payments to shareholders	– 32,921	– 68,106
Payments from the repayment of bank liabilities and other financial liabilities	– 14,550	– 12,905
Proceeds from bank liabilities and other financial liabilities	13,129	24,969
Interest paid	– 20,323	– 18,482
Cash flow from financing activities	– 54,665	– 74,524
Changes in cash and cash equivalents	365,904	1,390,888
Effect of changes in exchange rates, consolidated companies and changes due to valuations	– 799	– 636
Cash and cash equivalents at beginning of period	1,623,589	233,337
Cash and cash equivalents at end of period	1,988,694	1,623,589

Cash and cash equivalents reduced by €25.6 million (Dec 31 previous year: €22.3 million) of current liabilities due to banks and other short-term financial liabilities.

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY OF DIEHL VERWALTUNGS-STIFTUNG

in K€	Equity of parent company				in the capital of the	
	Capital stock	Reserves	Retained earnings brought forward	Equity of parent company	Non-controlling interests before net income	
Status as of December 31, 2023	511	326	1,443	2,280	725,053	
Allocation to reserves		18	–18		65,116	
Distribution of earnings						
Foreign currency translation					2,372	
Other changes					222	
Consolidated net income			75	75		
Status as of December 31, 2024	511	344	1,500	2,355	792,763	

Non-controlling interests							
corporate division Diehl Stiftung & Co. KG			Other third-party shareholders			Equity held by other shareholders	Group equity
Gains/losses attributable to non-controlling interests	Total		Non-controlling interests before net income	Gains/losses attributable to non-controlling interests	Total		
	-136,249	588,804	2,728	74,036	76,764	665,568	667,848
-65,116							
			-21,594		-21,594	-21,594	-21,594
	2,372		679		679	3,051	3,051
	222		-347		-347	-125	-125
304,489	304,489			38,922	38,922	343,411	343,486
103,124	895,887		-18,534	112,958	94,424	990,311	992,666

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF DIEHL VERWALTUNGS-STIFTUNG FISCAL YEAR 2024

I. GENERAL REMARKS

Diehl Verwaltungs-Stiftung, headquartered in Nuremberg, is registered in the Commercial Register of the Nuremberg Local Court under number HRA 11756.

The consolidated financial statements of Diehl Verwaltungs-Stiftung have been prepared in accordance with the accounting regulations of the German Commercial Code. The financial statements of the companies included in the consolidated financial statements have been prepared uniformly in accordance with the accounting and valuation methods applicable in the Diehl Group. Accounting for foreign companies is adjusted to the uniform accounting and valuation principles where this is significant for the presentation of the net assets, financial position and results of operations.

II. CONSOLIDATED COMPANIES AND ASSOCIATED COMPANIES

In addition to Diehl Verwaltungs-Stiftung, the consolidated financial statements include 45 domestic and 26 foreign companies, which are under the direct or indirect control of Diehl Verwaltungs-Stiftung. As of fiscal year 2024, the circle of fully consolidated Group companies is extended by the establishment of Diehl Aviation de México S. de. R.L. de C.V., El Marqués / Querétaro and the acquisition of Dynamit Nobel GmbH, Troisdorf. The companies Diehl Röthenbach GmbH & Co. KG, Nuremberg and Goma GmbH, Röthenbach a. d. Pegnitz were merged with Diehl Defence GmbH & Co. KG, Überlingen. Diehl Röthenbach Verwaltungs GmbH, Nuremberg, was also merged with Diehl Defence Verwaltungs-GmbH.

Six domestic shareholdings were included in the consolidated financial statements as associated companies. The circle of associated companies was extended by the establishment of TD Services GmbH, Greven.

Due to their minor significance for the presentation of a true and fair view of the Group's net assets, financial position and results of operations, 19 companies were not consolidated. As of fiscal year 2024, the circle of affiliated Group companies not included in the consolidation is

extended by the establishment of DD Ukraine Support Services Limited Liability Company, Kiev, Diehl Defence Egypt Support Services, Cairo and Diehl Rail India Private Ltd., Bangalore, as well as the acquisition of Preventio GmbH, Frankfurt am Main and the purchase of shares in Troisdorf Genehmigungshaltergesellschaft mbH, Troisdorf. Based on Section 296, Para. 1, No. 1 of the German Commercial Code (HGB), two companies were not included in the consolidated financial statements as their assets are limited to the respective corporate purpose.

An overview of share ownership and the consolidated companies is provided in an appendix to the Notes.

III. CONSOLIDATION PRINCIPLES

For subsidiaries, the revaluation method is applied for capital consolidation. Here the assets and debts are stated at their full fair value and the acquisition cost of the shareholding is offset against the pro rata fair value of the shareholders' equity at the time of acquisition. The difference remaining on the assets side after offsetting is shown as goodwill.

Shares in associated companies are treated in accordance with the principles of the equity method of accounting. They are stated using the book value method at the date of their acquisition.

Intercompany profits and losses, sales, expenses and income as well as receivables and payables between fully consolidated companies are eliminated. Intercompany results in relation to associated companies are not eliminated as their influence on the overall situation is of minor significance.

Deferred taxation is made for consolidation operations affecting the results whenever diverging tax expenses are expected to be compensated for in future fiscal years.

IV. ACCOUNTING AND VALUATION PRINCIPLES, FOREIGN CURRENCY TRANSLATION

As in previous years, the financial statements were prepared on the basis of the following accounting and valuation methods.

1. Fixed assets

Intangible assets acquired for consideration are valued at acquisition cost, less scheduled or non-scheduled depreciations. The useful life is generally assumed to be three years, unless a different period applies, e.g., due to the validity period of rights of use.

