



ANNUAL REPORT
FOR THE 2024 CONSOLIDATED FINANCIAL STATEMENTS

Treets

Sperlari

Dallmann's

Bübchen®

Theramed

Harlekijntjes

• CANDY KITTENS:

CARAMBAR & co

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I. INTRODUCTION

(TRANSLATION FROM THE GERMAN LANGUAGE)

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2. Management-Team

3. At a glance

4. Katjes International

5. Successful M&A Track Record

1. MANAGEMENT FOREWORD

Dear investors and business partners, dear employees,

Katjes International very successfully closed the financial year 2024 and even **exceeded the EBITDA guidance, which was specified at the upper end of the previously indicated range** during the course of the year.

We ended the financial year with total net revenues of EUR 392.6 million and thus achieved an increase of 4% compared to the previous year (EUR 377.4 million).

The consolidated operating result (EBITDA) totalled EUR 44.8 million, which corresponds to an increase of 10% compared to the previous year (EUR 40.8 million). With an EBITDA margin of 11%, we noticeably exceeded the forecast of 10%.

We further increased our majority stake in Candy Kittens over the course of the year. As at 31 December 2024, we now hold around 88% of the shares in the company.

In addition, Katjes International founded a joint venture with German pop icon Shirin David in the financial year 2024 and

developed a unique body care line together with the entrepreneur, which will be launched in the second quarter of 2025.

In the second quarter of the financial year, we also acquired the brand rights to 'Barnängen' from Henkel - another body care brand that combines Scandinavian-inspired ingredients with Swedish design.

In line with the strong result, cash flow from operating activities reached EUR 45.6 million, which underlines the high performance of our core business.

► Due to the aforementioned brand acquisition and further investments in production facilities in the financial year, cash flow from investing activities totalled EUR -24.7 million.

As expected, cash flow from financing activities was negative, which is mainly due to scheduled repayments made in the reporting year.

Our equity is stable at EUR 176.2 million and our equity ratio is a comfortable 36%.

Overall, Katjes International has achieved **another record year** and met or exceeded the expectations communicated in the guidance.

In the past financial year, we opted for corporate income taxation at the level of Katjes International as of 1 January 2025 in order to take advantage of the possibility of legal form neutral taxation and to optimise the long-term competitiveness of our company.

With the aim of further strengthening our existing brand portfolio and focusing both its brand presence and the respective product portfolios on successful and sustainable segments, we believe we are very well positioned in the competitive environment. With an eye on our profitability, we want to continue growing - both through acquisitions and organically.

For the current financial year, we have set ourselves the target of generating consolidated net sales revenues of at least EUR 400 million and an EBITDA margin of between 9% and 10%.

Lastly, we would like to thank our employees at Katjes International and our subsidiaries, who have achieved this successful year with great commitment, and you, dear investors and business partners, for your trust in our work.

Best regards

Bastian Fassin – Managing Shareholder
 Tobias Bachmüller – Managing Shareholder
 Stephan Milde – CFO, Managing Director

2. MANAGEMENT-TEAM



BASTIAN FASSIN

Managing Shareholder of Katjes International

Career

- Since 2004 – Managing Shareholder of Katjes International
- until 2003 – Marketing and Sales, Kraft Foods
- until 2000 – Roland Berger Strategy Consultants



TOBIAS BACHMÜLLER

Managing Shareholder of Katjes International

Career

- since 1996 – Managing Shareholder of Katjes International
- until 1995 – General Manager, Kraft Foods (Milka)
- until 1992 – Principal, The Boston Consulting Group



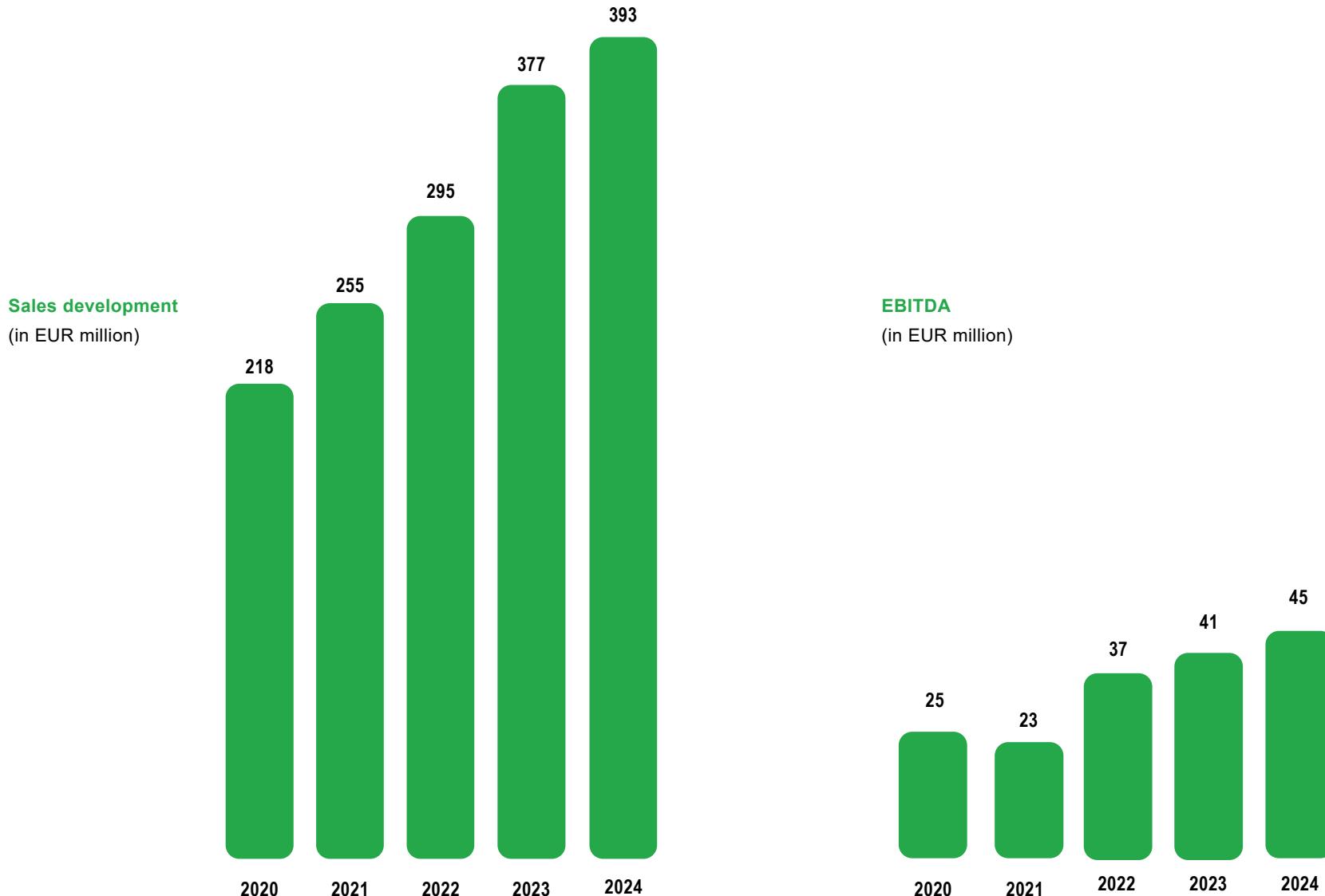
STEPHAN MILDE

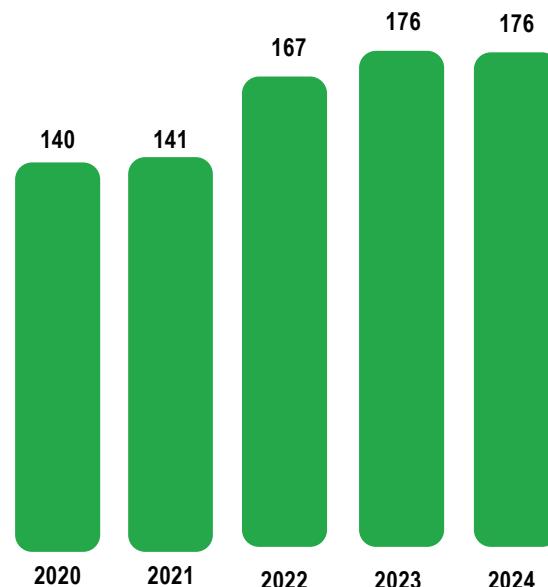
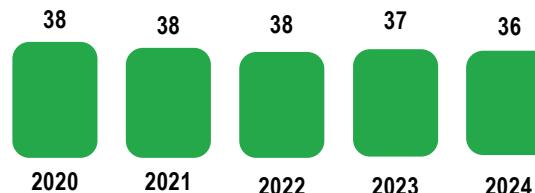
Managing Director (CFO) of Katjes International

Career

- Since 2012 – CFO Katjes International
- Before several years in Investment Banking at Deutsche Bank and Citigroup in London

3. AT A GLANCE



Equity
(in EUR million)**Equity ratio**
(in %)

4. KATJES INTERNATIONAL

Formed in 2011 from predecessor companies, Katjes International GmbH & Co. KG ('Katjes International') together with its two independent and legally autonomous sister companies, Katjes Fassin GmbH + Co. KG ('Katjes Germany') and Katjesgreenfood GmbH & Co. KG ('Katjes Greenfood'), form the Katjes Group. In Katjes International, the Group bundles its holdings in established and strong local brands in Europe.

Clear growth strategy

In order to achieve its goal of sustainable and profitable growth, Katjes International is focussing on the consistent development and expansion of its brands. In addition, further acquisitions are part of the clearly defined growth strategy. Against this background, potentially interesting companies in particular from the Fast Moving Consumer Goods (FMCG) sector in Europe, are constantly being analysed.

Strong brands

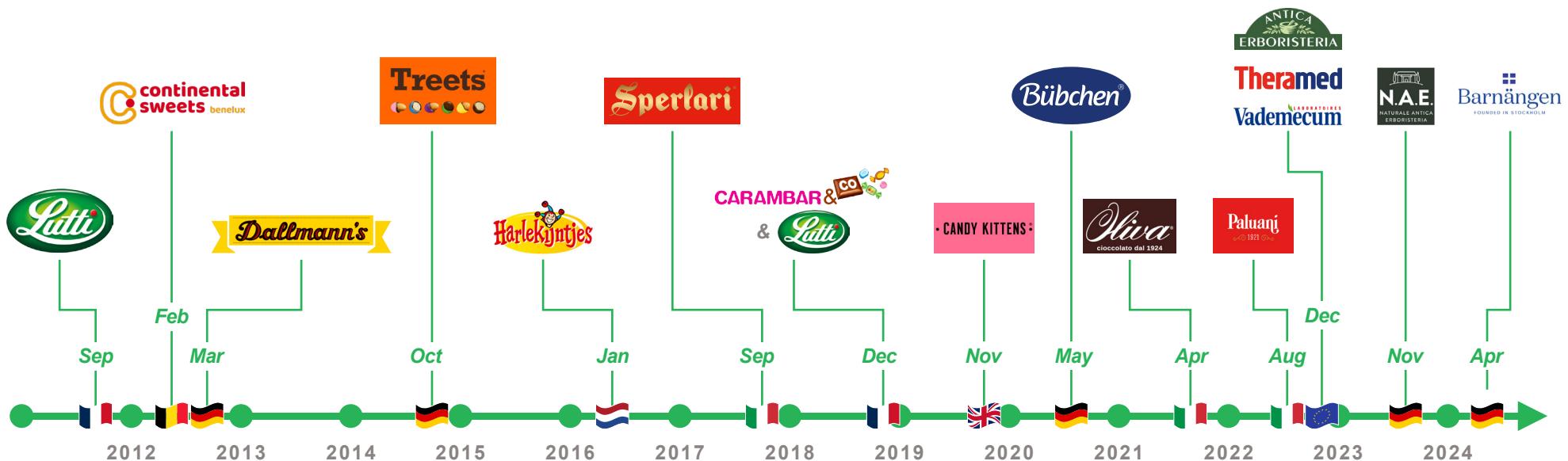
Through its investments in strong brands, Katjes International is currently particularly active in Germany, Italy, France, the Netherlands, the UK and Spain. Legally and organisationally independent in their markets or segments, the investments and their products are generally consistently focused on one basic char-

racteristic, sustainability-oriented and thus strengthened. The resulting increase in brand value is regularly supported by targeted marketing and advertising measures. This is also reflected in sales and earnings.

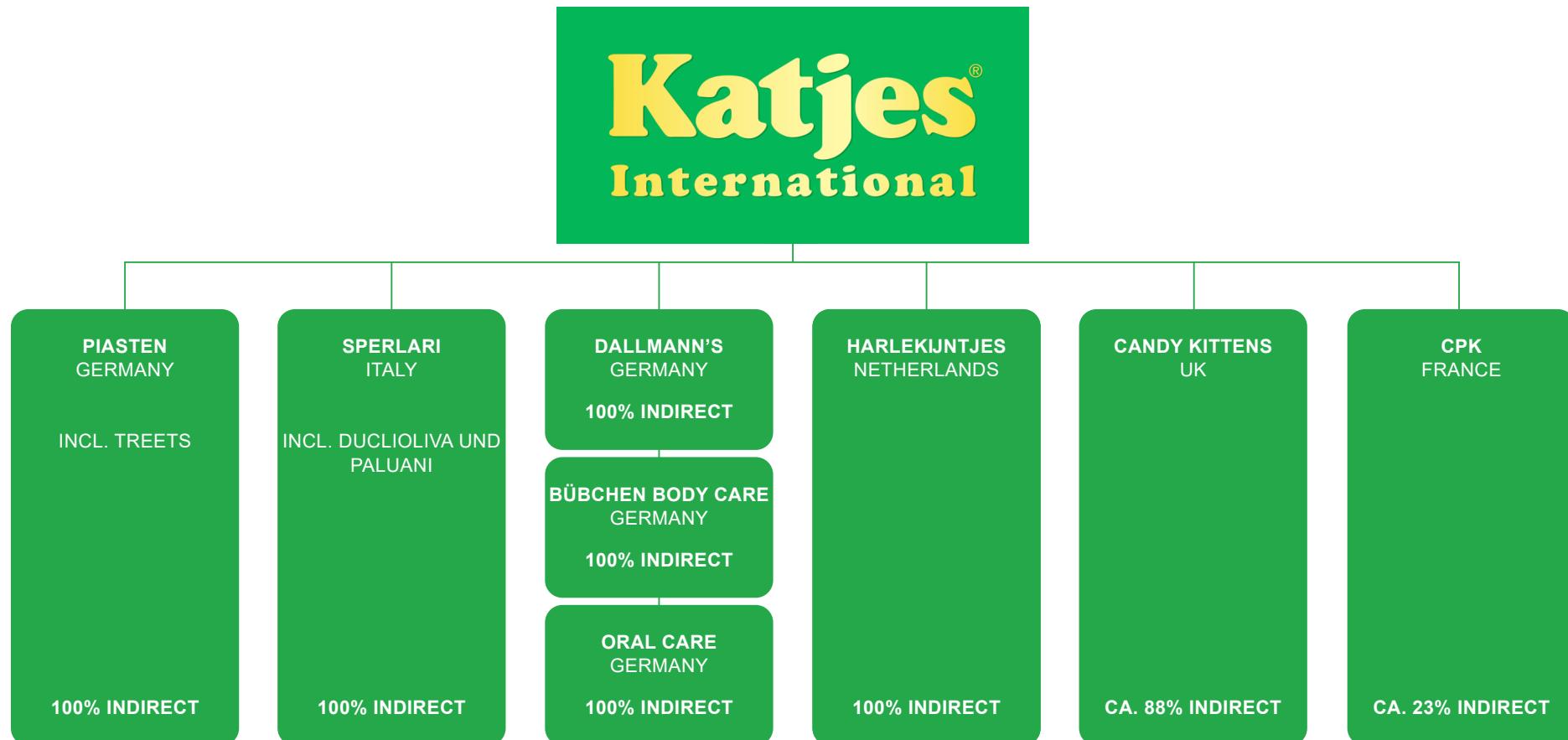
A sustainable and responsible approach

Acting sustainably and taking responsibility for society and employees as well as for the environment - for Katjes International, these are more than just contemporary buzzwords. As part of a group of companies that has been family-owned for over 100 years, sustainable behaviour is important for all employees on a daily basis.