Tangible assets are valued at the acquisition or production cost, less scheduled or non-scheduled depreciations. In addition to directly attributable costs, the production costs of self-constructed assets also include proportional overhead expenses and depreciation. For new investments, the straight-line method of depreciation is used. Scheduled depreciation of buildings and parts of buildings is based on a useful life ranging from 3 to 50 years, depending on the extent of use. The useful life of technical equipment and machinery and that of other equipment as well as factory and office equipment ranges from 1 to 25 years. Low-value assets with acquisition costs of up to €800 are completely written off in Germany in the year of acquisition. Fixed values are defined for tools and fixtures. Extraordinary value reductions are taken into account by means of non-scheduled depreciation.

Shares in affiliated companies and participations are valued at acquisition cost or at the lower applicable value.

Shares in associated companies are valued using the equity method of accounting, starting with the book value.

Interest-bearing **loans** are stated at their nominal values, non-interest-bearing loans at their cash values.

Investment securities are generally valued at acquisition cost or at the lower applicable value.

2. Current assets

Under **inventories**, raw materials and supplies as well as merchandise are valued at acquisition cost or at the lower stock exchange or market prices.

In the case of metal inventories valued at the lower of cost or market principle, the contractually agreed sales prices for the metal portion are taken into account if corresponding sales contracts already exist at the balance sheet date.

Work in process and finished goods are valued at production costs. In addition to the directly attributable costs of materials and labor, proportional overheads are included.

Inventory and usability risks are devalued to an appropriate extent.

If, at the time of preparing the balance sheet, a need for devaluation is identified because costs are not fully covered by the proceeds, appropriate markdowns are made for the purpose of loss-free valuation.

Advance payments made and received are stated at nominal value. Advance payments received are deducted from

inventories in accordance with Section 268, Para. 5, Sentence 2 of the German Commercial Code.

Receivables, other assets and liquid assets are generally stated at their nominal value. In the case of receivables, allowances are made to appropriately cover identifiable individual risks through individual value adjustments and general credit risks as well as costs of collecting receivables through general value adjustments. Interest-free receivables that are not expected to be received until after a period of 12 months are shown at their cash value. **Marketable securities** are stated at acquisition cost, at lower market price or at redemption value.

3. Accruals / Liabilities

Accruals for pensions and similar liabilities are actuarially valued using the modified entry-age normal method. Calculations are based on the 2018 G mortality tables published by Prof. Dr. Klaus Heubeck. The valuation takes into account assumptions about the future development of certain parameters. Wage and salary increase of 4.5% p.a. has been used as the basis for 2024. For all future years, a wage and salary increase of 3.3% p.a. has been used. The dynamic pension increase is assumed to be 2.15% p.a. Discounting of reserves is based on the interest rate of 1.9% p.a. set by the German Central Bank for a remaining term of 15 years.

Tax accruals and **other accruals** are set up to cover all contingent liabilities and discernible risks. They are stated at the amount repayable according to prudent business judgment, including future price and cost increases. Accruals with a residual term of more than one year are discounted. The discounting is carried out according to the residual term of the accrual using the average market interest rate of the past 7 fiscal years as determined by the German Central Bank. If no valuation units are formed between metal purchase contracts and the metal portion of sales contracts, these items are checked for impending losses.

All **liabilities** are stated at the amount repayable.

4. Foreign currency translation

The valuation date for the translation of foreign currencies is generally the date of acquisition in the case of fixed assets, and the date of accrual in the case of receivables and payables.

Short-term assets and liabilities with a term of less than one year are translated at the average spot exchange rate on the balance sheet date. Receivables and payables with a remaining term of more than one year are valued at the average spot exchange rate on the reporting date according to the imparity principle.

Balance sheet items in financial statements prepared in foreign currencies are translated at the exchange rates prevailing on the balance sheet date. The individual equity items are translated at historical rates, while the annual result is translated at the average rate for the year.

Income statement items are translated at the average exchange rate for the year. Differences between the closing rate, historical rates and average rates are recognized directly in the equity of the corporate division Diehl Stiftung & Co. KG or in the shares of other third party shareholders. Differences compared to the previous year's statement are recognized directly in equity.

Currency risks are generally hedged as part of a uniform Group-wide risk management strategy. Valuation units are created and documented in accordance with Section 254 of the German Commercial Code. If they are hedged by forward transactions, the respective hedging rates are applied.

Receivables and payables in the same currency and with approximately the same term are combined into valuation units if they are of the same value.

Effective items of the valuation units created are reported in the balance sheet using the freezing method (compensatory valuation). The imparity principle is applied for ineffective items. This means that positive market values are not shown in the balance sheet and provisions for contingent losses are set up for negative market values only if a negative balance results from a valuation unit or if an open item yields a loss.

V. NOTES TO THE BALANCE SHEET

1. Fixed assets

The development of fixed assets and depreciations is shown in an appendix to the Notes. The "Changes" column shows all changes in the opening balance due to additions and disposals of the consolidated companies and due to currency translation differences.

2. Receivables and other assets

A residual term of more than one year applies for the following amounts under the respective items:

	December 31, 2024 K€	December 31, 2023 K€
Trade receivables	140	167
Receivables due from affiliated companies	0	100
Receivables due from companies in which participations are held	0	0
Other assets	1,134	2,336

3. Deferred tax assets and liabilities

Deferred taxes (on the assets and liabilities side) result from valuation differences in the commercial and tax balance sheets, tax loss carry-forwards and consolidation measures if the differences are offset in the future. Deferred tax assets and liabilities are not balanced.

For domestic companies, valuation is at tax rates of 12% - 15% (partnerships) or 15% - 33% (joint-stock companies). For foreign subsidiaries, the individual national statutory tax rates (11% - 34%) are applied.

Deferred tax assets amounting to K€193,397 mainly result from the creation of deferred taxes based on different valuation methods in the commercial and tax balance sheets (pension reserves, different valuation methods and depreciation methods or periods in fixed and current assets, provisions for contingent losses and other accruals), tax loss carry-forwards, and the elimination of intercompany profits and losses in fixed assets and inventories.

Deferred tax liabilities of K€24,953 result mainly from special tax depreciation, different valuation methods in the commercial and tax balance sheet, and the recognition of reserves only permitted under tax law (e.g., Section 6b of the Income Tax Act).

	As of Dec. 31, 2024 K€	As of Dec. 31, 2023 K€	Modification K€
Deferred tax assets	193,397	174,399	18,998
Deferred tax liabilities	24,953	13,637	11,316

4. Equity

The capital of the corporate division Diehl Stiftung & Co. KG consists of the liable limited liability capital of Diehl Stiftung & Co. KG and the reserves of Diehl Stiftung & Co. KG. The statement of changes in equity is prepared in accordance with the principles of the German Accounting Standards DRS 22. The capital stock is the build-up capital.

5. Accruals

Investment securities, which serve to finance lifetime working-time accounts, are valued at their fair value and balanced against the corresponding accruals in the amount of K€11,319 (offsetting of plan assets). The acquisition costs amounted to K€8,445. Other assets from the coverage capital for insolvency insurance of lifetime working-time accounts with the historical acquisition cost and fair value of K€5,658 were offset against the corresponding accruals in the amount of K€7,529.

Other assets from receivables from reinsurance policies for deferred compensation were offset against corresponding pension provisions for reinsured deferred compensation (offsetting of plan assets). The historical acquisition cost and fair value of the receivables from offset reinsurance policies amount to K€12,131. The amount repayable of the pension provision offset for reinsured deferred compensation corresponds to the asset value from the reinsurance policy (K€12,131). Expenses and income in the amount of K€209 were offset.

Other accruals mainly include accruals for warranties, for outstanding invoices, for contingent losses from orders on hand, for contractual penalties, for flexitime surpluses, for bonuses and gratuities and for long-term working time accounts.

6. Liabilities

The total amount of liabilities and the breakdown of the individual liability items according to their remaining term are shown in an appendix to the Notes.

The total amount of **liabilities due to banks** is K€729 and is secured by pledged accounts.

Other liabilities include the following items:

	December 31, 2024 K€	December 31, 2023 K€
Social security liabilities	9,512	9,414
Tax liabilities	53,895	32,883

7. Derivative financial instruments and valuation units

For its business activities, the Diehl Group uses forward contracts to manage the risks arising from the fluctuations in currencies and metal prices between the balance sheet date and the settlement date.

Forward exchange transactions are concluded by the companies with Diehl Stiftung & Co. KG. The latter, in turn, concludes suitable contracts with banks, which are essentially identical regarding value and term. These contracts are based on uniform guidelines, are subject to internal controls and are limited to hedging transactions in foreign currencies.

The nominal volume and market values of derivative financial instruments existing at the balance sheet date are as follows:

Forward exchange transactions in million €	Market values		Nominal volume
	positive	negative	
Type			
USD	8	77	2,487
EUR	0	2	75
PLN	1	0	61
GBP	0	0	15
MXN	0	1	14
Other currencies			8
Commodity futures contracts			
Metals exchange	2	0	63

The nominal volume is the sum of all buying and selling values of derivative financial instruments.

The market value of foreign exchange and commodity futures contracts is calculated on the basis of the forward value applicable on the balance sheet date for the respective remaining contract term compared to the contracted forward value (mark-to-market method).

Forward exchange transactions are used to hedge business transactions in foreign currencies and valuation units are created to cover risks amounting to €9.0 million as of the balance sheet date. Foreign currency items are valued as part of micro, macro and portfolio hedges. The valuation units include foreign currency receivables (€305.2 million), liquid assets (€47.0 million), foreign currency liabilities (€27.9 million), firmly contracted business not yet included in the balance sheet (€734.3 million) and transactions expected with high probability (€1,680.5 million). The transactions expected with high probability mainly relate to anticipated orders or procurement transactions. Opposing changes in the value and cash flows of these hedged items and hedging instruments are expected to offset each other in full by December 2027.

The transactions combined in the valuation units are subject to the same risk. Accordingly, the opposing changes in value of the hedged items and hedging instruments are expected to fully offset each other in the future for the respective hedged risk. The prospective effectiveness of hedging relationships is determined on each balance sheet date primarily using the Critical-Terms-Match method. This ensures that the value-determining factors (nominal value, term, currency) are identical for the hedged item and the hedging instrument. Therefore, the individual hedging relationships are each rated as effective for the entire hedging period. The same applies to the retroactive determination of previous effectiveness. Here, too, it is predominantly demonstrated by the Critical Terms Match method that all value-determining factors between the hedged portion of the hedged items and the hedging portion of the hedging instruments are identical. In these cases, there can be no ineffectiveness that is relevant for the balance sheet with regard to the valuation units.

Metal price risks from metal procurement and metal sales contracts (pending transactions) result from changes in the prices of primary metals, scrap and manufactured semi-finished products between the contract date and the date of performance. Purchase and sales contracts that are not covered by physical countertrades are hedged with corresponding exchange positions.

Commodity futures and forward contracts are concluded to hedge metal price risks (pending transactions). Both micro and portfolio hedges are created as part of the valuation.

The hedged items combined in the portfolio hedges have highly homogeneous risks. The contract volume of hedging transactions is chosen so that it corresponds to the contract volume of the hedged items – in terms of the respective primary metal portion.

Hedged items and hedging transactions are included in the valuation units at the following market values (forward value at the balance sheet date compared with the contracted forward value):

Metals Dec. 31, 2024	Pending procure- ment trans- actions	Hedged by commodity futures contracts	Pending sales trans- actions	Hedged by commodity futures contracts
Market value in million €	– 0.1	0.1	0.9	– 0.3

The changes in value of pending sales and procurement transactions are hedged over a period of up to 12 months for the valuation units.

The opposing changes in the value of these hedged items and hedging transactions are expected to offset each other in full over the next 12 months. The effectiveness of the valuation units employed is measured using the “dollar offset method” in cumulative form, taking into account specified risk limits. Under the “dollar offset method,” the cumulative market value changes of the hedged items are compared with the cumulative market value changes of the hedging transactions as of the designated date in absolute amounts of money. The “dollar offset test” is carried out on each closing date.