5.1 SUCCESSFUL M&A TRACK RECORD



5.2 OUR SUBSIDIARIES AND PARTICIPATIONS



5.3 TREETS / PIASTEN

► Since 2017, Treets has been part of Piasten GmbH, Bavaria's largest confectionery manufacturer and Germany's largest dragée manufacturer in Forchheim. The Treets brand is Piasten's orange flagship and is continuing its success story in 2024 with the launch of a vegan version of the popular Treets Peanuts and an eye-catching campaign.

The brightly colored love brand for dragee fans, with a sense of sustainability and naturalness, is mainly present on the European market with a growing portfolio.



2024 - VEGAN RULES!

Anyone visiting the ISM Cologne in January 2024 could not miss the Treets stand. A presentation of the latest development in the innovative product portfolio: VEGAN Treets. The strategic expansion of the portfolio is the answer to the strong demand for a vegan variant, which was successfully launched in Germany and the Netherlands in fall 2024. The vegan Peanut



Dragees were developed in collaboration with Planet A Foods and their cocoa-free chocolate alternative Choviva. For all those who prefer snacks without animal ingredients, the Peanuts in summery pastel shades will become the new favorite treats. The crunchy Peanuts are coated in vegan Choviva, made from sunflower seeds and a crunchy sugar coating in soft pastel colors. The dragees are coated exclusively with vegan colors, i.e. without animal dyes such as carmine/E120. Treets are colored with vegan colors such as the plant-based beet red or curcumin.

“AS ALWAYS. JUST VEGAN.”

The most successful new launch to date opens up a new world of snacks for Peanut Lovers with a plant-based lifestyle, and this is announced in a high-reach campaign: “As always. Just vegan.” has been the slogan since autumn 2024, as this was not only the starting signal for the vegan novelty in stores, but also for the innovative, colorful vegan campaign. The creative video assets show in humorous, varied test situations that the Vegan Treets are not only sustainable, but also a real taste experience and lots of snacking fun. A giant banner in Berlin's main station also attracted attention in the vegan mecca.



PIASTEN GMBH, GERMANY

Brand/market position	Treets, Piasten; largest manufacturer of dragees in Germany
Markets	Germany and export markets (e.g. Italy and eastern Europe)
Range	Dragees, Pralines, Cereal
Headquarters/production	Forchheim, Germany
Participation	100%, held indirectly via Katjes 24 GmbH and Katjes 21 GmbH
Consolidation	Fully consolidated

The message about the new product was multiplied by a large number of influencers. The successful campaign has generated over 50 million contacts to date.



5.4 SPERLARI

► **Sucessful since 1836: Tradition meets innovation. Our Italian subsidiary showcased its traditional brands in a new light in 2024 with innovative campaigns and once again proved its dominant position in the seasonal business.**

Since it was set up 188 years ago, the company has established itself as the second largest player in the Italian sugar confectionery market and is the market leader in the segment for seasonal products, sweeteners and sugar-free candy. The best-known brands include Sperlari (Italian nougat: 'torrone', candies, fruit gums), Saila (liquorice) and Dietor (sweetener).

Tradition and emotion

In 1836, Enea Sperlari opened his white nougat factory in the heart of Cremona, Italy, combining his personal passion with traditional Cremonese products. As the Italian market leader for white nougat, the company's expertise in nut specialities is obvious and is also reflected in high quality standards. The most important innovation of 2024 has been the "Il sottile" range, a new way to enjoy nougat. Thin, crunchy and delicious nougat to taste anytime and everywhere, not only during Christmas. Moreover, Sperlari has worked on a more sustainable packaging, by using a flowpack 100% recyclable into paper. The goal is to include younger consumers, in order to incre-



ase market share.

To support the Christmas campaign Sperlari revamped its iconic campaign "Non c'è Natale senza Sperlari" through a strong Radio plan. During December, Sperlari reached 77% of its target



group. This was supported by a dominant point-of-sales presence.

Dietor - Simply beautiful

"The Sweetness You Deserve" this innovative project redefines the category's boundaries, breaking through traditional taste and health barriers to reach a wider audience. 100% taste like sugar, but zero calories. For its debut, Dietor surprised everyone with the "Zero Sugar Café", an exclusive pop-up store curated by the renowned pastry chef Damiano Carrara. The campaign then took off with an exclusive TV spot, a digital- content series starring Lodovica Comello and an influencer campaign

sperlari.it 



SPERLARI S.R.L., ITALY

Brand/market position	Sperlari, DIETOR, Saila, Galatine etc., number two brand in Italy
Markets	Italy and export markets
Range	Torrone/nougat, chocolate, candies, jellies, liquorice, sugar-free sweets, milk-based sweets and sweeteners
Headquarters/production	Cremona, Italy, and three other production sites in Italy
Participation	100%, held indirectly via Katjes 24 GmbH and Katjes Italy GmbH
Consolidation	Fully consolidated

featuring nutritionists and food experts. But the real magic happened with the Dietor Tour, a roadshow that brought the new formula to eight Italian cities. A fleet of branded mobile cafés allowed people to experience the new taste firsthand, turning every stop into an opportunity to discover a sweetness without compromise.

Saila – A Classic Reimagined

Saila has stood for authentic mint and liquorice freshness for over 80 years. With football star Christian Vieri as its brand ambassador, the company secured a strong presence on social media.

PALUANI 1921

► Paluani 1921: A New Sweet Chapter in the Iconic Brand's History

On August 1, 2022, Sperlari laid the foundation to further strengthen its leadership in the seasonal confectionery market: the company acquired the operational business of Paluani S.p.A., based in Verona. With this acquisition, Sperlari took over the ongoing operations of Paluani, a company known for its traditional Christmas and Easter specialties such as Panettone and Colomba.



All Paluani products are crafted with a strong focus on quality. By selecting the finest ingredients, pursuing excellence in every detail, and using authentic recipes and production methods, the tradition of Italian baked goods is upheld.

"Officina Dolciaria Verona": The careful selection of ingredients (Italian fresh milk, fresh butter, and eggs), masterful craftsmanship, and the magic of time are the secrets behind the quality of Paluani products.

Paluani's packaging is now orange: the new design tells a unique and distinctive brand story — conveying a contemporary take on the festive season while standing out from competitors and catching the eye at the point of sale.

[Paluani.it](https://www.paluani.it)



PALUANI S.R.L., ITALY

Brand/market position	Paluani ranks among the four leading panettone producers
Markets	Italy
Range	Panettone, Colomba
Headquarters/production	Verona, Italy
Participation	100% held indirectly via Katjes 24 GmbH, Katjes Italy GmbH and Sperlari S.r.l.
Consolidation	Fully consolidated



5.5 DALLMANN'S



► Dallmann's remains the number one sage throat lozenge in German pharmacies. By bundling its distribution forces, which is also reflected in the sales of WICK cough sweets, this traditional company creates considerable added value for Katjes International.

Dallmann's: tradition meets innovation

The Dallmann's brand stands for tradition and knowledge that has been passed down through generations. The company, set up in 1889, has been producing Dallmann's sage throat lozenges since the 1950s based on a well-kept secret recipe made from the best ingredients and involving a great deal of craftsmanship. And this continuity pays off for the company from Hofheim am Taunus: in addition to a high level of end consumer acceptance, Dallmann's sweets are synonymous with the healing power of nature 'Made in Germany', making them the ideal companion for the cold season.

The latest innovation 'cherry and sage' with vitamin C and soothing honey has been rolling off the production line since December 2023. The carefully selected composition of soft cherry, honey, vitamin C and the proven extract from the sage plant (*Salvia officinalis L.*) promises a fruity taste experience.



DALLMANN'S PHARMA CANDY GMBH, GERMANY

Brand/market position	Dallmann's sage lozenges; number one in German pharmacies (based on the number of packs sold)
Markets	Germany
Range	Throat and cough drops / distribution of 'WICK' cough drops
Headquarters/production	Hofheim am Taunus, Germany
Participation	100%, held indirectly via Candy Pharma GmbH
Consolidation	Fully consolidated



BÜBCHEN BODY CARE

► Thanks to over 60 years of experience and research, the "Bübchen" brand has become synonymous with particularly gentle body care products for babies and children.

Fresh impetus for 2025 - new campaign from March

Following the successful 2024 cross-media campaign, which reached over 40 million contacts, the Bübchen Body Care brand strategy continues to evolve. The campaign emphasised the use of natural oils in all products, which pamper baby's delicate skin and provide relaxation on challenging days. (<https://buebchen.de/pages/kampagne>)



A new campaign will be launched in the second half of March 2025, centred around a further claim. A combination of entertaining content and nurturing moments will create targeted awareness and further strengthen the brand presence to build on previous successes.



buebchen.de



The launch of SOS enables Bübchen Body Care to continue its growth path

Bübchen Body Care recorded positive business development in 2024 and has successfully continued its growth path. In particular, the SOS product line launched in April 2024 contributed to overall growth with additional sales. As the only top brand in the baby care sector, Bübchen is strengthening its market position and underlining its leading role in the industry. The SOS launch was supported by targeted collaboration with three midwife influencers. With 2.6 million contacts, the campaign reached the target group with pinpoint accuracy, ensuring excellent visibility and a high reach for the SOS products.



Pokémon Legends take over the showers!

Let's get legendary: In November, the Bübchen Kids Shampoo & Shower Gel 2in1 Pokémon Legends was launched – and it was a huge success! Since its introduction, Pokémon Legends has been our new top seller for over 10 weeks. This new product comes with a special feature: four well-known legendary Pokémon are displayed on the labels, but you never know which Pokémon you'll find on the shelf, as there is one EAN but four different front designs. With a sporty-fresh scent, the product ensures gentle cleansing of children's skin and combines the fun of collecting with the joy of showering!



BARNÄNGEN



► Strategic acquisition: Bübchen creates new growth opportunities with Barnängen

By integrating Barnängen into the Bübchen family in April 2024, the skincare brands will benefit from the synergetic combination of their core competences. Barnängen, known for its Swedish expertise in skincare and its high-quality, natural products, will be able to expand into new markets through Bübchen's global reach. At the same time, Barnängen will retain its unique character as a trusted and valued brand.

Barnängen online campaign ready to take off

The investment in the brand kicked off with the production of a comprehensive online campaign for the DACH region in December 2024. Set to go live in February 2025, the campaign aims to reach over 16 million people and further boost brand awareness. At the heart of the campaign is the iconic ingredient Cold Cream, featured in Scandinavian-inspired formulas that deliver intensive care and protection for dry winter skin. The claim "Viking up your skin" effectively highlights the brand's unique selling point.



buebchen.de



BÜBCHEN-WERK EWALD HERMES PHARMAZETISCHE FABRIK GMBH, GERMANY

Brand/market position	Bübchen is the market leader in the baby and kids care sector in Germany Barnängen - founded in Stockholm in 1868. Skin care with protective cold cream.
Markets	Germany, Europe
Range	Body care products
Headquarters/production	Soest, Germany
Participation	100%, held indirectly via Candy Pharma GmbH
Consolidation	Fully consolidated

BÜBCHEN ORAL CARE

► In January 2024, the entire production site in Viersen, including around 50 employees, was acquired. The new production site offers the opportunity to consistently develop the oral care business and bring innovations to market in the short term.

„Natural smiles.“: Digital campaign with 200 million impressions

Under the slogan "Natural Smile," Vademeicum, the number one organic toothpaste brand in France, and Antica Erboristeria, Italy's expert in natural oral care, are featured. Instead of traditional toothpaste advertising, the focus is on fashion photography and modern aesthetics. The natural smile is celebrated as a universal language that transcends cultures.



The campaigns reached over 200 million impressions in France and Italy across key social media and video platforms. Notable highlights include placements in high-fashion magazines like

VOGUE Italia, which celebrated its 60th anniversary edition, as well as VOGUE France and Vanity Fair. This sets new standards in toothpaste advertising. (Vademeicum: Campaign | Antica Erboristeria: Campaign)

“Faster Smile”: Digital campaign with 100 million impressions

With the slogan "Faster Smile," Theramed, the iconic German oral care brand, and Licor del Polo, Spain's freshness expert, demonstrate in a unique way that oral care can be both effective, easy and time-saving. The campaigns in Germany and Spain highlight the 2in1 products, featuring the top sellers Theramed Original Fresh and Licor del Polo Menta Fresca, which combine toothpaste and mouthwash in one product. Over 100 million impressions were achieved on major social media and video platforms. Large-scale OOH placements and a radio campaign garnered additional attention in Spain.



(Theramed: Campaign | Licor del Polo: Campaign)

Bübchen Oral Care



BÜBCHEN BODYCARE GMBH GERMANY

Brand/market position	Theramed, Vademeicum, Antica Erboristeria, Licor del Polo, Denevit, N.A.E.
Markets	Germany, France, Italy, Spain, Europe
Range	Oral hygiene, toothpaste, hair care
Headquarters/production	Dusseldorf / Viersen, Germany
Participation	100%, held indirectly via Candy Pharma Candy
Consolidation	Fully consolidated

Denivit Campaign: A Smile That Shows You

The new campaign from the Denivit brand with the slogan "A Smile That Shows You" conveys a powerful message. Denivit's whitening toothpastes not only promise bright white teeth but also confidence and well-being – a smile that reflects inner strength and satisfaction. Through this combination of functional benefits and emotional appeal, the campaign creates a fresh, inspiring impulse for oral care in the Polish market.

5.6 HARLEKIJNTJES

► Harlekijntjes – Dutch Licorice Icon

Since 2005, Harlekijntjes has been delighting licorice lovers in the Netherlands – and remains the undisputed number one! As market leader, the brand consistently focuses on its greatest strength: top-quality licorice. The brand's roots go back to the 1930s, and since 2016, this traditional company has been fully owned by Katjes International.

Facts that speak for themselves: the sweet variety of Harlekijntjes is the best-selling licorice in the Netherlands and a clear customer favorite. Every day, 2.5 million clown-shaped licorice pieces are packaged in Nijkerk.

A taste sensation: Harlekijntjes brings back vegan licorice-fruit gummies!

In August 2024, Harlekijntjes relaunched a special product: vegan licorice-fruit gummies that combine the best of both worlds — sweet fruit gummies blended with soft, sweet-and-salty licorice, all without any animal ingredients.

Harlekijntjes X CliniClowns

Since 2005, Harlekijntjes has supported the non-profit organisation CliniClowns, whose logo is proudly displayed on all packaging. A portion of the sales generated is donated to the charitable organisation.

Find out more: (<https://www.cliniclowns.nl/en>)



harlekijntjes.nl



HARLEKIJNTJES B.V., NETHERLANDS

Brand/market position	Harlekijntjes, the best-selling liquorice product in the Netherlands by volume
Markets	Netherlands
Range	Liquorice, liquorice with fruit gum/foam
Headquarters/production	Nijkerk, Netherlands
Participation	100%, held indirectly via Katjes 24 GmbH and Katjes Nederland GmbH
Consolidation	Fully consolidated



5.7 CANDY KITTENS

• CANDY KITTENS •

► Candy Kittens is the New Fashioned sweet brand shaking up the confectionery industry with its range of Plant Powered sweets.

New: Gourmet chew and a record-breaking Christmas

Candy Kittens launched their first chew sweet, Wanderlust, introducing a category-first texture that combines half fruit and half foam gum sweets, moulded into distinctive brand shapes. This innovative product has achieved a strong start, securing the third highest rate of sale in the range with exceptional customer feedback.

Christmas saw the launch of two new Advent Calendars, both designs of which were inspired by the brand's new office, The Sweet Factory.



The brand's social activation for Advent, filmed in The Sweet Factory, went viral, with over 1 mio. views on Instagram. Candy Kittens also successfully launched paid campaigns across Instagram and Facebook to drive Advent Calendar sales on DTC, and these ended up accounting for 20% of the overall DTC sales mix.

Move into new offices: The Sweet Factory

In June, Candy Kittens moved to a new, next-generation home in central London. "The Sweet Factory" is designed to feel more like a clubhouse than an office and was built in collaboration with fellow B Corp brands to ensure design and sustainability remained integral. Since the move, the Candy Kittens team have welcomed a whole host of guests, from suppliers to brand partners to some of their biggest customers.



candykittens.co.uk



CANDY KITTENS LTD, UK

Brand/market position	Candy Kittens gourmet sweets, founded in 2012 with fast-growing market shares
Markets	Mainly UK
Range	Innovative »Gourmet Sweets«
Headquarters/production	London, UK
Participation	Ca. 88%, held indirectly via Katjes 24 GmbH and Katjes France GmbH
Consolidation	Fully consolidated

Taking the digital footprint to the next level

Records were broken: Candy Kittens made TikTok history. Frontman Jamie Laing captivated audiences as the face of the campaign, driving strong engagement rates. The result? A massive increase in brand awareness by +10.5 percentage points to 71.8% – especially among women aged 18 to 35.

Candy Kittens is more than just a sweet — it's a brand that's rewriting the rules.



5.8 CPK



► Carambar & Co – French confectionery powerhouse combining tradition and innovation

Carambar & Co, a wholly owned subsidiary of the investment company CPK S.A.S., combines top-tier manufacturing expertise with bold vision.

A major milestone was reached at the end of 2018, when Katjes International contributed its French subsidiary Lutti – already the second-largest sugar confectionery brand in France at the time – to CPK, together with Belgian distribution specialist Continental Sweets Belgium (CSB). The result? A true heavyweight in the French confectionery market! Today, Katjes International holds around 23% of shares in this growing confectionery giant.

Carambar – from accidental creation to cult brand

The name Carambar is a clever fusion of the French words caramel and barre (bar) – a direct reference to the contents and shape of this legendary sweet. But its origin story? Pure coincidence! In 1954, a machine malfunction in a Carambar factory led to the production of elongated caramel bars instead of regular candies. A fortunate mistake that made history.

Carambar quickly became a cult product in France, not least because of the humorous jokes printed inside the wrappers, which have been entertaining consumers for decades.

Thinking beyond – expansion, innovation & sustainability

Although CPK products are exclusively made in France, they are now distributed throughout Europe and beyond. Across multiple R&D centers, the team continually works to improve taste, quality, and sustainability. Carambar & Co is setting new standards with: organic ingredients (Krema bio, Poulain bio), plant-based colorings, reduced sugar, and the elimination of aspartame, animal gelatin, and palm oil. These sustainable innovations appeal to a growing group of consumers who seek healthier, more eco-friendly options.

Growth without limits: Even after Lutti's integration into CPK (end of 2018), the company has continued on its growth path.

In addition, the unique confectionery brand Terry's – known not only for its orange flavor but also its iconic orange shape – has shown significant growth, both in its home market of the UK and in North America.

CPK S.A.S., FRANCE

Brand/market position Leading confectionery brand in France through the contribution of Lutti

Markets Chewy sweets, candies, chocolate, fruit gums and chewing gum

Headquarters/production Paris, France

Participation Around 23%, held indirectly via Katjes 24 GmbH, Katjes France GmbH and Heel Veel Snoepjes B.V.

Consolidation At-equity-consolidation

II. GROUP MANAGEMENT REPORT AS AT 31 DECEMBER 2024

(TRANSLATION FROM THE GERMAN LANGUAGE)

1. Fundamentals of the group
2. Overall economic development and market environment
3. Company-specific events
4. Sales, earnings, financial and asset position
5. Opportunities and risks report
6. Risk management and control system
7. Forecast report

1. FUNDAMENTALS OF THE GROUP

1.1 Business model

Katjes International GmbH & Co. KG (hereinafter also referred to as "Katjes International", "the Company" or "the Group") has been operating as a strategic investor for over a decade. Together with its sister companies Katjes Fassin GmbH + Co. KG ("Katjes Germany") and Katjesgreenfood GmbH & Co. KG ("Katjes Greenfood"), the Company forms the Katjes Group. All three entities are legally independent.

With a focus on the European Fast Moving Consumer Goods (FMCG) market, Katjes International holds a broad portfolio of investments. The Company concentrates on strong and well-established brands in their respective domestic markets.

These consolidated financial statements relate exclusively to Katjes International and its affiliated companies.

1.2 Strategy and objectives

Katjes International aims to further strengthen its position in the European FMCG market. To achieve this, the Company acquires strong brands, leverages the resulting synergy effects, and pursues continued growth. Katjes International also sees itself as a carve-out investor, acquiring business units from large corporations that may no longer meet the required scale to remain strategically relevant within the group.

Examples include the acquisition of Bübchen from Nestlé/Galderma in 2020, the acquisition of the oral care business from Henkel AG & Co. KGaA ("Henkel") in 2022, the acquisition of the natural cosmetics brand Naturale Antica Erboristeria (N.A.E.) in the financial year 2023, as well as the acquisition of the brand rights for Barnängen during the reporting period.

Katjes International follows a fundamentally long-term and sustainable acquisition strategy. Following an acquisition, the portfolio companies remain legally and organizationally independent and retain their local management. This ensures that expertise and a deep understanding of local market conditions are preserved.

To make the associated companies more successful and profitable in the long term, Katjes International supports them with two strategic objectives:

- A (continued) focus on strong brands, brand names and products.
- Alignment of the product portfolios with a sustainable, future-oriented approach.

In addition, the following synergy effects are created:

- **Purchasing synergies:** The entities of the Katjes Group are to a large extent active in the European confectionery market. Thanks to their regional proximity and the use of largely identical raw materials, the Group benefits from synergies in procurement.
- **Distribution synergies:** Use of similar distribution channels for different brands enables synergies in distribution. The good market positions and long-standing customer relationships support the distribution of the various products and lead to cross-selling effects.

With its extensive experience in acquiring brands and companies, the management team of Katjes International continuously evaluates new, suitable acquisition targets.

The key prerequisite is that these targets align with the Company in terms of product and/or distribution focus, as well as market positioning.

1.3 Organisation

As of December 31, 2024, Katjes International held, through various intermediate holding companies, full ownership of the Ger-

► man companies Piaster, Dallmann's, Bübchen Body Care, Bübchen Oral Care, as well as Sperlari and Paluani in Italy, and Harlekijntjes in the Netherlands. Katjes International also indirectly holds approximately 88% of the British company Candy Kittens and 75% of the Italian company Dulcioliva, with the option to acquire the remaining 25%. As of December 31, 2024, the exercise of this option continues to be expected.

In the reporting year, a joint venture was established with entrepreneur Shirin David, in which Katjes International holds a 50% stake. In addition, as of the reporting date, Katjes International indirectly holds approximately 23% of the French company CPK. Further minority interests of less than 20% are also held.

Internal management and reporting within the Katjes International Group are conducted under the Fast Moving Consumer Goods (FMCG) segment.

1.4 Market positions

In the financial year 2024, the market positions of the associated companies generally ranged from stable to positive.

- With its Dallmann's sage cough drops, the Germany-based company Dallmann's Pharma Candy (part of Katjes International since 2012) is the leader in German pharmacies in terms of number of bags sold.

- In Germany, Piaster has been part of Katjes International's portfolio of holdings since 2014. Piaster is one of the largest German producers of chocolate dragees and launched the brand 'Treets – THE PEANUT COMPANY' on the German market in 2018.
- Since 2016, Katjes International has held all shares in the Dutch company Harlekijntjes, which makes the country's best-selling liquorice product.
- In Italy, Sperlari has been part of Katjes International since 2017. Sperlari is the second largest provider in the Italian sugar confectionery market, and the market leader in the segment for sugar-free candies, seasonal products and sweeteners.
- With Candy Kittens, Katjes International holds a majority stake in one of the UK's fastest growing gourmet fruit gum brands.
- Since May 2020 Bübchen, the market leader in the baby & kids body care segment in Germany, is part of the Katjes International Group.
- Dulcioliva, new to Katjes International since 30 June 2021, is one of the leading producer of 'Cuneesi' pralines, a chocolate speciality from Piedmont.
- Paluani, a well-known producer of panettone and pandoro in Italy, has been part of Katjes International since August 2022.
- The oral care business acquired from Henkel, which includes

the brand rights for Theramed, Vademecum, Licor del Polo, Antica Erboristeria and Denivit, has been part of Katjes International since December 2022. The different brands, which focus on natural ingredients and organic products, are particularly well-represented in France, Spain, Italy and Germany. For instance, Vademecum is based on volume the leading organic toothpaste in France.

- In November 2023, Naturale Antica Erboristeria (N.A.E) became part of Katjes International, another brand from the body care sector. N.A.E specialises in certified organic body care products, particularly in the French market.
- In April 2024, the body care brand Barnängen was acquired for the core markets Germany, Austria, the Czech Republic, Switzerland, and Hungary. The traditional brand Barnängen was founded in 1868 by Swedish merchant Johan Wilhelm Holmström in Stockholm.
- In France, CPK, which Katjes International has held an approximately 23% stake in since 31 December 2018, holds leading market positions with iconic brands such as Carambar, Lutti, Poulain and the British chocolate brand Terry's.

1.5 Research and development

The management of Katjes International continuously engages with process optimization, innovation, and forward-looking to-

- pics. A key focus in this context is the sustainable orientation of its subsidiaries and brands.

In addition, the subsidiaries of Katjes International carry out their own research and development activities. As a result, new products are continuously developed, while existing products and their packaging are modified, improved, and further refined. Product optimization also extends to the standardization of raw materials used, in order to realize additional procurement synergies.

The Group considers its pipeline of new products and concrete product concepts to be strong.

1.6 Principles of the control system

Katjes International operates an internal management and control system that combines strategic planning with value-oriented business development.

The key performance indicators are financial in nature and include revenue as an indicator of business growth and EBITDA (earnings before interest, taxes, depreciation, and amortization) as a key measure of profitability.

2. OVERALL ECONOMIC DEVELOPMENT AND MARKET ENVIRONMENT

2.1 Overall economic development

In 2024, Katjes International was primarily active in the markets of Italy, Germany, the United Kingdom, France, the Netherlands, and Spain through its portfolio companies.

The Group's key sales markets for fast-moving consumer goods (FMCG) are generally characterized by low cyclicity and high economic resilience – a trend that was also evident in 2024.

The global economy remained broadly resilient, and the decline in inflation provided additional momentum, although consumer confidence still showed room for recovery in many countries. In its Economic Outlook published in December 2024 and updated in March 2025, the OECD reported a generally subdued development for the euro area, which is a key region for Katjes International. In 2024, the gross domestic product (GDP) grew by only 0.7% (2023: 0.5%), with the labor market remaining tight. Financial conditions continued to ease, corporate credit demand increased, and household lending also rose. Energy commodity prices declined, although the recovery from the recent energy price shock remained mixed.

The Italian economy remained stable, posting growth of 0.7% (2023: 0.8%), as did France, the second-largest economy in the euro area, with 1.1% (2023: 1.1%). Germany's economy contracted by –0.2% (2023: –0.1%). The United Kingdom showed positive momentum with growth of 0.9% (2023: 0.3%), while the Netherlands recorded GDP growth of 0.9% (2023: 0.1%).
(Source: OECD, December 2024 | March 2025 | OECD Economic Outlook | OECD iLibrary – oecd-ilibrary.org)

2.2 Fast Moving Consumer Goods (FMCG)

The sales markets for FMCG are generally characterized by low cyclicity and high economic resilience, which is confirmed by the latest figures for 2024.

Confectionery market

Growth in the European confectionery market (sugar confectionery and chocolate products) underscores this resilience: In 2024, Western Europe recorded an increase of 7.8% compared to the previous year, while Eastern Europe saw a growth rate of 5.8%.

Volatile raw material prices continued to pose challenges in 2024. Although sugar prices stabilized over the course of the year, cocoa prices rose significantly.

According to expert forecasts (i. a. Euromonitor International), the European confectionery market (sugar and chocolate products) is expected to grow to nearly EUR 100 billion by 2029. The main drivers of growth in 2024 were the normalization of in-store consumer shopping behavior and price increases implemented by manufacturers and the trade.

Current market trends

In many European countries – including Germany – inflation continues to shape consumer behavior, particularly due to rising food prices. At the same time, themes such as health, wellness, and sustainability are becoming increasingly important. Consumers are placing greater value on confectionery products that are free from animal gelatin, contain reduced sugar, or use natural ingredients. Factors such as animal welfare, resource-efficient production, sustainable packaging solutions, and optimized supply chains are also playing a key role in purchasing decisions.

Katjes International identified these market shifts at an early stage and has aligned its strategy accordingly. The Company is placing a stronger focus on sugar-free alternatives – for example with Dallmann's, WICK, or Dietorelle – as well as on nut-based confectionery products such as Treets by Piasten or items

▶ from Sperlari. In addition, the Company emphasizes the use of natural ingredients and raw materials from sustainable sources. Where possible, the portfolio is expanded to include vegan options, as seen with Treets or Harlekijntjes. At the same time, Katjes International is consistently working to reduce its ecological footprint in order to meet rising consumer expectations for sustainable and responsible confectionery products.

2.3 Baby & kids body care market

The market for baby and child care products in Germany represents a stable segment. Products such as baby lotions,

oils, powders, and sunscreens for babies and children are considered everyday essentials and show consistent demand. According to Nielsen data, the market volume in Germany reached EUR 561 million in 2024, representing an increase of 1.3%. Sales volume also developed positively, with a stable growth rate of 1.6%.

2.4 Oral care market

Oral care products are among the most important product categories within the personal care segment in Germany's consumer goods market. In 2024, sales in this category amounted to approximately EUR 1.98 billion, representing a year-on-year increase of 10.0%, according to data from Statista.

Market volume confectionery	in EUR billion	
	2023	2024
Germany	12.7	13.3
United Kingdom	9.7	10.5
France	7.2	7.8
Italy	3.6	3.8
Netherlands	2.0	2.1

(Source: Euromonitor International)

3. COMPANY-SPECIFIC EVENTS

3.1 Katjes International

In line with its long-term acquisition strategy, Katjes International further expanded its portfolio in 2024.

During the reporting year, Katjes International significantly increased its stake in Candy Kittens to approximately 88% through the acquisition of additional minority interests.

In addition, a joint venture was established in 2024 together with German pop icon Shirin David. The jointly developed body care line is set to launch in the second quarter of 2025.

Furthermore, in April 2024, the brand rights for the traditional Swedish brand Barnängen were acquired from Henkel via the subsidiary Bübchen Bodycare, covering the core markets of Germany, Austria, the Czech Republic, Switzerland, and Hungary. This acquisition further expanded the body care brand portfolio.

As a partnership, Katjes International exercised the so-called corporate income tax option effective January 1, 2025, in order to align its tax structure with the company's strategic and economic objectives. This decision is expected to result in a more predictable and stable tax burden, thereby increasing financial flexibility and facilitating long-term investments. From the management's perspective, this step also strengthens the company's competitiveness in the market. The measure is a key element of Katjes International's long-term financial strategy and underscores the aim of being optimally positioned both operationally and structurally.

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4. SALES, EARNINGS, FINANCIAL AND ASSET POSITION

4.1 Sales and earnings

In the financial year 2024, consolidated revenues rose from EUR 377.4 million to EUR 392.6 million.

Katjes International generated 31.3% (previous year: 30.6%) of its revenues in Italy and 27.2% (previous year: 27.7%) in Germany. Revenues in the United Kingdom and the Netherlands amounted to 4.8% and 4.1% respectively (previous year: 4.0% and 4.4%). Revenue in the remaining EU countries and Switzerland stood at 27.4% (previous year: 28.6%). In line with its corporate strategy, the Group generated only 5.3% (previous year: 4.8%) of its consolidated revenues outside the EU.

The approximately 23% stake in CPK, the number two in the French sugar confectionery market, is accounted for using the equity method. As a result, its revenues in France, Belgium, the United Kingdom and other export markets are not included in this breakdown.