Provisions in the amount of K€17 were set up as of the balance sheet date. Risks worth €0.8 million were hedged with microhedges and portfolio hedges, thus avoiding corresponding negative changes in value on the accounting date. Transactions expected with high probability with a volume of €5.2 million were included in the valuation units.

8. Contingent liabilities

As of the reporting date, there were liabilities from guarantees amounting to €22.0 million (previous year: €23.8 million) and from warranty agreements in the amount of €276.0 million (previous year: €27.3 million).

On the reporting date, there were contingent liabilities of €15.7 million due to associated companies (previous year: €17.1 million).

In view of the business development to date of the individual companies for whose benefit the contingent liabilities exist, no related claims are expected to be raised.

Indirect pension liabilities are not shown in the consolidated balance sheet. The corresponding deficit due to affiliated, non-consolidated companies is included in the contingent liabilities (liabilities from warranty agreements) in the amount of €1.9 million (previous year: €2.2 million).

9. Other financial commitments

Financial commitments from long-term contracts amount to €606 million. These mainly relate to offset obligations, commitments from quantity contracts for metal (purchasing) for which prices have not yet been fixed, commitments from open purchase orders, rental and lease agreements, commitments from commodity futures (metal) and repayment obligations for development cost subsidies.

VI. NOTES TO THE INCOME STATEMENT

1. Sales revenue

The breakdown of sales revenue is as follows:

2024	Total million €	Germany million €	Other countries million €
Metall Corporate Division	738	316	422
Controls Corporate Division	384	63	321
Defence Corporate Division	1,827	569	1,258
Aviation Corporate Division	1,275	470	805
Metering Corporate Division	462	85	377
Services/Other	10	10	0
Total	4,696	1,513	3,183

2023	Total million €	Germany million €	Other countries million €
Metall Corporate Division	800	370	430
Controls Corporate Division	443	87	356
Defence Corporate Division	1,142	326	816
Aviation Corporate Division	1,053	413	640
Metering Corporate Division	435	77	358
Services/Other	10	10	0
Total	3,883	1,283	2,600

Foreign sales are generated mainly in other European countries, North America and China.

2. Other operating income

Includes income from foreign currency translation in the amount of €12.4 million (previous year: €23.8 million).

3. Amortization and depreciation

Non-scheduled depreciations due to permanent value reduction were made in the amount of €2.7 million (previous year: €2.5 million). This mainly concerns the item "Amortization and depreciation on intangible assets and tangible assets" in the income statement.

4. Other operating expenses

Other operating expenses include expenses from foreign currency translation in the amount of €21.6 million (previous year: €9.1 million) and other taxes in the amount of €9.1 million (previous year: €5.7 million).

5. Other interest and similar income / interest and similar expenses

The item "Other interest and similar income" includes income from the discounting of accruals in the amount of €10.0 million (previous year: €6.6 million).

The item "Interest and similar expenses" includes expenses from the compounding of accruals in the amount of €15.9 million (previous year: €14.2 million).

6. Income tax

This item includes corporate income tax, trade income tax, deferred income taxes and comparable foreign income taxes.

The Minimum Tax Act was enacted by the accounting date in accordance with the OECD requirements ("Pillar 2 legislation"). The Minimum Tax Act came into force on January 1, 2024. The Group has analyzed the impact of this tax act on the affected companies and expects the impact to be minor.

7. Income / expenses relating to other accounting periods

Income relating to other accounting periods amounted to €57.4 million. This mainly resulted from the reversal of unused accruals. There were no significant expenses relating to other accounting periods.

8. Income of extraordinary size and significance

Other operating income of extraordinary size and significance in the fiscal year 2024 amounted to €33.9 million and resulted from insurance compensation for the fire damage at the Berlin location.

VII. OTHER INFORMATION

1. Information on the organs of the Foundation

Executive Board

Dr. Klaus Richter, President of the Executive Board,

Technology Corporate Section (resigned on July 31, 2024)

Jürgen Reimer, Finance and Controlling Corporate Section,

President of the Executive Board (from August, 1, 2024)

Jens Böhlke, Human Resources and Social Affairs

Corporate Section

Dr. Christof Bosbach, Metering Corporate Division

Dieter Landgraf, Metall Corporate Division

Helmut Rauch, Defence Corporate Division

Dr. Jörg Schuler, Aviation Corporate Division

Carsten Wolff, Controls Corporate Division

Supervisory Board

Karl Diehl, Honorary Chairman (* January 19, 2008)

Peter Diehl, Vice Chairman (* February 6, 2016)

Dr. Thomas Diehl (* April 16, 2017)

Markus Diehl, Chairman (from September 1, 2024)

Dr. Herbert Fehrecke, Chairman (until August 31, 2024)

Werner Diehl, Vice Chairman (* April 10, 2025)

Konstantin Diehl

Klaus Helmrich (from September 1, 2024)

Frank Werdin

2. Explanations concerning the cash flow statement

The cash flow statement is prepared using the indirect method in accordance with the German Accounting Standards DRS 21.

Cash holdings include cash on hand and bank balances after deduction of liabilities due at any time.

Payments to shareholders include profit distributions to third-party shareholders as well as withdrawals mainly for the taxation of the shareholders of Diehl Stiftung & Co. KG.

3. Employees

	Annual average	
	2004	2023
Metall Corporate Division	2,948	2,962
Controls Corporate Division	3,361	3,512
Defence Corporate Division	4,142	3,395
Aviation Corporate Division	5,120	4,655
Metering Corporate Division	1,846	1,765
Services/Other	522	490
Employees	17,939	16,779
Trainees	440	380
Total	18,379	17,159

Of the employees, 9,140 (previous year 8,287) are direct employees and 8,799 (previous year 8,492) are indirect employees.