The most important product groups in the financial year 2024 were "sugar confectionery" and "body care products." The Company generated 40.8% (previous year: 41.4%) of its revenues from sugar confectionery, followed by body care products with

23.0% (previous year: 23.1%). Chocolate products accounted for 14.7% (previous year: 15.7%), while seasonal products contributed 13.9% (previous year: 12.4%) of total revenues.

Cost of sales amounted to EUR 293.6 million (2023: EUR 295.5 million). The ratio of cost of sales to revenues was 74.8% (2023: 78.3%) and was lower than in the previous year, primarily due to changes in the product mix, necessary price increases, and stabilizing raw material and energy prices.

Gross profit developed in line with the stabilization in cost of sales and reached EUR 99.0 million (2023: EUR 81.9 million). Accordingly, the gross margin of 25.2% was higher than in the previous year (2023: 21.7%).

Selling expenses amounted to EUR 37.2 million (2023: EUR 31.7 million), exceeding the prior-year level, mainly due to increased advertising activities in the reporting year.

Administrative expenses stood at EUR 43.5 million, higher than in 2023 (EUR 35.7 million), primarily in connection with in-house production at the Bübchen Bodycare production facility in Viersen, which was taken over at the beginning of the financial year. Other operating income and expenses are included under the

item "other operating result" and totaled EUR 6.7 million in the financial year 2024 (2023: EUR 8.0 million). In addition to income from the reversal of provisions, this also includes income from a successful legal dispute. Further details can be found in the notes (section 7.3).

The operating result (EBITDA) amounted to EUR 44.8 million in the financial year 2024 (2023: EUR 40.8 million). As a result, the EBITDA margin – the key performance indicator for Katjes International – reached 11.4% (2023: 10.8%).

The financial result amounted to EUR -11.6 million in 2024 (2023: EUR -11.4 million). It mainly includes interest expenses related to the corporate bond issued by Katjes International, other loan interest and financing costs, as well as the share of profit from the at-equity investment in CPK in the amount of EUR 1.3 million (previous year: EUR -0.7 million).

Earnings before taxes for the reporting year amounted to EUR 13.4 million (2023: EUR 11.1 million).

In the reporting period, Katjes International recorded income tax expenses of EUR 10.2 million (previous year: EUR 0.9 million). The main driver was the one-time exercise of the corporate in-

▶ come tax option, which affected the basis for the calculation of deferred taxes (a non-recurring effect totaling EUR -6.9 million). Further information on this can be found in the notes (in particular section 7.5).

As a result, net income after taxes amounted to EUR 3.2 million (2023: EUR 10.2 million).

The result attributable to non-controlling interests in the reporting period was EUR 0.0 million (2023: EUR 0.1 million). Net income attributable to the shareholders of Katjes International therefore amounted to EUR 3.2 million (2023: EUR 10.1 million).

4.2 Financial position

Katjes International generally uses corporate bonds as its preferred instrument to finance acquisitions. Most recently, in September 2023, Katjes International placed a corporate bond with a volume of EUR 115 million and an interest rate of 6.75%.

The Company primarily finances its ongoing operations through internal financing, factoring, bank loans, and available credit lines. To hedge against potential interest rate risks, the Company uses derivatives (interest rate swaps) to the extent deemed

appropriate from a risk management perspective. Further information can be found in the notes (section 6.2).

Katjes International also supports its subsidiaries in financing their operations where this is considered appropriate for the Group. Further information can be found in the notes (section 4.1).

Investments

In the reporting year, a further 31.5% of minority interests in Candy Kittens were acquired during the reporting year, bringing Katjes International's total stake to approximately 88% as of December 31, 2024.

In addition, Katjes International acquired another brand from Henkel's body care segment via its subsidiary Bübchen Body-care. The brand Barnängen has complemented the existing body care portfolio since April 2024.

Furthermore, investments were made in the Group's production facilities during the reporting year.

Cash flow statement

In the financial year 2024, cash flow from operating activities amounted to EUR 45.6 million (2023: EUR 31.8 million), reflecting not only the Company's profitability but also its active working capital management.

Cash flow from investing activities totaled EUR -24.7 million in 2024 (2023: EUR -14.6 million). This figure primarily reflects investments in property, plant and equipment as well as intangible assets in the context of the subsidiaries' operational business activities. It also includes cash outflows related to the acquisition of the Barnängen brand and the purchase of minority interests in Candy Kittens.

Cash flow from financing activities amounted to EUR -25.3 million in 2024 (2023: EUR 5.7 million). The decline is partly attributable to the payment of the purchase price for the oral care production facility acquired in January 2024, which had been recognized as a financial liability as of December 31, 2023. The change also reflects repayments made in the course of normal operations and the lower volume of new borrowings in 2024 compared to the prior year.

Overall, developments in the financial year 2024 led to a slight

► decrease in cash and cash equivalents of EUR 4.4 million, resulting in a balance of EUR 54.0 million as of December 31, 2024 (December 31, 2023: EUR 58.4 million).

4.3 Asset position

As of December 31, 2024, the Group's total assets amounted to EUR 491.7 million (December 31, 2023: EUR 477.6 million).

On the asset side, non-current assets increased by EUR 11.8 million to EUR 324.8 million (December 31, 2023: EUR 313.0 million). These primarily include land, buildings and machinery, capitalized brands, the Group's equity investments, and capitalized rights of use from lease agreements.

Within non-current assets, property, plant and equipment amounted to EUR 125.1 million as of the reporting date, exceeding the prior-year level (December 31, 2023: EUR 122.4 million). Rights of use from leasing contracts increased to EUR 13.0 million (December 31, 2023: EUR 6.7 million). Intangible assets rose slightly to EUR 113.1 million in the reporting year (December 31, 2023: EUR 112.4 million), mainly due to the acquisition of the Barnängen brand, which was largely offset by scheduled amortization. The development of non-current assets as of December 31, 2024, is presented in the fixed asset schedule on

page 84.

Current assets increased slightly in 2024 to EUR 166.9 million (December 31, 2023: EUR 164.6 million).

Trade receivables and other receivables rose slightly to EUR 59.2 million (December 31, 2023: EUR 57.3 million).

Cash and cash equivalents as of December 31, 2024, amounted to EUR 54.0 million and were slightly below the previous year's level (December 31, 2023: EUR 58.4 million).

On the liabilities side, Group equity remained largely unchanged, amounting to EUR 176.2 million as of the reporting date (December 31, 2023: EUR 176.0 million). The equity ratio remained stable at 35.9% (December 31, 2023: 36.9%). Equity attributable to the shareholders of Katjes International amounted to EUR 175.0 million (December 31, 2023: EUR 173.0 million), while non-controlling interests were recognized at EUR 1.2 million (December 31, 2023: EUR 3.0 million). Due to the acquisitions of minority interests carried out in the reporting year, the shares in Candy Kittens acquired through capital consolidation were derecognized against the non-controlling interests at book value; any excess amount was offset against the retained ear-

nings of the majority shareholders.

Non-current liabilities primarily consisted of financial liabilities from the corporate bond, deferred tax liabilities, and provisions. These increased slightly by EUR 1.9 million to EUR 192.9 million as of December 31, 2024 (December 31, 2023: EUR 191.0 million).

Non-current financial liabilities, as part of non-current liabilities, decreased to EUR 152.0 million at year-end 2024 (December 31, 2023: EUR 156.7 million). These included the corporate bond liabilities (EUR 115.0 million; December 31, 2023: EUR 115.0 million), long-term bank loans amounting to EUR 24.9 million (previous year: EUR 34.5 million), and lease liabilities under IFRS 16 totaling EUR 9.5 million (December 31, 2023: EUR 4.0 million). In addition, the purchase option relating to the future acquisition of the remaining minority interest in Dulcioliva was recognized as a liability, as of the reporting date it continued to be considered highly probable to be exercised.

Deferred tax liabilities increased significantly by EUR 7.1 million to EUR 31.1 million (December 31, 2023: EUR 24.0 million), primarily due to the exercise of the corporate income tax option for the following year, which required the use of the new future tax

► rate as the basis for calculating deferred taxes. This represents a one-time effect. Further information is provided in the notes (section 6.11).

Non-current provisions remained nearly unchanged at EUR 0.9 million as of December 31, 2024 (December 31, 2023: EUR 0.7 million). Provisions for pensions and similar obligations amounted to EUR 8.9 million (December 31, 2023: EUR 9.6 million).

Current liabilities increased to EUR 122.6 million as of the reporting date (December 31, 2023: EUR 110.6 million).

As part of current liabilities, trade payables and other liabilities amounted to EUR 62.0 million (December 31, 2023: EUR 56.7 million).

Current financial liabilities included in current liabilities totaled EUR 37.4 million, slightly above the previous year's level (EUR 35.2 million).

Current provisions as of December 31, 2024, amounted to EUR 19.1 million (December 31, 2023: EUR 16.7 million).

4.4 Non-financial performance indicators

As a strategic long term investor in the consumer goods sector, Katjes International places great importance not only on financial performance indicators but also on non-financial key performance indicators. Core focus areas in this context include employee satisfaction, certifications, brand awareness, and the sustainable orientation of the Company and its portfolio businesses.

Employees

In 2024, the Company employed an average of 1,097 people (2023: 998) across the holding company and its subsidiaries. Of these, approximately 63% were employed in Germany, followed by around 34% in Italy and roughly 2% in the United Kingdom. On average, 1% of employees were based in the Netherlands. Personnel expenses amounted to EUR 73.8 million in the financial year 2024 (2023: EUR 65.1 million) i.a. driven by the takeover of the oral care site in Viersen per 1 January 2024.

In 2024, Katjes International also employed an average of 22 apprentices.

Certifications

Safety is a top priority for Katjes International. The Group's production sites hold all relevant certifications in the areas of quality, hygiene, and occupational safety.

To ensure compliance, the key portfolio companies of Katjes International undergo regular food safety and quality audits and are certified, among others, in accordance with the International Featured Standards (IFS) or the British Retail Consortium (BRC) standards for food production.

Sustainability

As a family-owned company with a strong medium-sized business character, sustainable action is an integral part of Katjes International's corporate identity. This includes not only the responsible use of natural resources, but also a strong sense of social responsibility toward employees and society as a whole. In this context, the Company maintains regular dialogue with its various stakeholders.

Brands

Katjes International holds a portfolio of well-known and established brands. The value of these brands – including Piasten, Dallmann's, Bübchen, the Oral Care portfolio (Theramed, Vademecum, Antica Erboristeria, Licor del Polo, Denivit), Sperlari, Dulcioliva, Paluani, Candy Kittens, Harlekijntjes, N.A.E., and Barnängen – is reflected as an intangible asset on the Group's

► balance sheet. The consistent development of corporate brands strengthens the associated business activities. Katjes International expects this to have a positive long-term impact on the Group's profitability.

Accordingly, in addition to pursuing further acquisitions, the management places a strategic focus on the development and expansion of existing brands. In the reporting year, particular attention was given to the continued development of Bübchen, Treets, Sperlari, Paluani, the Oral Care brands, and Candy Kittens.

5. OPPORTUNITIES AND RISKS REPORT

Identifying opportunities and uncovering material risks — including those that could potentially threaten the Company's continued existence — as well as appropriately managing and monitoring such risks, are fundamental components of the Company's strategy. The business activities of Katjes International give rise to the following opportunities and risks:

5.1 Opportunities

The entire FMCG sector — particularly the confectionery and body care industries — is considered structurally stable and shows low dependency on economic cycles.

In light of this structural resilience, the management of Katjes International expects market sales volumes to remain largely stable going forward.

In the confectionery sector, the trend toward healthier and more sustainable products continues. This development offers promising growth opportunities for Katjes International's portfolio companies — for example, through the development of innovative product concepts such as vegan, sugar-free or nut-based confectionery, or through the increased use of sustainable packaging materials. At the same time, robust demand for branded products offers further potential to enhance brand visibility and

boost sales through targeted initiatives. Key strategic levers include improving productivity, launching new products, implementing target group-oriented marketing activities, acquiring new customers, and expanding distribution channels.

In the body care segment as well, demand for sustainable solutions is growing. Katjes International sees opportunities to respond to this trend through measures such as reducing packaging waste and making production more resource-efficient.

The consistent implementation of its corporate strategy remains a key success factor for Katjes International. The Company aims to continue driving growth by acquiring businesses with strong brands and a focus on the European market. Attractive acquisition targets regularly arise from succession planning situations, portfolio adjustments by larger corporations, and the ongoing consolidation of the FMCG market — a development that Katjes International actively seeks to shape.

In addition to expanding its presence in the confectionery segment, the Company also evaluates the acquisition of other consumer goods brands — in line with the successful takeovers of Bübchen and the Oral Care business — provided they offer strategic synergies within the Group.

Business opportunities

- By focusing on European brands, Katjes International could specifically expand into markets with high purchasing power and strong demand for branded products. The expansion of international business could open up new sales channels and thus unlock greater revenue and earnings potential.
- Through acquisitions of companies in Europe, the value of the Company could be further increased. The ongoing market consolidation presents an opportunity to acquire additional businesses with strong brands.
- Corporate carve-outs and succession planning situations offer attractive opportunities for strategic acquisitions to expand the brand portfolio and leverage synergies.
- The integration of new brands from the FMCG sector — for example in the healthy snacking or sustainable body care segments — could further strengthen the Group's market position.
- Through the continuous development of new products and the early identification of emerging trends — such as the growing focus on health and/or sustainability — new offerings can be brought to market, potentially increasing revenue and profitability.
- Digital marketing strategies, personalized customer engagement, social commerce and licencing models offer the poten-

- ▶ tial to generate growth even in countries without a physical presence.
- Falling raw material prices could also have a positive effect on Katjes International's earnings.

5.2 Risks

Risks are generally divided into market- and company-specific risks, as well as risks associated with the group structure:

Market-related and regulatory risks

- The confectionery business is subject to seasonal fluctuations.
- Changes in consumer behavior, competitive dynamics, or increasing pricing pressure in relevant markets could prevent Katjes International from selling its products in planned volumes or at expected conditions. This may negatively impact revenue and earnings.
- Reduced economic growth, rising interest rates, and higher inflation may influence demand.
- Global and European geopolitical and trade developments may lead to uncertainties, particularly concerning the predictability of energy and raw material prices, as well as general raw material scarcity and allocation.

- The ongoing war in Ukraine continues to cause i. a. volatility in procurement markets.
 - Structural changes in the retail and wholesale sectors, particularly due to market consolidation, may affect Katjes International's sales volumes and terms. Concentration risks may arise from large key accounts, especially in food retail.
 - Procurement costs for essential raw and auxiliary materials such as sugar, cocoa, nuts, glucose, panthenol, and packaging materials are subject to significant price fluctuations due to crop failures, climate change, and geopolitical uncertainties. Katjes International may not be able to fully offset these higher prices or pass them on to customers.
 - Energy and transportation costs significantly impact production costs. During global crises or supply chain disruptions, rising prices in these areas may impact margins.
 - Competitor actions may lead to reputational damage to individual Katjes International products.
 - Regulatory changes may prevent the production or sale of Katjes International products in their current form or quantities.
 - Changes in the regulatory environment may also affect advertising options, production costs, or sales opportunities.
- Katjes International considers the overall risk arising from the

aforementioned market and regulatory risks to be relatively low, due to the risk mitigation measures described in section 6.

Company-specific risks

- International expansion may not be achieved as planned. Acquisitions may not be realized or may not deliver the desired results.
- Katjes International may be unable to expand production capacities and achieve planned sales growth.
- Group companies may be required to repay subsidies or other government grants.
- Legal disputes may result in significant financial burdens.
- Procurement or sales synergies between Katjes International and Katjes Germany may not materialize as planned.
- Katjes International relies on certain suppliers. Supply failures or delivery delays may cause production interruptions.
- Raw materials, auxiliary materials, and products may be mishandled or stored improperly by suppliers, logistics providers, or retailers. Katjes International may be subject to product liability and suffer reputational damage due to defective products.
- Technological change may alter production methods. Katjes International may be unable to adapt or implement changes in

- ▶ a timely manner.
 - The success of Katjes International depends on the knowledge and experience of key executives and qualified personnel.
 - Financial results may be impacted by unsuccessful implementation or integration of acquisitions, divestitures, joint ventures, or mergers.
 - Katjes International products and brands may not be adequately protected; competitors may copy them, or Katjes International may infringe on third-party IP rights.
 - General tax risks exist.
 - The threat of cyberattacks (e.g., hacking, phishing) is growing. A single attack could lead to serious consequences such as operational disruption or data loss.
- Katjes International considers company-specific risks to be relatively low due to the existing risk management system.

red to the previous year, the general opportunity and risk profile has not changed significantly. However, the ongoing Russia-Ukraine war and the conflict in the Middle East are considered relevant developments. A potential escalation of these conflicts could have consequences, affecting both procurement and sales.