4. Fees paid for services provided by auditors

Type in K€	Auditor of the consolidated financial statements	Other auditors
Annual audit services	1,690	53
Audit-related services	140	9
Tax consultation services	1,046	25
Other services	268	29
Total	3,144	116

5. Supplementary report

No significant events that would have had an impact on the net assets, financial position and results of the company occurred at the companies included in the consolidated financial statements between the balance sheet date of December 31, 2024 and April 11, 2025.

6. Information required pursuant to Section 314, Para. 1, No. 6 of the German Commercial Code

The total remuneration for members of the Executive Board amounted to K€13,644 in the reporting year. Remuneration for former members of the Executive Board and their surviving dependents amount to K€1,047. Pension liabilities for these persons amount to K€14,011. Emoluments for members of the Supervisory Board amount to K€674.

7. Proposal for appropriation of profits of Diehl Verwaltungs-Stiftung

The Executive Board proposes to allocate an amount of K€18 to the capital maintenance reserve in order to maintain the Foundation's assets in real terms.

8. Special provisions for commercial partnerships

The following commercial partnerships are exempt from the obligation to publish their annual financial statements pursuant to Section 264b of the German Commercial Code due to their inclusion in and publication of the consolidated financial statements:

Diehl AKO Stiftung & Co. KG, Wangen im Allgäu,
Diehl Brass Solutions Stiftung & Co. KG, Röthenbach a. d. Pegnitz,
Diehl Defence GmbH & Co. KG, Überlingen,
DD Präzisionsteile GmbH & Co KG, Überlingen,
Diehl Metall Stiftung & Co. KG, Röthenbach a. d. Pegnitz,
Diehl Röthenbach Immobilien GmbH & Co. KG, Röthenbach a. d. Pegnitz and
Diehl Stiftung & Co. KG, Nuremberg.

Nuremberg, April 11, 2025
Diehl Verwaltungs-Stiftung

Jürgen Reimer, Jens Böhlke, Dr. Christof Bosbach, Dieter Landgraf, Helmut Rauch, Dr. Jörg Schuler, Carsten Wolff

STOCK OWNERSHIP OF THE GROUP AS OF DECEMBER 31, 2024

Name and registered office of the company	Share in capital (%)
1) Consolidated companies	
Production and sales companies	
Germany	
AIM Infrarot-Module GmbH, Heilbronn	50.0
DD Präzisionsteile GmbH & Co KG, Überlingen	100.0
Diehl Energy Products GmbH, Röthenbach	100.0
Diehl Advanced Mobility GmbH, Zehdenick	100.0
Diehl Aerospace GmbH, Überlingen	51.0
Diehl AKO Stiftung & Co. KG, Wangen im Allgäu	100.0
Diehl Aviation Gilching GmbH, Gauting	100.0
Diehl Aviation Hamburg GmbH, Hamburg	100.0
Diehl Aviation Laupheim GmbH, Laupheim	94.0
Diehl Brass Solutions Stiftung & Co. KG, Röthenbach an der Pegnitz	100.0
Diehl Defence GmbH & Co. KG, Überlingen	100.0
Diehl Metal Applications GmbH, Röthenbach a. d. Pegnitz	100.0
Diehl Metall Messing Beteiligungs GmbH, Röthenbach an der Pegnitz	100.0
Diehl Metall Stiftung & Co. KG, Röthenbach a. d. Pegnitz	100.0
Diehl Metering GmbH, Ansbach	98.8
Diehl Metering Systems GmbH, Nuremberg	100.0
Diehl Retrofit Missile Systeme GmbH, Überlingen	100.0
Diehl Service Modules GmbH, Hamburg	100.0
Diehl Werkzeugbau Seebach GmbH, Seebach	100.0
DynITEC GmbH, Troisdorf	58.8
JUNGHANS Microtec GmbH, Dunningen	55.0
SMH Süddeutsche Metallhandelsgesellschaft mit beschränkter Haftung, Nuremberg	100.0

Name and registered office of the company	Share in capital (%)
Other countries	
Diehl Aerospace Pte. Ltd., Singapore	100.0
Diehl Aerospace, Inc., Birmingham / Alabama, USA	100.0
Diehl Augé Découpage SAS, Besançon, France	100.0
Diehl Aviation Hungary Kft., Nyírbátor, Hungary	100.0
DIEHL AVIATION DE MÉXICO SOCIEDAD DE RESPONSABILIDAD LIMITADA DE CAPITAL VARIABLE (S. DE R.L. DE C.V.), El Marqués / Querétaro, Mexico	100.0
Diehl Controls (Nanjing) Co., Ltd., Nanjing, China	100.0
Diehl Controls México S.A. de C.V., El Marqués / Querétaro, Mexico	100.0
Diehl Controls Polska Sp. z o.o., Namysłów, Poland	100.0
Diehl Controls (Qingdao) Co., Ltd., Qingdao, China	100.0
DIEHL CONTROLS ROMANIA S.R.L., Bucharest, Romania	100.0
Diehl do Brasil Metalúrgica Limitada, São Paulo, Brazil	100.0
Diehl Electronic Components (Wuxi) Co., Ltd., Wuxi, China	100.0
Diehl Metal India Private Limited, Pune / Maharashtra, India	100.0
Diehl Metering (Jinan) Co., Ltd., Jinan, China	100.0
Diehl Metering GesmbH, Wien, Austria	100.0
Diehl Metering LLC, Wilmington / Delaware, USA	100.0
Diehl Metering S.A.S., Saint-Louis, France	100.0
Diehl Metering Sp. z o.o., Bażanowice, Poland	100.0
DIEHL POWER ELECTRONIC SAS, Siaugues Sainte Marie, France	100.0
Diehl SynchroTec Manufacturing (Wuxi) Co., Ltd., Wuxi / Jiangsu, China	100.0
Franconia Industries, Inc., Albany / New York, USA	100.0
Junghans T2M SAS, La Ferté-Saint-Aubin, France	100.0