Risks arising from the group structure

As a strategic holding company, Katjes International operates on a service basis for its subsidiaries and investments. However, its earnings largely depend on the performance of these subsidiaries and investments.

5.3 Summary

The overall situation in terms of opportunities and risks results from the evaluation of the individual risks listed above. Compa-

6. RISK MANAGEMENT AND CONTROL SYSTEM

To address the aforementioned risks, Katjes International has established a set of coordinated risk management and control systems. These include an appropriate internal reporting system to identify risks from operating activities and intensive internal communication through regular management meetings.

The aim of the risk management system is to identify risks affecting the Group and their potential impact on corporate objectives, to evaluate them, and to implement appropriate mitigation measures. Risk management is closely linked to the Group's decision-making processes to ensure that necessary measures can be communicated promptly and monitored on an ongoing basis.

In addition, Katjes International has established a voluntary external advisory board composed of experienced specialists. The board advises and oversees the management in accordance with the company's articles of association. Its members have extensive experience in management consulting/auditing as well as industry and marketing expertise. In addition to regular meetings with management, the advisory board convenes several times a year to review and critically discuss the Group's strategy and operations.

Raw material price risks are monitored through coordinated procurement activities with Katjes Germany and Katjes International's subsidiaries. Where necessary, countermeasures are taken. In the short-term, price risks can be mitigated through longer-term fixed-price contracts with suppliers. In the medium to long-term, however, raw material price developments must generally be accepted, as a permanent hedge is not feasible.

Potential quality risks are addressed through a comprehensive internal quality management system, which is continuously reviewed and further developed through internal audits and external inspections. In addition, insurance policies are in place to cover potential damages.

Market developments are continuously monitored by the management of the holding company and the operating subsidiaries to assess their relevance for business development and to ensure that trends in the confectionery and body care sectors are identified early and are appropriately addressed.

7. FORECAST REPORT

The OECD expects GDP in the euro area to increase by 1.0% in 2025. For the Federal Republic of Germany, growth of 0.4% is forecasted, while the Netherlands is expected to grow by 1.6%. Italy's economic output is projected to rise by 0.7%. For France, growth of 0.8% is anticipated, and the United Kingdom is expected to see GDP growth of 1.7%. These projections are based on the OECD forecast from December 2024, updated in March 2025.

In the confectionery sector, the market volume in Western Europe is projected to grow by approximately 7.2% in 2025, and by 5.9% in Eastern Europe, significantly outpacing GDP growth.

Katjes International will continue to pursue its proven strategy in 2025. This includes promoting the organic growth of its subsidiaries, pursuing further investments with a focus on strong brands and a clear European emphasis, and leveraging additional synergies within the Group. The Company continuously evaluates suitable acquisition targets in its core regions.

Katjes International sees a range of business opportunities, particularly arising from succession scenarios, corporate car-

outs in the context of portfolio adjustments, and the ongoing consolidation of the market. The Company intends to play an active role in this consolidation again in 2025. To this end, it regularly assesses attractive acquisition opportunities and is often engaged in various stages of negotiation and deal sourcing.

In its financial reporting, the Company had issued guidance for consolidated revenues between EUR 390 million and EUR 420 million for the financial year 2024. With consolidated revenues of approximately EUR 392.6 million, Katjes International remained within the projected range.

The EBITDA margin, which had been forecast at 10% i.e. at the upper end of the margin in the half-year 2024 financial report, exceeded expectations with an actual margin of 11.4%.

For the financial year 2025, the Company expects revenues of at least EUR 400 million. Regarding earnings, Katjes International is targeting an EBITDA margin between 9% and 10% in 2025. The mid-term goal remains to sustainably achieve an average EBITDA margin of at least 10%.

III. CONSOLIDATED FINANCIAL STATEMENTS

(TRANSLATION FROM THE GERMAN LANGUAGE)

- 1. Consolidated income statement**
- 2. Consolidated statement of comprehensive income**
- 3. Consolidated balance sheet**
- 4. Consolidated statement of changes in equity**
- 5. Consolidated cash flow statement**

1. CONSOLIDATED INCOME STATEMENT

(from 1 January to 31 December 2024)

in EUR million	consolidated	
	2024	2023
Revenue	392.6	377.4
Cost of sales	293.6	295.5
Gross profit on sales	99.0	81.9
Other operating income	7.0	8.4
Distribution costs	37.2	31.7
Administrative expenses	43.5	35.7
Other operating expenses	0.3	0.4
Operating result	25.0	22.5
Financial result	-11.6	-11.4
Earnings before income taxes	13.4	11.1
Income taxes <i>Thereof non-recurring due to the exercise of the corporate income tax option: EUR -6.9 million (previous year: EUR 0.0 million)</i>	-10.2	-0.9
Earnings after tax	3.2	10.2
of which non-controlling interests	0.0	0.1
of which attributable to Katjes International GmbH & Co. KG	3.2	10.1

2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(from 1 January to 31 December 2024)

in EUR million	consolidated	
	2024	2023
Earnings after tax	3.2	10.2
Other comprehensive income		
Change in market values of financial instruments	-1.7	-0.7
<i>of which income tax effects</i>	0.0	-0.1
<i>items to be reclassified to profit or loss</i>	0.0	0.0
Differences from foreign currency translation of consolidated subsidiaries	0.4	0.1
Actuarial gains/losses from the remeasurement of defined benefit pension plans	0.2	-1.0
<i>of which income tax effects</i>	0.1	-0.3
<i>not to be reclassified to profit or loss in subsequent periods</i>	0.2	-1.0
Other earnings after taxes	-1.1	-1.6
Total comprehensive income	2.1	8.6
of which non-controlling interests	0.0	0.0
attributable to the owners of the parent company	2.1	8.6

3. CONSOLIDATED BALANCE SHEET

(as at 31 December 2024)

ASSETS	in EUR million	Annex	31 Dec 24	31 Dec 23
Non-current assets				
Property, plant and equipment		6.1	125.1	122.4
Right-of-use assets		6.1	13.0	6.7
Intangible assets		6.1	113.1	112.4
At-equity investments		3	65.0	63.7
Other financial assets		6.4	5.1	4.2
Deferred tax assets		6.11	3.5	3.6
		324.8	313.0	
Current assets				
Inventories		6.6	51.3	46.4
Trade and other receivables		6.5	59.2	57.3
Income tax receivables			2.4	2.5
Cash and cash equivalents		6.7	54.0	58.4
		166.9	164.6	
Total assets		491.7	477.6	

3. CONSOLIDATED BALANCE SHEET

(as at 31 December 2024)

LIABILITIES AND EQUITY	in EUR million	Annex	31 Dec 24	31 Dec 23
Equity				
Subscribed capital			1.0	0.6
Other reserves			-2.7	2.0
Retained earnings			6.2	2.0
Profit carried forward			163.7	153.5
Other comprehensive income			3.6	4.8
Result for the period			3.2	10.1
Shareholders' equity			175.0	173.0
Non-controlling interests			1.2	3.0
Total equity	6.8		176.2	176.0
Non-current liabilities				
Interest-bearing and non-interest-bearing financial liabilities			6.9	152.0
Provisions			6.13	0.9
Provisions for pensions and similar obligations			6.12	8.9
Deferred tax liabilities			6.11	31.1
			192.9	191.0
Current liabilities				
Trade payables and other liabilities			6.10	62.0
Interest-bearing and non-interest-bearing financial liabilities			6.9	37.4
Provisions			6.13	19.1
Income tax liabilities				4.1
			122.6	110.6
Total liabilities			315.5	301.6
Total equity and liabilities	491.7		477.6	

4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(from 1 January to 31 December 2024)

EUR million	Shareholders' equity										
	Subscribed capital	Other reserves	Generated capital			Other comprehensive income			Total		
	Subscribed capital	Other reserves	Retained earnings	Profit carried forward	Result for the period	Change in market values of financial instruments / Differences from foreign currency translation of consolidated subsidiaries	Actuarial gains/losses from the remeasurement of defined benefit pension plans	Total other comprehensive income	Non-controlling interests	Total equity	
Annex											
As at 31 Dec 2022 / 01 Jan 2023	0.6	2.0	2.0	138.1	15.2	1.9	4.4	6.2	164.1	2.9	167.0
Earnings after tax	0.0	0.0	0.0	15.2	-15.2	0.0	0.0	0.0	0.0	0.0	0.0
Other earnings after taxes	0.0	0.0	0.0	0.0	0.0	-0.7	-0.8	-1.5	-1.5	0.0	-1.5
Total comprehensive income	0.0	0.0	0.0	15.2	0.0	-0.7	-0.8	-1.5	-1.5	0.0	-1.5
Finalisation purchase price allocation	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.3	0.0	0.3
Result of the period	0.0	0.0	0.0	0.0	10.1	0.0	0.0	0.0	10.1	0.1	10.2
As at 31 Dec 2023	0.6	2.0	2.0	153.5	10.1	1.2	3.6	4.8	173.0	3.0	176.0
As at 31 Dec 2023 / 01 Jan 2024	0.6	2.0	2.0	153.5	10.1	1.2	3.6	4.8	173.0	3.0	176.0
Earnings after tax	0.0	0.0	0.0	10.1	-10.1	0.0	0.0	0.0	0.0	0.0	0.0
Other earnings after taxes	0.0	0.0	0.0	0.0	0.0	-1.4	0.2	-1.2	-1.2	0.0	-1.2
Total comprehensive income	0.0	0.0	0.0	10.1	-10.1	-1.4	0.2	-1.2	-1.2	0.0	-1.2
Capital increases	0.4	0.0	4.2	0.0	0.0	0.0	0.0	0.0	4.6	0.0	4.6
Other	0.0	-4.7	0.0	0.1	0.0	0.0	0.0	0.0	-4.6	-1.8	-6.4
Result of the period	0.0	0.0	0.0	0.0	3.2	0.0	0.0	0.0	3.2	0.0	3.2
As at 31 Dec 2024	1.0	-2.7	6.2	163.7	3.2	-0.2	3.8	3.6	175.0	1.2	176.2

5. CONSOLIDATED CASH FLOW STATEMENT

(from 1 January to 31 December 2024)

in EUR million	Annex	2024	2023	in EUR million	Annex	2024	2023
Operating activities							
Earnings before income taxes		13.4	11.0	Investing activities		2024	2023
Reconciliation of earnings before income taxes to net cash flows:							
Depreciation of, and impairment losses on, tangible fixed assets		10.4	11.0	Acquisition of property, plant and equipment		6.1	-13.0
Amortisation of right-of-use assets		6.1	4.8	Acquisition of intangible assets		6.1	-4.9
Amortisation of, and impairment losses on, intangible assets		4.6	4.2	Acquisition of minorities		-6.8	0.0
Financial income		7.4	-0.3	Cash flow from investing activities		-24.7	-14.6
Interest received		0.2	0.6	Financing activities			
Financial expenses		7.4	13.2	Repayment of the 2019/2024 bond (EUR 110 million) / issue of the 2023/2028 bond (EUR 115 million)		0.0	5.0
Result from investments accounted for using the equity method		7.4	-1.3	Incidental costs of the bond		0.0	-2.8
Income taxes paid		-2.5	-2.5	Repayments/payments from loans		-7.7	16.9
Increase/decrease in taxes		6.11	-0.6	Payment of leasing installments		-4.8	-3.2
Other non-cash changes		0.0	-0.4	Interest paid		7.4	-12.8
Change in other provisions		6.13	2.7	Cash flow from financing activities		-25.3	5.7
Change in pension liabilities		6.12	-0.3	Change in cash and cash equivalents		6.7	-4.4
Changes in net working capital				Cash and cash equivalents as at 1 January		58.4	35.5
Increase/decrease in trade receivables and other receivables as well as pre-payments and other financial assets		6.5	-0.3	Cash and cash equivalents as at 31 December		6.7	54.0
Increase/decrease in inventories		6.6	-4.9				
Increase/decrease in trade payables and other liabilities		6.10	6.5				
Cash flow from operating activities		45.6	31.8				

IV. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(TRANSLATION FROM THE GERMAN LANGUAGE)

1. Information on the group
2. Summary of key accounting policies
3. Business combinations and other transactions
4. Financial risk management
5. Significant estimates and assumptions used in accounting and measurement
6. Notes to the balance sheet
7. Notes to the consolidated income statement and statement of comprehensive income
8. Segment reporting
9. Obligations from leases
10. Legal disputes
11. Transaction with related parties
12. Events after the balance sheet date
13. Disclosures regarding section 264 (3) (HGB)

1. INFORMATION ON THE GROUP

Katjes International GmbH & Co. KG ("Katjes International") is a limited partnership established under the laws of the Federal Republic of Germany, with its registered office in Emmerich am Rhein. It is registered in the Commercial Register of the Local Court of Kleve under number HRA 1076. The company's business address is:

Dechant-Sprünken-Str. 53–57
46446 Emmerich am Rhein
Germany

According to § 2 of the partnership agreement dated 22 November 2024, the company's business purpose is to hold and manage participations in the companies of the Katjes International Group. The company is also authorized to finance and participate in enterprises of all kinds, in particular those in the confectionery sector. In this context, the company is entitled to carry out all transactions and legal acts that support or appear conducive to achieving its business purpose. It may establish, acquire, and hold equity interests in similar or related companies both in Germany and abroad, and may also establish branch offices. The company may pursue its business purpose in whole or in part through affiliated companies.

The company is established for an indefinite period. The financial year corresponds to the calendar year.

The general partner (Komplementär) is Xaver Fassin International GmbH, whose shareholders are Bastian Fassin and Tobias Bachmüller. In addition to the two shareholders, Stephan Milde is also appointed as managing director. The GmbH does not hold any capital interest in Katjes International GmbH & Co. KG. The limited partnership capital amounts to EUR 1,000 thousand. Bastian Fassin and Tobias Bachmüller are the limited partners, with registered liability amounts of EUR 900 thousand and EUR 100 thousand, respectively.

In the financial year 2024, production and distribution activities were carried out by group companies in Italy, Germany, the United Kingdom, and the Netherlands.

The Group employed an average of 1,097 people during the 2024 financial year (2023: 998), of which 692 were based in Germany (2023: 596), 374 in Italy (2023: 373), and 17 in the United Kingdom (2023: 15). In the Netherlands, an average of 14 employees were employed during the reporting year (2023: 14).

Katjes International also provides management services to its subsidiaries.

2. SUMMARY OF KEY ACCOUNTING POLICIES

2.1 Basis of preparation of the financial statements

The consolidated financial statements are generally prepared in accordance with the historical cost principle. Exceptions apply to financial assets and financial liabilities, which are partially measured at fair value.

These consolidated financial statements are presented in EUR, the Company's functional currency. Unless otherwise stated, all financial information presented in EUR is shown in millions of euros (EUR million). Rounding is performed in accordance with standard commercial practice. As a result of rounding, there may be minor discrepancies in tables and references.

The accounting policies described below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise stated.

Statement of Compliance with IFRS Accounting Standards

(IFRS)

The consolidated financial statements of Katjes International GmbH & Co. KG and its subsidiaries have been prepared in accordance with the IFRS Accounting Standards (IFRS) as adopted by the European Union, and in compliance with the additional requirements of German commercial law pursuant to

§ 315e (1) of the German Commercial Code (HGB). The consolidated financial statements were authorized for issue by the management on 9 April 2025.

Consolidation principles

The consolidated financial statements comprise the financial statements of Katjes International GmbH & Co. KG and its subsidiaries as at 31 December of each financial year.