Name and registered office of the company	Share in capital (%)
Management, property and other companies	
Germany	
Afelixa Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG, Mainz	94.0
Diehl Assekuranz Rückversicherungs- und Vermittlungs-AG, Nuremberg	100.0
Diehl Ausbildungs- und Qualifizierungs-GmbH, Nuremberg	100.0
Diehl Aviation Holding GmbH, Nuremberg	100.0
Diehl Connectivity Solutions GmbH, Nuremberg	100.0
DD Immobilien Troisdorf GmbH, Troisdorf	100.0
Diehl Beteiligungen GmbH, Nuremberg	100.0
Diehl Controls Nuremberg Verwaltungs GmbH, Nuremberg	100.0
Diehl Defence Holding GmbH, Überlingen	100.0
Diehl Defence Land Systems GmbH, Röthenbach a.d. Pegnitz	100.0
Diehl Defence Verwaltungs-GmbH, Überlingen	100.0
DIEHL Informatik GmbH, Nuremberg	100.0
Diehl Nuremberg Facility Verwaltungs GmbH, Nuremberg	100.0
Diehl Nuremberg Holding GmbH	100.0
Diehl Röthenbach Immobilien GmbH & Co. KG	100.0
Diehl Röthenbach Immobilien Verwaltungs GmbH	100.0
Diehl Stiftung & Co. KG, Nuremberg.	0.0
Diehl Track Gesellschaft mit beschränkter Haftung, Nuremberg	100.0
Diehl Ventures GmbH, Nuremberg	100.0
Dynamit Nobel GmbH, Troisdorf	100.0
GEBRÜDER JUNGHANS GESELLSCHAFT MIT BESCHRÄNKTER HAFTUNG, Röthenbach a. d. Pegnitz	86.3
Integra Vermögensverwaltungs- und Beteiligungsgesellschaft mbH, Nuremberg	100.0
Sundwiger Messingwerk Verwaltungs GmbH, Röthenbach an der Pegnitz	100.0
Other countries	
Diehl Americas, Inc., Wilmington / Delaware, USA	100.0
Diehl Controls North America Inc., Wilmington / Delaware, USA	100.0
Diehl Metal Applications France SAS, Besançon, France	100.0
DIEHL METERING INDUSTRIA DE SISTEMA DE MEDICAO LTDA, Recife, Brazil	100.0

Name and registered office of the company	Share in capital (%)
2) Affiliated companies not included in the consolidation	
DD Ukraine Support Services Limited Liability Company, Kiev, Ukraine	100.0
Diehl Aviation Middle East FZCO, Dubai, VAE	100.0
Diehl Aviation Operation Support Service (Tianjin) Co., Ltd, China	100.0
Diehl Defence Egypt Support Services, Cairo, Egypt	100.0
Diehl Defence Military Equipment LLC, Saudi Arabia	100.0
Diehl Metering AB, Stockholm, Sweden	100.0
Diehl Metering ApS, Esbjerg, Denmark	100.0
Diehl Metering FZE, Dubai, United Arab Emirates	100.0
Diehl Metering Limited, Halifax / West Yorkshire, Great Britain	100.0
Diehl Metering Pte. Ltd., Singapore	100.0
Diehl Metering S.L., Madrid, Spain	100.0
Diehl Metering S.R.L., Milano, Italy	100.0
Diehl Middle East GmbH, Nuremberg	100.0
DIEHL RAIL INDIA PRIVATE LIMITED, Bangalore, Karnataka, India	100.0
Diehl Services Middle East FZCO, Dubai, UAE	100.0
FFT Fahrzeugbau und Fahrzeugtechnik GmbH, Nuremberg	100.0
Heinrich Diehl Gedächtnisfonds Gesellschaft mit beschränkter Haftung, Nuremberg	100.0
Mauser-Werke Oberndorf Unterstützungskasse Gesellschaft mit beschränkter Haftung, Oberndorf am Neckar	100.0
PREVENTIO GmbH, Frankfurt am Main	100.0
STACKFORCE GmbH, Eschbach	50.0
Troisdorf Genehmigungshaltergesellschaft mbH, Troisdorf	86.0
3) Associated companies (equity accounting)	
Diehl VC GmbH, Nuremberg	49.6
EuroSpike GmbH, Röthenbach a.d. Peg.	40.0
GIWS Gesellschaft für Intelligente Wirksysteme mbH, Nuremberg	50.0
PARSYS GmbH, Schrobenhausen	50.0
RAM-SYSTEM Gesellschaft mit beschränkter Haftung, Ottobrunn	50.0
TD Services GmbH, Greven	50.0
4) Investments (shareholdings of 20% or more)	
OEM Defence Services SAS, Elancourt, France	20.0
OEMServices SAS, Tremblay-en-France, France	25.0
Schramberger Wohnungsbau, Gesellschaft mit beschränkter Haftung, Schramberg	24.1

DEVELOPMENT OF THE GROUP'S FIXED ASSETS (K€)

	Cost of acquisition/manufacture							
	Status as of December 31, 2023	Modifica- tions	Additions	Write-ups	Disposals	Transfers	Status as of December 31, 2024	
I. Intangible assets								
1. Concessions acquired for consideration, industrial property rights and licenses	164,499	– 736	9,584	0	3,201	2,542	172,688	
2. Goodwill	187,785	176	157	0	0	– 176	187,942	
3. Advance payments	2,068	0	4,092	0	0	– 1,841	4,319	
	354,352	– 560	13,833	0	3,201	525	364,949	
II. Tangible assets								
1. Real property, rights equivalent to real property and buildings including buildings on real property of third-parties	552,428	32,767	60,599	0	1,168	9,348	653,974	
2. Technical equipment and machinery	1,054,916	17,243	61,374	0	33,970	40,686	1,140,249	
3. Other equipment, factory and office equipment	588,179	1,263	53,625	0	16,581	9,133	635,619	
4. Advance payments and assets under construction	131,215	180	143,052	0	612	– 59,691	214,144	
	2,326,738	51,453	318,650	0	52,331	– 524	2,643,986	
III. Financial assets								
1. Shares in affiliated companies	5,978	3,097	5,419	0	3,093	5	11,406	
2. Shares in associated companies	6,003	0	54	2,569	0	0	8,626	
3. Other investments	9,803	0	5	0	460	– 5	9,343	
4. Loans to companies in which participations are held	0	0	0	0	0	0	0	
5. Other loans	10,485	91	207	0	7,712	0	3,071	
	32,269	3,188	5,685	2,569	11,265	0	32,446	
Total	2,713,359	54,081	338,168	2,569	66,797	1	3,041,381	

	Amortization and depreciation							Net book value		
	Status as of December 31, 2023	Modifications	Additions	Write-ups	Disposals	Transfers	Difference between average rate and closing rate	Status as of December 31, 2024	Status as of December 31, 2024	Status as of December 31, 2023
	145,705	–893	9,062	0	3,194	0	2	150,682	22,006	18,794
	187,785	0	157	0	0	0	0	187,942	0	0
	0	0	0	0	0	0	0	0	4,319	2,068
	333,490	–893	9,219	0	3,194	0	2	338,624	26,325	20,862
	346,279	7,073	11,787	–43	1,155	0	29	363,970	290,004	206,149
	808,654	13,172	63,372	0	33,074	–5	95	852,214	288,035	246,262
	447,032	1,061	40,206	0	16,307	5	12	472,009	163,610	141,147
	1,035	0	1,002	0	157	0	0	1,880	212,264	130,180
	1,603,000	21,306	116,367	–43	50,693	0	136	1,690,073	953,913	723,738
	2,700	0	0	0	0	0	0	2,700	8,706	3,278
	0	0	0	0	0	0	0	0	8,626	6,003
	2,900	0	1,257	0	0	0	0	4,157	5,186	6,903
	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	3,071	10,485
	5,600	0	1,257	0	0	0	0	6,857	25,589	26,669
	1,942,090	20,413	126,843	–43	53,887	0	138	2,035,554	1,005,827	771,269

RESIDUAL TERMS OF THE GROUP'S LIABILITIES AS OF DECEMBER 31, 2024

Liabilities:	Dec. 31, 2024			
	Total amount as of December 31, 2024 K€	of which with a residual term of		
		up to 1 year K€	more than 1 year K€	more than 5 years K€
1. Liabilities due to banks	69,068	47,824	21,244	513
2. Advance payments received on orders	785,086	785,086	0	0
3. Trade payables	512,761	512,257	504	0
4. Payables due to affiliated companies	1,686	1,686	0	0
5. Payables due to companies in which participations are held	103,208	22,390	80,818	62,165
6. Other liabilities	100,241	98,685	1,556	62,726
Total	1,572,050	1,467,928	104,122	125,404

Liabilities:	Dec. 31, 2023			
	Total amount as of December 31, 2023 K€	of which with a residual term of		
		up to 1 year K€	more than 1 year T€	more than 5 years K€
1. Liabilities due to banks	74,988	54,336	20,652	748
2. Advance payments received on orders	635,271	635,271	0	0
3. Trade payables	380,771	380,608	163	0
4. Payables due to affiliated companies	1,876	1,876	0	0
5. Payables due to companies in which participations are held	87,375	53,657	33,718	0
6. Other liabilities	77,668	75,043	2,625	485
Total	1,257,950	1,200,790	57,157	1,233



INDEPENDENT AUDITOR'S REPORT

To Diehl Verwaltungs-Stiftung,
Nuremberg

Audit opinions

We have audited the consolidated financial statements of Diehl Verwaltungs-Stiftung, Nuremberg, and its subsidiaries (the Group), which comprise the consolidated balance sheet as of December 31, 2024, the consolidated income statement, the consolidated statement of changes in equity, and the consolidated cash flow statement for the fiscal year from January 1 to December 31, 2024, and notes to the consolidated financial statements, including a description of the accounting and valuation methods. We have also audited the Diehl Verwaltungs-Stiftung group management report for the fiscal year from January 1 to December 31, 2024.

Based on the findings of our audit, it is our opinion that

- the accompanying consolidated financial statements comply in all material respects with the requirements of German commercial law and give a true and fair view of the assets and financial position of the Group as at December 31, 2024 and results of operations for the fiscal year from January 1 to December 31, 2024 in accordance with German principles of proper accounting and
- the accompanying group management report as a whole provides an accurate picture 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 accurately presents the opportunities for and risks of future development.

In accordance with § 322 (3)(1) of the German Commercial Code (HGB), we declare that our audit has not led to any reservations concerning the propriety of the consolidated financial statements or the group management report.

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and the group management report in accordance with § 317 HGB and in compliance with the German principles of proper audit of financial statements established by the Institut der Wirtschaftsprüfer (IDW). Our responsibility under those provisions and standards is further described in the "Auditor's Responsibility for the Audit of the Consolidated Financial Statements and the Group Management Report" section of our auditor's report. We are independent of the Group companies, in accordance with German commercial and professional regulations, and have fulfilled our other German professional obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and suitable to serve as a basis for our audit opinion on the consolidated financial statements and the group management report.

Responsibilities of the legal representatives and the Supervisory Board for the consolidated Financial statements and the group management report

The legal representatives are responsible for the preparation of the consolidated financial statements, which comply with German commercial law regulations in all material respects, and for ensuring that the consolidated financial statements convey a true and fair view of the Group's net assets, financial position, and results of operations in compliance with the German principles of proper accounting. Furthermore, the legal representatives are responsible for the internal controls that they have determined to be necessary, in accordance with the German principles of proper accounting, in order to enable the preparation of consolidated financial statements that are free from material misstatements due to fraudulent actions (i.e. accounting manipulations or misstatement of assets) or errors.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. They are also responsible for disclosing, as applicable, matters related to the going concern. In addition, they are responsible for preparing the financial statements on the basis of the going concern principle, unless factual or legal circumstances prevent this.