The financial statements of both domestic and foreign subsidiaries are prepared using uniform accounting and valuation principles applied consistently across the Katjes International Group, and with the same reporting date as the financial statements of the parent company.

Receivables and liabilities, as well as income and expenses between consolidated entities, are eliminated in full. Intercompany profits included in inventories are eliminated.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group, i.e. the date on which the Group obtains control. Upon initial consolidation, the assets and liabilities of the acquired subsidiary are measured at their fair value at the acquisition date.

The consolidated financial statements include the income and expenses of such subsidiaries from the acquisition date onwards.

Scope of consolidation

In addition to Katjes International GmbH & Co. KG, all entities in which Katjes International directly or indirectly exercises control are included in the consolidated financial statements.

Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Inclusion in the scope of consolidation begins at the point in time when control is obtained and ends when control no longer exists.

Entities over which the Group has significant influence, but not control, are accounted for as associates or joint ventures. These investments are accounted for using the equity method.

- The composition of the Katjes International Group, in terms of the number of entities included, is presented in the following table:

Katjes International GmbH & Co. KG and fully consolidated subsidiaries		
	2024	2023
Germany	23	22
Other countries	9	9
Total	32	31

2.2 Changes in accounting policies and disclosures

2.2.1 New and amended standards applicable in 2024

The amendments to IAS 1 effective from 1 January 2024 concerning the classification of current and non-current financial liabilities, as well as non-current liabilities with covenants, did not result in any material changes. Similarly, the amendments to IFRS 16 regarding lease liabilities in a sale and leaseback transaction, and the amendments to IFRS 7 and IAS 7 relating to supplier financing arrangements, had no material impact.

New Accounting standards not yet applied

The following accounting standards have already been endorsed under EU law but are not yet applicable in financial year 2024 or were not applied voluntarily in advance: the amendment to IAS 21, which is applicable to financial years beginning on or

after 1 January 2025; the amendments to IFRS 9 and IFRS 7, which are applicable to financial years beginning on or after 1 January 2026; and IFRS 18 and IFRS 19, which are applicable to financial years beginning on or after 1 January 2027. No material impact on the consolidated financial statements is expected from these new or amended standards, apart from the presentation changes required by IFRS 18.

2.3 Summary of key accounting policies

Business combinations/goodwill

Acquired subsidiaries are accounted for using the purchase method. The acquisition costs correspond to the fair value of the transferred assets, the equity instruments issued and the debts arising/being assumed at the time of the transaction. Acquisition-related costs are expensed as incurred. Assets, liabilities and contingent liabilities that can be identified within the context of a business combination are measured at their fair value at the acquisition date upon initial consolidation.

Goodwill is recognised as the amount by which the cost of the acquisition, the amount of any non-controlling interests in the acquiree and the fair value of any previously held equity interest at the date of acquisition exceeds the Group's interest in the net assets measured at fair value. If this consideration is less than the fair value of the net assets of the acquired subsidiary, the difference is recognised in the income statement as other operating income.

IAS 28 Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but not control or joint control over those decisions.

The considerations made in determining significant influence are similar to those applied in assessing control over subsidiaries. The Group's investments in associates are accounted for using the equity method.

Initially, the investment is recognized at cost, including any directly attributable transaction costs. After initial recognition, the Group's share of the associate's total comprehensive income is included in the consolidated financial statements.

IFRS 11 Joint Arrangements

A joint venture is an arrangement over which the Group exercises joint control and has rights to the net assets of the arrangement, but not to its individual assets and obligations. Joint ventures are also accounted for using the equity method.

Foreign currency conversion

The annual financial statements of Candy Kittens and Longaim, whose functional currency is GBP rather than the euro, are translated into the Group's reporting currency (euro) in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates. The functional currency of the foreign subsidiaries corresponds to the respective local currency.

Assets and liabilities are translated at the closing rate at the re-

▶ porting date. Equity components are translated at historical exchange rates. Income and expenses are translated into euros at weighted average exchange rates for the respective period. Translation differences recognized in equity without affecting profit or loss are only reclassified to profit or loss upon disposal or deconsolidation of the related foreign operation.

Foreign currency transactions are translated into the functional currency at the exchange rate prevailing at the date of the transaction. Gains and losses arising from the settlement of such transactions, as well as from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rate, are recognized in profit or loss.

Foreign exchange differences arising from intragroup loans are recognized in other comprehensive income, provided the loans qualify as a net investment in a foreign operation in accordance with IAS 21.

The following exchange rates were applied: Closing rate for GBP as at 31 December 2024: 1.21; average rate for financial year 2024: 1.18.

Property, plant and equipment

Property, plant and equipment is measured at acquisition or production cost, less scheduled depreciation and – if necessary – impairment losses. Production costs include, in addition to direct costs, appropriate allocations of necessary material and production overheads.

Subsequent acquisition or production costs, such as those arising from expansion or replacement investments, are capitali-

zed as part of the cost of the asset or recognized as a separate asset only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Expenditures for repairs and maintenance that do not constitute substantial replacements are recognized as an expense in the income statement of the financial year in which they are incurred.

Property, plant and equipment is depreciated on a straight-line pro rata temporis basis over the expected useful life of the asset. The depreciation method, useful lives, and residual values are reviewed annually.

Impairment losses on property, plant and equipment are recognized in accordance with IAS 36 if the net realizable value or value in use of an asset falls below its carrying amount. If the reasons for an impairment loss recognized in prior periods no longer apply, a corresponding reversal is recognized.

Gains and losses on disposals of property, plant and equipment are determined as the difference between the proceeds from disposal and the carrying amounts of the assets and are recognized in profit or loss.

With regard to right-of-use assets, please refer to section 6.1 of the notes.

Intangible assets

(a) Goodwill

Goodwill arising from a business combination is initially measured at cost, representing the excess of the cost of the business combination over the Group's share of the fair value of the ac-

quired identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment at least annually.

(b) Trademarks, licences, patents and similar rights and assets

Intangible assets acquired for consideration are capitalized at cost. Acquired trademarks with finite useful lives are amortized on a straight-line basis over their estimated useful lives of 40 years.

Acquired trademarks with indefinite useful lives are not amortized. At least once a year, in accordance with IAS 36, it is assessed whether the indefinite useful life assumption remains valid and whether an impairment exists. If so, the impairment is recognized in profit or loss.

(c) Computer software

Costs incurred for the maintenance of computer software are recognized as an expense in the period in which they are incurred. Purchased software is amortized over its estimated useful life.

Impairment of non-monetary assets

At each reporting date, the Group assesses whether there is objective evidence of impairment for a financial asset or a group of financial assets. An impairment loss is recognized only if, as a result of one or more events occurring after the initial recogniti-

► on the asset (a "loss event"), there is objective evidence of impairment and that loss event has a reliably measurable impact on the estimated future cash flows of the financial asset or the group of financial assets.

The Group recognizes a loss allowance for expected credit losses on debt investments measured at amortized cost or at fair value through other comprehensive income, lease receivables, trade receivables, contract assets, and financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be objectively attributed to an event occurring after the impairment was recognized (e.g. an improved credit rating), the previously recognized impairment loss is reversed through profit or loss.

Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to the grants and that the grants will be received. Government grants are recognized in profit or loss on a systematic basis over the periods in which the related expenses that the grants are intended to compensate are incurred.

Grants that serve as compensation for expenses or losses already incurred, or that provide immediate financial support without future related costs, are recognized in the period in which

the entitlement arises.

No material government grants were received during the reporting period. In the previous financial year, relief payments of approximately EUR 2.4 million were recognized as a reduction in cost of sales in connection with the Electricity Price Reduction Act (Strompreisbremsegesetz – StromPBG).

Financial assets

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets if they are due within twelve months of the reporting date; otherwise, they are classified as non-current. The Group's loans and receivables are presented under "trade and other receivables" in the statement of financial position.

Recognition and measurement

Regular purchases and sales of financial assets are recognized on the trade date, the date on which the Group commits to purchase or sell the asset. Financial assets are initially recognized at fair value plus transaction costs.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. Loans and receivables are subsequently measured at amortized cost using the effective interest method.

Offsetting of financial instruments

Financial assets and liabilities are only offset and presented on a net basis in the statement of financial position if there is a legally enforceable right to offset and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Impairment of financial instruments

At each reporting date, the Group assesses whether there is objective evidence of impairment of a financial asset or a group of financial assets. An impairment exists only if, as a result of one or more events occurring after the initial recognition of the asset (a "loss event"), there is objective evidence of impairment and that loss event has a reliably measurable impact on the estimated future cash flows of the financial asset or group of financial assets.

The Group recognizes a loss allowance for expected credit losses on debt instruments measured at amortized cost or at fair value through other comprehensive income, lease receivables, trade receivables, contract assets, and financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument.

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be objectively attributed to an event occurring after the impairment was recognized (such as an improved credit rating), the previously recognized impairment loss

- ▶ is reversed through profit or loss.

Inventories

Inventories include raw materials, consumables, and supplies, merchandise, as well as unfinished and finished goods, which are measured at acquisition or production cost. If individual cost allocation is not possible, valuation simplification methods permitted under IAS 2 are applied. Production costs include, in addition to direct costs, appropriate portions of necessary material and production overheads. If net realizable values at the reporting date are lower due to a decline in market prices, the lower value is recognized.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. If payment is due within one year or less, receivables are classified as current. Otherwise, they are presented as non-current assets. Trade receivables are measured at amortized cost using the effective interest method and are presented net of impairment losses.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position include cash on hand, current account balances at banks, checks, and other short-term investments with maturities of up to three months. The cash and cash equivalents reported in the consolidated statement of cash flows are determined on the ba-

sis of this definition.

Subscribed capital

Subscribed capital corresponds to the capital contributions of the two limited partners.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade payables are classified as current liabilities if payment is due within one year or less; otherwise, they are reported as non-current liabilities. They are measured at amortized cost using the effective interest method.

Financial liabilities

Financial liabilities are initially recognized at amortized cost using the effective interest method. In subsequent periods, they continue to be measured at amortized cost. Any difference between the disbursed amount (net of transaction costs) and the repayment amount is recognized in profit or loss over the term of the liability using the effective interest method.

Contingent liabilities

Contingent liabilities, to the extent they were not recognized as part of a business combination, are possible or present obligations arising from past events for which an outflow of resources is not considered probable. In accordance with IAS 37, such obligations are not recognized in the statement of financial position

but are disclosed in the notes. The determination of the amount of contingent liabilities follows the principles of provision valuation.

Taxes

Current tax assets and tax liabilities

Current tax assets and liabilities for current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities. The calculation is based on the tax rates and tax laws applicable at the reporting date.

Deferred Taxes

Deferred taxes are recognized for all temporary differences between the tax base and the carrying amounts in the consolidated financial statements (temporary difference concept). Deferred tax assets are also recognized for tax loss carryforwards if it is probable that they can be utilized in the future. The valuation of deferred taxes is based on the expected tax rates applicable at the time of realization.

Deferred tax assets are only recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax liabilities arising from temporary differences related to investments in subsidiaries and associates are recognized unless the Group is able to control the timing of the reversal of the temporary differences and it is probable that the tempora-

- ▶ temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and the deferred taxes relate to income taxes levied by the same taxation authority on either the same taxable entity or different entities that intend to settle on a net basis.

Deferred tax liabilities for taxable temporary differences relating to investments in subsidiaries, associates, or joint ventures are not recognized as long as the reversal of the temporary differences is not probable within the foreseeable future.

Non-Application of Global Minimum Taxation Rules

The provisions regarding global minimum taxation pursuant to the OECD BEPS Pillar II (GloBE Rules) did not apply to the Katjes International Group in financial year 2024, as the relevant revenue thresholds under the applicable regulations were not exceeded. Therefore, no implementation or application of such rules was required during the reporting year.

Employee benefits

(a) Pension Obligations

Provisions for pension obligations are recognized for defined benefit plans covering retirement, disability, and surviving dependants. These obligations result from commitments made by subsidiaries in Germany and Italy. The nature and extent of the benefits vary depending on the legal, fiscal, and economic conditions in the respective country and are generally based on the

length of service and remuneration of the employees.

The Group provides post-employment benefits through defined benefit plans and contributions to statutory pension schemes. Provisions for defined benefit obligations are calculated in accordance with IAS 19 (Employee Benefits) using the internationally accepted projected unit credit method. This method attributes future obligations to the periods of service up to the reporting date, and considers future salary and pension increases.

Actuarial gains and losses arise from changes in assumptions or deviations between actual trends (e.g. salary or pension increases) and those previously assumed. These are recognized in full in other comprehensive income in the financial year in which they occur.

The Group operates defined benefit plans that specify the amount of pension benefits an employee will receive on retirement, usually dependent on age, years of service, and salary. The provision recognized in the balance sheet for defined benefit plans corresponds to the present value of the defined benefit obligation (DBO) at the reporting date, less the fair value of plan assets and adjusted for any unrecognized past service costs.

The DBO is calculated annually by independent actuaries using the projected unit credit method. The present value of the DBO is determined by discounting the expected future cash outflows

using high-quality corporate bond rates with currency and maturity matching the underlying obligations.

If the fair value of the plan assets exceeds the present value of the obligation, recognition of a net defined benefit asset is considered, subject to the recognition criteria of IAS 19.

Unvested past service costs are recognized in profit or loss either at the date of the plan amendment or when the restructuring costs or termination benefits are recognized, whichever is earlier.

(b) Termination benefits

Termination benefits are payable when an employee is terminated before the normal retirement date or when an employee voluntarily leaves in exchange for compensation. The Group recognizes termination benefits when it is demonstrably committed to terminating the employment of current employees under a detailed formal plan that cannot be withdrawn, or when it is committed to providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits that are due more than twelve months after the reporting date are discounted to present value.

Provisions

Provisions are recognized in accordance with IAS 37 if a present obligation to third parties resulting from a past event exists, if it is probable that an outflow of resources will be required to settle the obligation, and if a reliable estimate can be made of

► the amount.

Provisions are recognized for all identifiable risks and uncertain obligations at their probable settlement amount and are not offset against any potential reimbursement claims. They are measured at the present value of the expected expenditures using a pre-tax discount rate that reflects current market expectations and specific risks related to the obligation. The unwinding of the discount is recognized as an interest expense in the income statement.

Derecognition of financial assets and liabilities

A financial asset (or a portion of a financial asset or group of similar financial assets) is derecognized when the contractual rights to receive cash flows from the asset have expired. Loans and receivables are derecognized upon settlement.

Certain consolidated subsidiaries engage in factoring transactions. Sold receivables are derecognized at the time of sale, as the conditions of IFRS 9.3.2.3 are met. Derecognition occurs once the risks and rewards have been transferred to the factoring provider and control over the receivables has been relinquished by the Group.

Financial liabilities are derecognized when the obligation is discharged, cancelled, or has expired. Any difference between the carrying amount and the amount paid is recognized in profit or loss at the time of derecognition.

Through certain consolidated subsidiaries, the Group also participates in a supplier financing arrangement designed to streamline payment processing of supplier invoices and offer participating suppliers earlier payment terms compared to the invoice due date. The arrangement enables the Group to centralize payments to a bank instead of settling individually with each supplier.

Revenue and expense recognition

Revenue and other operating income

Revenue and other operating income are recognized when goods or services have been delivered, i.e. when control is transferred to the customer. This generally occurs upon delivery of the goods (point in time). Certain customer contracts include volume-based rebates, return rights, or price discounts. Expected rebates are estimated based on historical experience (expected value method). No significant financing component exists due to customary payment terms. If revenue cannot be reliably measured, it is recognized only when certainty is achieved.

Under IFRS 15, liabilities for expected customer reimbursements are presented as a reduction in revenue. At the same time, a corresponding asset is recognized based on the right of return, along with a related adjustment to cost of sales. The asset is recognized at its original carrying amount. Refund liabilities related to existing trade receivables are not recognized separately but are deducted directly from those receivables.

All contracted revenue is expected to be realized within the next 12 months.