In addition, the legal representatives are responsible for the preparation of the group management report, which as a whole provides an accurate picture of the Group's position, is consistent in all material respects with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for the precautions and measures (systems) that they have deemed necessary to enable the preparation of a group management report in accordance with the applicable German legal requirements and to provide sufficient appropriate evidence for the statements made in the group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and the group management report.

Auditor's responsibility for the audit of the consolidated financial statements and the group management report

Our objective is 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 accurate picture of the Group's position and is consistent, in all material respects, with the consolidated financial statements and with our audit findings, complies with German legal requirements and appropriately presents the opportunities and risks of future development, and to issue an auditor's report that includes our audit opinion on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with the German principles of proper auditing of financial statements established by the Institut der Wirtschaftsprüfer (IDW) will always reveal a material misstatement. Misstatements may result 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 addressees taken on the basis of these consolidated financial statements and the group management report.

During the audit, we exercise professional judgment and maintain a critical attitude. Furthermore

- we identify and assess the risks of material misstatement of the consolidated financial statements and the group management report, whether due to fraud or error, we design and perform audit procedures in response to those risks, and we obtain audit evidence that is sufficient and appropriate to serve as the basis for our audit opinions. The risk that a material misstatement resulting from fraudulent activities will not be detected is higher than the risk that a material misstatement resulting from errors will not be detected, as fraudulent activities may involve collusion, forgery, intentional omissions, misleading representations, or the override of internal controls.
- we obtain an understanding of the internal control system relevant to the audit of the consolidated financial statements and of precautions 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 with the aim of expressing an audit opinion on the effectiveness of the Group's internal control system or these precautions and measures.

- evaluate the appropriateness of accounting policies used by the legal representatives and the reasonableness of estimates and related disclosures presented by the legal representatives.
- conclude on the appropriateness of the going concern basis of accounting used by the legal representatives 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 our auditor's report to the related disclosures in the consolidated financial statements and the group management report or, if such disclosures are inadequate, to modify our respective audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or circumstances may result in the Group being unable to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with German principles of proper accounting.
- we plan and conduct the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the accounting information of the entities or business segments within the Group. This forms the basis for our audit opinions on the consolidated financial statements and on the group management report. We are responsible for directing,

supervising and reviewing audit activities performed for the purpose of auditing the consolidated financial statements. We bear sole responsibility for our audit opinions.

- we assess the compliance of the group management report with the consolidated financial statements, its compliance with the law, and the picture it provides of the Group's situation.
- perform audit procedures on the forward-looking information provided by the legal representatives in the group management report. On the basis of sufficient appropriate audit evidence, we verify, in particular, the significant assumptions made by the legal representatives as a basis for the forward-looking information and assess the proper derivation of the forward-looking information from these assumptions. We do not give an independent audit opinion on the forward-looking information and on the underlying assumptions. There is a considerable unavoidable risk that future events may deviate materially from the forward-looking information.

Among other things, we discuss with those charged with governance the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control system that we identify during our audit.

Munich, May 6, 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Thorsten Dzulko
Auditor

ppa. Harald Hofmeister
Auditor

Executive Board	Duration
Dr. Klaus Richter President of the Executive Board Technology Corporate Section	until July 31, 2024
Jürgen Reimer Vice President of the Executive Board Finance and Controlling Corporate Section	until July 31, 2024
President of the Executive Board Finance and Controlling Corporate Section	from August 1, 2024
Jens Böhlke Human Resources Corporate Section	
Dieter Landgraf Metall Corporate Division	
Carsten Wolff Controls Corporate Division	
Helmut Rauch Defence Corporate Division	
Dr. Jörg Schuler Aviation Corporate Division	
Dr. Christof Bosbach Metering Corporate Division	

REPORT OF THE SUPERVISORY BOARD



During 2024, the Executive Board regularly informed the Supervisory Board about the course of business, the situation of the Corporate Group, and important individual business transactions. The questions and decisions resulting from this reporting were discussed comprehensively in meetings.

The Supervisory Board was especially concerned with the market orientation of the Corporate Group and corporate divisions as well as the financial position and results of operations. For these issues, the Supervisory Board again received the Advisory Board's esteemed advice.

The Advisory Board comprises:

Dr. Klaus Probst, (Chairman)
former CEO of Leoni AG,
former Chairman of the Supervisory Board at Leoni AG,

Dr. Jakob Baer, (Vice Chairman); (from July 1, 2019 to May 6, 2025)
former CEO of KPMG Switzerland, among others,
former Chairman of the Board of Directors at Stäubli Holding AG,
former Vice Chairman of the Board of Directors at Barry Callebaut AG,

Dr. Olaf Berlien,
President and CEO of INNIO Jenbacher GmbH & Co OG,
former CEO of Osram Licht AG,

Dr. Johannes Bußmann,
CEO of TÜV SÜD AG,
former CEO of Lufthansa Technik AG,

Dr. Herbert Fehrecke (from September 1, 2024 to May 6, 2025),
former member of the Executive Board at Drägerwerk AG & Co. KGaA,

Dr. Klaus Richter (from August 1, 2024 to May 6, 2025),
former President of the Executive Board at Diehl Verwaltungs-Stiftung,

Mr. Karlhermann Jung,
attorney and notary public (ret.),

The consolidated financial statements and the group management report of Diehl Verwaltungs-Stiftung were audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft and certified without qualification. The Supervisory Board has taken note of the audit result.

The Supervisory Board would like to express its thanks to the Advisory Board, the Executive Board, the Works Councils and all employees of the Corporate Group for the work performed in the past fiscal year.

For the Supervisory Board

Markus Diehl
Chairman

Nürnberg, May 6, 2025



Diehl Stiftung & Co. KG
Stephanstrasse 49
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diehl.com/group

**MANY SOLUTIONS -
ONE GROUP**