Interest income

Interest income is recognized using the effective interest method. In cases of impaired receivables, the carrying amount is written down to the recoverable amount, defined as the present value of expected future cash flows discounted using the original effective interest rate. The unwinding of the discount continues to be recognized as interest income. Consequently, interest income on impaired loans is also calculated using the original effective interest rate.

Interest expenses

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets (i.e. those that take more than one year to be prepared for intended use or sale) are capitalized as part of the cost of those assets. Other borrowing costs are expensed in the period in which they are incurred.

Leases

Leases are accounted for in accordance with IFRS 16. At the inception of a contract, the Group assesses whether the agreement constitutes or contains a lease. The key criterion is whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In general, the Group recognizes lease liabilities for lease payments and right-of-use assets representing its right to use the underlying asset. Short-term leases and leases of low-value assets are exempt from this recognition requirement.

3. BUSINESS COMBINATIONS AND OTHER TRANSACTIONS

Acquisition of Non-Controlling Interests

During the reporting period, additional shares in Candy Kittens were acquired over the course of the year. In total, 31.5% of the shares were purchased from various minority shareholders, thereby increasing the Group's ownership interest accordingly. The transactions were completed for a total consideration of EUR 6.8 million and accounted for as equity transactions in accordance with IFRS 10 (B96), as control was not affected.

The difference between the consideration paid and the carrying amount of the acquired non-controlling interests was recognized directly in equity.

Exercise of Corporate Income Tax Option

In the financial year 2024, the option to be taxed as a corporation was exercised with effect from 2025. As a result, corporate income tax rates and related tax rules will apply from the financial year 2025 onward.

In accordance with IAS 12.47, deferred tax assets and liabilities must be measured using the tax rate that is expected to apply in the period in which the underlying temporary differences are expected to reverse. Accordingly, the future applicable tax rate was already used for the calculation of deferred taxes in financial year 2024.

This change resulted in a one-time significant deferred tax expense in the financial year 2024, primarily due to the remeasurement of existing deferred tax assets and liabilities.

Other Transactions

In the financial year 2024 Katjes International established a joint venture together with the German pop icon Shirin David. The jointly developed body care line is scheduled to launch in the second quarter of 2025.

Furthermore, in April 2024, the trademark rights to the Swedish heritage brand "Barnängen" were acquired from Henkel via the Group's subsidiary Bübchen Bodycare for the core markets of Germany, Austria, the Czech Republic, Switzerland, and Hungary, thereby further expanding the Group's body care brand portfolio.

► Shares in associates

Katjes International holds a stake of approximately 23% in CPK S.A.S., Paris, France as at 31 December 2024. The shares are recognised in the consolidated financial statements using the equity method.

The following table contains summarised financial information on the company

in EUR million	31 Dec 2024	31 Dec 2023
Current assets	9.2	4.5
Non-current assets	268.3	268.5
Current liabilities	5.1	6.1
Non-current liabilities	0.0	0.0
Cash and cash equivalents	0.2	0.1
in EUR million	2024	2023
Revenue from contracts with customers	1.2	1.4
Depreciation/amortisation	0.1	0.1
Financial result	4.9	-0.1

In the financial year 2024, Katjes International recognized income of EUR 1.3 million (previous year: loss of EUR -0.7 million) from its 23% equity investment in CPK in accordance with the equity method.

4. FINANCIAL RISK MANAGEMENT

4.1 Financial risk management

As a result of its business activities, the Group is exposed to various financial risks: market risk (including foreign currency risk, interest rate risk related to changes in fair value, cash flow interest rate risk, and price risk), credit risk, and liquidity risk. The Group's overall risk management focuses on the unpredictability of developments in financial and commodity markets and seeks to minimize the potential negative effects on the Group's financial position.

Risk management is carried out by the operating units and is regularly monitored by Katjes International. Specific areas such as the management of foreign currency, interest rate and credit risk, raw material sourcing, the use of derivative and non-derivative financial instruments, and the investment of surplus liquidity are discussed in regular meetings.

(a) Market risk

Foreign currency risk

The Group operates primarily within the European Union, and the vast majority of transactions are conducted in euro. As at 31 December 2024, no hedging instruments were in place to mitigate foreign currency risk.

Market price risk

The Group is exposed to market price developments, particularly in relation to raw materials such as sugar, glucose, cocoa, nuts, panthenol, and energy. The Group manages this risk by entering into supplier agreements, which typically have terms ranging from 3 to 24 months.

Cash flow and fair value interest rate risk

The Group's interest rate risk arises from long-term interest-bearing liabilities. Liabilities with variable interest rates expose the Group to cash flow interest rate risk, while fixed-rate liabilities expose the Group to fair value interest rate risk. The Group's variable-rate liabilities are denominated in euro.

To hedge against potential interest rate fluctuations, the Group may use derivatives such as interest rate swaps to the extent considered appropriate from a risk management perspective.

The Group is also exposed to interest rate risk arising from factoring. This risk is linked to the development of the 3-month and 2-month EURIBOR, which form the basis of the factoring agreements. If these rates had increased or decreased by 1%, the Group's post-tax profit for the reporting year would have been

EUR 0.4 million lower or EUR 0.4 million higher, respectively (2023: EUR 0.8 million lower / EUR 0.8 million higher).

(b) Credit risk

Credit risk is managed both at Group level and at the level of the individual subsidiaries. Credit risks arise from cash and cash equivalents and deposits with banks and financial institutions, as well as from wholesale and retail customer credit exposures, including outstanding receivables. Individual risk limits are set based on internal or external ratings, in line with limits established by management. Compliance with credit limits is regularly monitored. At the reporting date, no material concentrations of credit risk were identified.

The maximum exposure to credit risk is limited to the carrying amount (EUR 59.2 million; 2023: EUR 57.3 million).

The Group sets payment terms for each customer individually. In addition, receivables are continuously monitored to ensure that the Group is not exposed to any material credit risk. No material credit limits were exceeded during the reporting period, and management does not expect any significant losses from non-performance by business partners. Customer relationships

- ▶ are long-term and are maintained with well-known and trusted companies. In certain cases, credit insurance is also taken out for receivables.

(c) Liquidity risk

The Group regularly monitors and updates its cash planning.

The objective is to match long-term assets with long-term financing and to ensure sufficient credit lines are available to cover short-term liquidity needs.

The following table presents the Group's financial liabilities by maturity bands, based on the remaining contractual maturity as at the reporting date. The amounts disclosed in the table are undiscounted cash flows.

(See following page)

► *Maturity groups financial liabilities (duration as of balance sheet date)*

in EUR million	Up to one year	One to two years	Two to five years	More than five years	Total	Carrying amount
As of 31 Dec 2023						
Non-current financial liabilities (incl. liabilities from leases)	0.0	15.1	137.4	4.2	156.7	156.7
Current financial liabilities (incl. liabilities from leases)	35.2	0.0	0.0	0.0	35.2	35.2
<i>thereof from lease liabilities</i>	2.9	1.9	1.9	0.1	6.8	6.8
Trade payables and other liabilities	56.7	0.0	0.0	0.0	56.7	56.7
Income tax liabilities	2.0	0.0	0.0	0.0	2.0	2.0
As of 31 Dec 2024						
Non-current financial liabilities (incl. liabilities from leases)	0.0	12.3	136.0	3.7	152.0	152.0
Current financial liabilities (incl. liabilities from leases)	37.4	0.0	0.0	0.0	37.4	37.4
<i>thereof from lease liabilities</i>	3.7	3.6	5.5	0.4	13.2	13.2
Trade payables and other liabilities	62.0	0.0	0.0	0.0	62.0	62.0
Income tax liabilities	4.1	0.0	0.0	0.0	4.1	4.1

► 4.2 Capital risk management

The Group's objectives in managing capital are to ensure the continuity of the business, enabling it to continue to provide returns to shareholders and benefits to other stakeholders. Another objective is to maintain an optimal capital structure in order to minimize the cost of capital.

In line with industry practice, the Group monitors its capital based on the debt-to-equity ratio, which is calculated as net debt divided by total capital. Net debt is defined as total financial liabilities less cash and cash equivalents. Total capital is calcula-

ted as equity as reported in the consolidated statement of financial position plus net debt.

Financial liabilities primarily comprise the corporate bond in the amount of EUR 115.0 million (2023: EUR 115.0 million), as well as accrued interest liabilities from the bond totaling EUR 2.1 million (2023: EUR 2.1 million) and liabilities to financial institutions amounting to EUR 50.4 million (2023: EUR 56.3 million). In the previous year, this also included a liability of EUR 6.4 million related to the acquisition of the Oral Care production site.

In addition, financial liabilities include lease liabilities recognized in accordance with IFRS 16 in the amount of EUR 13.2 million (2023: EUR 6.8 million). Furthermore, liabilities from hire purchase agreements totaling EUR 6.7 million (of which EUR 5.5 million current) are included (2023: EUR 3.0 million, of which EUR 1.8 million current).

Also included is a liability arising from the exercise of the call option for the remaining 25% stake in Dulcioliva (EUR 1.3 million).

in EUR million	Annex	2024	2023
Financial liabilities	6.9	189.4	191.9
Less: Cash and cash equivalents	6.7	54.0	58.4
Net debt		135.4	133.5
Equity	6.8	176.2	176.0
Total capital		311.6	309.5
Leverage ratio		43%	43%

5. SIGNIFICANT ESTIMATES AND ASSUMPTIONS USED IN ACCOUNTING AND MEASUREMENT

The preparation of the consolidated financial statements in accordance with IFRS Accounting Standards requires the use of assumptions and estimates that affect the recognition of items in the statement of financial position and the consolidated statement of comprehensive income, as well as the disclosure of contingent liabilities.

Trademarks, licences, patents and similar rights and assets with indefinite useful lives

Forward-looking assumptions that involve a risk of a material adjustment to the carrying amounts of assets or liabilities within the next financial years are taken into account when assessing intangible assets with indefinite useful lives. The Group tests such assets for impairment at least annually at the reporting date.

Further information can be found in section 6.1 of the Annex.

Goodwill

Forward-looking assumptions that involve a risk of a material adjustment to the carrying amounts of assets or liabilities within the next financial years are also made in connection with the valuation of goodwill. The Group tests goodwill for impairment at least annually at the reporting date. This involves estimating the recoverable amount of the cash-generating units (CGUs) to

which the goodwill is allocated. To determine this amount, the Group estimates the expected future cash flows from the CGU and selects an appropriate discount rate to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognized for unused tax loss carryforwards to the extent that it is probable that taxable profit will be available against which the loss carryforwards can be utilized. The recognition of deferred tax assets requires significant judgement regarding the expected timing and amount of future taxable income as well as future tax planning strategies. Further information can be found in note 6.11.

Pensions and similar obligations

Expenses for pensions and similar post-employment benefits are determined on the basis of actuarial valuations. These valuations are based on assumptions such as discount rates, expected returns on plan assets, future salary increases, mortality rates, and future pension increases. Due to the long-term nature of such plans, these assumptions are subject to significant uncertainty. Actual outcomes may differ from these assumptions due to changes in economic or market conditions. Further information is provided in note 6.12.

In addition, estimates are also involved in the following areas: impairment of intangible assets and property, plant and equipment, specific valuation allowances on receivables, inventory write-downs, provisions, purchase price allocations, revenue recognition, and the calculation of income taxes. In applying IFRS 16, assumptions are also made when determining the incremental borrowing rate and when assessing the exercise of extension or termination options.

6. NOTES TO THE BALANCE SHEET

6.1 Property, plant and equipment and intangible assets

The development of individual balance sheet items, including depreciation charges for the financial year, is presented in the statement of changes in non-current assets on pages 84 and 85.

Property, plant and equipment include the following right-of-use assets recognized in accordance with IFRS 16, where the Group acts as lessee:

in EUR million	31 Dec 2024	31 Dec 2023
Cost: capitalised right-of-use assets	28.9	17.8
Cumulative depreciation/amortisation	-15.9	-11.1
Carrying amount	13.0	6.7

Payments for short-term leases and leases of low-value assets are recognized on a straight-line basis in profit or loss. Leases with a term of less than 12 months are classified as short-term. Low-value assets include, for example, small office furniture or IT hardware with a value of less than EUR 5,000.

When determining the lease term, all facts and circumstances

that provide an economic incentive to exercise extension or termination options are evaluated.

The depreciation period is based on the term of the underlying lease agreement. The recognized right-of-use assets can be broken down as follows:

in EUR million	31 Dec 2024	31 Dec 2023
Land and buildings	7.3	2.9
Machinery	0.5	0.2
Vehicles	2.3	2.0
Other operating equipment	2.9	1.6
Carrying amount	13.0	6.7

Depreciation of property, plant and equipment is mainly based on the following useful lives:

Buildings	27 to 40 years
Technical equipment and machinery; operating and office equipment	3 to 30 years

The measurement of the 'Harlekijntjes' brand at the time of initial consolidation was based on the relief-from-royalty method. The brand revenue generated in the 2015 financial year was applied, as was the forecast revenue for the financial years from 2016 onwards. The assumed royalty is 6.0%. The discount rate is 6.3%. The useful life is indefinite due to the strength of the brand. The brand value calculated using this method amounted to EUR 4.9 million.

The measurement of the 'Piasten' brand at the time of initial consolidation was based on the relief-from-royalty method. The brand revenue generated in the 2013/14 financial year was applied, as was the forecast revenue for the financial years from 2015 onwards. The assumed royalty was 2.0%. The discount rate was 7.5% and the useful life was 40 years. The brand value calculated using this method amounted to EUR 6.0 million.

The measurement of the 'Dallmann's' brand at the time of initial consolidation was based on the relief-from-royalty method. The brand revenue generated in the 2011 financial year was applied, as was the forecast revenue for the financial years from 2012 onwards. The assumed royalty was 9.5% and the discount rate was 8.4%. The useful life is indefinite due to the strength of the

► brand. The brand value calculated using this method amounted to EUR 7.7 million.

The measurement of brands belonging to Sperlari at the time of initial consolidation was based on the relief-from-royalty method. The brand revenue generated in the (pro rata) 2017 financial year was applied, as was the forecast revenue for the financial years from 2018 onwards. The assumed royalty was 3.5% and the discount rate was 6.4%. The useful life is 40 years. The brand value calculated using this method amounted to EUR 22.9 million.

The measurement of the brand belonging to Candy Kittens at the time of initial consolidation was based on the relief-from-royalty method. The forecast revenue of the brand for the financial years from 2021 onwards was taken as a basis. The assumed royalty was 6% and the discount rate was 8.3%. The useful life is indefinite due to the strength of the brand. The brand value calculated using this method amounted to EUR 9.8 million.

The measurement of the 'Bübchen' brand at the time of initial consolidation was based on the relief-from-royalty method. The

brand revenue generated in the (pro rata) 2021 financial year was applied, as was the forecast revenue for the financial years from 2022 onwards. The assumed royalty was 4.0% and the discount rate was 5.0%. The useful life is 40 years. The brand value calculated using this method amounted to EUR 22.5 million.

The measurement of the 'Dulcioliva' brand at the time of initial consolidation was based on the relief-from-royalty method. The brand revenue generated in the (pro rata) 2021 financial year was applied, as was the forecast revenue for the financial years from 2022 onwards. The assumed royalty was 5.0% and the discount rate was 4.0%. The useful life is 40 years. The brand value calculated using this method amounted to EUR 7.6 million.

The measurement of the 'Paluani' brand at the time of initial consolidation was based on the relief-from-royalty method. The brand revenue generated in the (pro rata) 2022 financial year was applied, as was the forecast revenue for the financial years from 2022 onwards. The assumed royalty was 3.5% and the discount rate was 5.9%. The useful life is 40 years. The brand value calculated using this method amounted to EUR 7.1 million.

The measurement of the brands belonging to the oral care division (Theramed, Vademecum, Antica Erboristeria, Licor del Polo, Denivit) at the time of initial consolidation was based on the relief-from-royalty method. The brand revenue generated in the (pro rata) 2022 financial year was applied, as was the forecast revenue for the financial years from 2022 onwards. The assumed royalty was 4.0% and the discount rate was 5.7%. The useful life is 40 years. The brand value calculated using this method amounted to EUR 23.8 million.

The brand N.A.E. was recognised at cost at the time of acquisition.

The brand „Barnängen“ was recognised at cost at the time of acquisition.

► 6.2 Financial instruments by category

in EUR millions	Carrying amount	Fair value	IFRS 9 measurement
Financial assets:			
Other financial assets³			
Other financial assets ³	0.3	0.3*	FV OCI
Other financial assets ¹	4.8	4.8**	Amortised cost
Option ³	0.0	0.0*	FV OCI
Total non-current	5.1	5.1	
Trade and other receivables ¹	59.2	59.2*	Amortised cost
Total current	59.2	59.2	
Total	64.3	64.3	
Interest-bearing loans²			
Interest-bearing loans ²	26.2	26.2*	Amortised cost
Liabilities from the issuance of a bond ²	115.0	123.7**	Amortised cost
Other financial liabilities ³	1.3	1.3**	FV PL
Liabilities arising from derivatives ³	0.0	0.0**	FV PL
Total non-current	142.5	151.2	
Trade payables and other liabilities ²	62.0	62.0*	Amortised cost
Interest-bearing loans ²	31.1	31.1*	Amortised cost
Total current	93.1	93.1	
Total	235.6	244.3	

► The Group uses the following hierarchy to determine the fair values of financial instruments and for the purpose of disclosures according to the measurement techniques:

*) Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data (level III). Level III parameters for participations in companies are determined with the help of information on economic developments and available industry and company data.

**): Techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly (level II). The fair value of debt instruments that are not actively traded, such as loans, borrowings and financial liabilities, as well as shares in unlisted companies, is determined by discounting the future cash flows. If discounting is necessary, this is based on current standard market interest rates over the remaining term of the financial instruments.

The market values of the other financial assets and liabilities correspond to the respective carrying amounts.

1) 'Loans and receivables' category

2) 'Financial liabilities and assets measured at amortised cost' category

3) Measured at fair value through profit or loss' category

There were no changes between the measurement hierarchies in the reporting year.

Interest-bearing financial liabilities

Interest-bearing financial liabilities decreased compared to the previous year. The main changes resulted from repayments as well as varying utilization of existing credit facilities. Other financial liabilities primarily include lease liabilities, which increased during the reporting year due to the conclusion of new lease agreements, and the liability arising from the call option for the remaining minority interest in Dulcioliva. In the previous year, this item also included the liability relating to the acquisition of the Oral Care production site.

Hedging future cash flows

As at 31 December 2024, the Group held one interest rate swap (31 December 2023: three interest rate swaps) with a notional principal amount of EUR 3.7 million (2023: EUR 6.0 million, comprising EUR 0.3 million and EUR 1.7 million, respectively). The interest rate swap is designed to hedge the risk of rising variable interest rates and is structured accordingly. The decrease in the fair value of the interest rate swap amounted to EUR 0.0 million (31 December 2023: EUR 0.0 million).

Interest-bearing financial liabilities	Interest rate in %	2024 in EUR million	2023 in EUR million
Corporate bond	6.75	115.0	115.0
Bank loan kEUR 24.000	5.6	20.9	24.0
Bank loan kEUR 11.700	2.9	3.7	6.0
Bank loan kEUR 5.000	4.98	5.0	5.0
Bank loan kEUR 5.000	8.5	3.1	4.4
Bank loan kEUR 5.000	0.7	0.0	1.7
Bank loan kEUR 3.000	2.0	0.4	1.1
Bank loan kEUR 3.000	1.8	0.0	0.3
Other loans	Variable and fixed	24.0	16.9
Other financial interest-bearing liabilities	Variable and fixed	14.7	15.3

► 6.3 Credit quality of financial assets

The credit quality of financial assets is regularly reviewed by the Group. Apart from impairments on trade receivables, no need for impairment was identified as at the reporting date.

Cash and short-term deposits are held primarily with banks that have an adequate credit rating.

6.4 Other non-current financial assets

in EUR million	31 Dec 2024	31 Dec 2023
Other financial assets (non-current)	5.1	4.2

As at 31 December 2024, this item primarily includes receivables from related parties as well as Katjes International's long-term financial investments.

The fair values of other financial assets correspond to their carrying amounts.

6.5 Trade and other receivables

in EUR million	31 Dec 2024	31 Dec 2023
Trade receivables	39.0	42.4
Less: Impairment losses	-0.7	-0.4
Net receivables	38.3	42.0
Other current financial assets	14.1	10.4
Prepayments, prepaid income and other receivables	6.8	4.9
Trade and other receivables	59.2	57.3

The fair values of trade receivables correspond to their carrying amounts.

As at the reporting date, trade receivables of EUR 0.5 million were more than six months overdue and were fully impaired in the amount of EUR 0.5 million.

Other categories within trade and other receivables do not include any impaired assets.

The carrying amounts of the trade and other receivables recognized in the consolidated financial statements are predominantly denominated in Euro.

The maximum exposure to credit risk as at the reporting date corresponds to the carrying amount of each class of receivables mentioned above. The Group has not received any collateral.

In the reporting year, 96% of Piasten's trade receivables and approximately 43% of Sperlari's trade receivables were sold to factoring companies. The receivables sold were derecognized,

as in the previous year, since the conditions set out in IFRS 9.3.2.3 were met.

6.6 Inventories

in EUR millions	31 Dec 2024	31 Dec 2023
Raw materials	20.3	20.8
Unfinished goods	3.2	2.8
Finished products and products for sale	27.8	22.8
Total	51.3	46.4

Inventory write-downs were recognized in the amount of EUR 1.5 million (2023: EUR 0.9 million).

The cost of production of finished and unfinished goods recognized as an expense within cost of sales amounted to EUR 22.5 million (2023: EUR 19.4 million).

► 6.7 Cash and cash equivalents

in EUR millions	31 Dec 2024	31 Dec 2023
Balances at banks and cash on hand	54.0	58.4
Total	54.0	58.4

The carrying amount of cash and short-term deposits corresponds to the fair value.

6.8 Equity

in EUR millions	31 Dec 2024	31 Dec 2023
Fixed capital shares		
General partner	0.0	0.0
Limited partner Bastian Fassin	0.9	0.5
Limited partner Tobias Bachmüller	0.1	0.1
	1.0	0.6
Other reserves	-2.7	2.0
Retained earnings	6.2	2.0
Profit carried forward	163.7	153.5
Other comprehensive income	3.6	4.8
Result for the period	3.2	10.1
Shareholders' equity	175.0	173.0
Non-controlling interests	1.2	3.0
Total equity	176.2	176.0

The change in retained earnings results from the appropriation of the prior year's profit.

In the reporting year, the fixed capital contributions of the limited partners and the retained earnings increased following the exercise of the so-called corporate income tax option. This measure was aimed at strengthening the Company's capital base and enhancing its financial stability.

The line item "non-controlling interests" reflects the minority interests in Candy Kittens and its subsidiary Longaim, as well as in Tuckshop.

Following the acquisition of additional minority interests in Candy Kittens during the reporting year, the acquired shares were derecognized against non-controlling interests at their carrying amount in the course of capital consolidation. Any excess amount was recognized directly in the other reserves attributable to the majority shareholders.

► 6.9 Interest-bearing and non-interest-bearing financial liabilities

in EUR millions	31 Dec 2024	31 Dec 2023
Non-current interest-bearing and non-interest-bearing financial liabilities		
Liabilities from the issuance of a bond	115.0	115.0
Liabilities to banks and other financial liabilities	27.5	37.7
Liabilities from leases	9.5	4.0
Total non-current liabilities	152.0	156.7
Current interest-bearing and non-interest-bearing financial liabilities		
Liabilities to banks and other financial liabilities	31.2	30.2
Liabilities from leases	3.7	2.9
Interest liabilities	2.5	2.1
Total current liabilities	37.4	35.2
Total	189.4	191.9

The non-current liabilities do not include any material non-cash items. Except for the financial liability explained in section 6.10, the current liabilities also do not include any material non-cash effects.

Corporate bond

The 2019/2024 bond was prematurely refinanced in the previous year, 2023, at 100.5%. To redeem the bond, a new 2023/2028 bond bearing interest at 6.75% was issued in September 2023. Due to strong investor demand, the total volume of the new bond amounted to EUR 115 million.

Liabilities to banks

The fair value of liabilities to banks corresponds to their carrying amount. Included in the liabilities to banks was a loan granted in 2020 as part of liquidity support measures (total amount: EUR 5.0 million; as of 31 December 2024: EUR 0.0 million). The loan was not issued by a promotional bank or similar institution, but it was largely secured by a government guarantee.

► Liabilities from leases

in EUR millions	31 Dec 2024	31 Dec 2023
Liabilities from leasing contracts		
Up to one year	3.7	2.9
More than one year and up to five years	9.1	3.8
More than five years	0.4	0.1
Total	13.2	6.8

6.10 Trade payables and other liabilities

in EUR millions	31 Dec 2024	31 Dec 2023
Trade payables	48.2	43.5
Social security contributions	1.4	1.4
Wage and salary liabilities	3.4	3.7
Other	9.0	8.1
Total	62.0	56.7

The Group participates in a supplier financing arrangement.

Under this agreement, the bank offers to settle due and payable invoice amounts on behalf of participating suppliers, and the Group settles the amounts with the bank at a later date. The purpose of this arrangement is to enable efficient payment processes and to offer participating suppliers earlier payment compared to the original invoice due date. The average payment term under this arrangement is approximately 60 to 75 days.

As of 31 December 2024, an amount of EUR 3.0 million is recognized under financial liabilities as a liability to banks, of which EUR 2.7 million had already been paid out to the original suppliers.

6.11 Deferred taxes

The development in deferred taxes is shown below:

in EUR millions	31 Dec 2024	31 Dec 2023
On 1 January	-20.4	-24.3
Tax income/(expense) recognised through profit or loss in the reporting period	-6.9	3.6
Tax income/(expense) recognised in other comprehensive income in the reporting period	-0.2	0.1
Other	0,0	0.2
On 31 December	-27.5	-20.4

The development in the reporting year was mainly influenced by the one-off effect (EUR -6.9 millions) from the exercise of the so-called corporate income tax option.

► The change in deferred tax assets and liabilities in the current year, without taking into account the netting of items outstanding with the same tax authority, is determined as follows:

Deferred tax assets in EUR millions	Pension liabilities	Losses car- ried forward	Other	Total
1 Jan 2023	1.2	9.3	6.6	17.1
(Expense)/income in the income statement	-0.1	-0.3	0.1	-0.3
Tax income/(expense) recognised in other comprehensive income	0.1	0.0	0.0	0.1
31 Dec 2023	1.2	9.0	6.7	16.9
(Expense)/income in the income statement	-0.5	-0.7	0.0	-1.2
Tax income/(expense) recognised in other comprehensive income	-0.1	0.0	0.1	0.0
31 Dec 2024	0.6	8.3	6.8	15.7
Deferred tax liabilities in EUR millions	Fixed assets	Changes in tax rates	Other	Total
1 Jan 2023	40.8	0.4	0.2	41.5
Expense/(income) in the income statement	-2.2	-2.6	0.9	-3.9
Tax income/(expense) recognised in other comprehensive income	0.0	0.0	0.0	0.0
Other	-0.1	0.0	-0.1	-0.2
31 Dec 2023	38.5	-2.2	1.0	37.3
Expense/(income) in the income statement	-1.7	6.9	0.6	5.8
Tax income/(expense) recognised in other comprehensive income	0.1	0.0	0.0	0.1
Other	0.0	0.0	0.0	0.0
31 Dec 2024	36.9	4.7	1.6	43.2

No deferred tax assets were recognized for corporate income tax loss carryforwards amounting to EUR 34.0 million (2023: EUR 35.8 million) or for trade tax loss carryforwards of EUR 7.5 million (2023: EUR 6.8 million). In addition, other unrecognized tax loss carryforwards total EUR 9.3 million (2023: EUR 8.1 million).

Both domestic and foreign tax loss carryforwards are generally available for carryforward without time limitation. A planning horizon of six years is applied for the expected utilization of recognized tax loss carryforwards.

As an exception, Dutch corporate income tax loss carryforwards of EUR 0.8 million (2023: EUR 1.3 million) will expire within one to two years.

► 6.12 Pension obligations

As of 31 December 2024, the Group operates defined benefit plans in Germany and Italy, which are based on employee compensation at the time of termination of employment and on years of service. Since 2020, the Group has also recognized partially fund-financed defined benefit plans.

in EUR millions	2024	2023
Present value of funded benefit obligations	7.1	10.7
Fair value of plan assets	-6.4	-9.8
Obligation reported	0.7	0.9

Recognition of an asset resulting from a surplus was not made in the amount of EUR 0.2 million (prior year: EUR 0.6 million) in accordance with the provisions of IAS 19.65.

The development of the unfunded obligations as of 31 December 2024 is as follows:

in EUR millions	2024	2023
Present value of the unfunded obligations	8.6	8.5
Actuarial losses/(gains)	-0.4	0.2
Provision recognised	8.2	8.7

In the reporting year, actuarial gains from the measurement of plan assets amounted to EUR 0.5 million, and interest income totaled EUR 0.5 million.

The expected return on plan assets for the reporting year was EUR 0.4 million.

The changes in the present value of the defined benefit obligations are presented in the table below. The partially offsetting developments in plan assets are included.

in EUR millions	2024	2023
Obligation at the beginning of the financial year	9.6	9.0
Current service cost	0.5	0.5
Interest expense	0.6	0.5
Actuarial losses/(gains)	-0.4	1.3
Pension payments	-1.1	-1.3
Other	-0.3	-0.4
Present value of funded benefit obligations	8.9	9.6

Pension provisions were calculated based on the following assumptions regarding expected salary and pension increases:

in %	2024	2023
Discount rate	3.0%-3.6%	3.2%-3.6%
Inflation rate	0.0%-1.8%	0.0%-2.0%
Future salary increases	0.0%-3.0%	0.0%-3.0%
Future pension increases	0.0%-2.0%	0.0%-2.0%

- The mortality assumptions applied are based on published statistics and empirical data in Italy and Germany.

The sensitivity of the total defined benefit obligation to changes in the key weighted assumptions is as follows (it should be noted that the parameters shown are closely interrelated, and changes in a single assumption in isolation are unlikely in practice):

	Change in assumption	Impact on obligation
Discount rate	Increase/decrease by 0.5 %	Increase/decrease by up to 4.2% / up to -11.8%
Inflation rate	Increase/decrease by 0.5 %	Increase/decrease by up to 4.2 %
Expected mortality	Increase by one year	Increase by up to 8.0%

► 6.13 Provisions

in EUR millions	Start of the financial year	Utilisation	Additions	Reversals	End of the financial year
Non-current (more than one year)					
Provision for long-service bonuses	0.6	0.0	0.2	0.0	0.8
Other	0.1	0.0	0.0	0.0	0.1
Total	0.7	0.0	0.2	0.0	0.9
Current (less than one year)					
Personnel related provisions	2.5	-2.0	3.1	-0.3	3.3
Provision for returns	5.4	-5.4	5.5	0.0	5.5
Provision for outstanding invoices	4.7	-3.6	5.8	-0.6	6.3
Other	4.1	-2.8	3.4	-0.7	4.0
Total	16.7	-13.8	17.8	-1.6	19.1

The payment of the current provisions is mainly expected within the following year, the payment of the non-current provisions mainly within the next five years.

7. NOTES TO THE CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

7.1 Revenue

Group revenue by business line:

in EUR million	2024	2023
Confectionery	160.0	156.2
Body care products	90.4	87.0
Chocolate	57.8	59.4
Seasonals	54.7	46.7
Other	29.7	28.1
Total	392.6	377.4

7.2 Cost of sales, distribution costs, administrative costs

in EUR million	2024	2023
Cost of sales	293.6	295.5
Distribution costs	37.2	31.7
Administrative costs	43.5	35.7
Total	374.3	362.9

The expenses include in detail:

in EUR million	2024	2023
Cost of raw materials, consumables and supplies, and purchased merchandise	192.3	204.4
Personnel expenses	73.8	65.1
Depreciation and amortisation	19.8	18.1
Advertising costs	16.0	12.2
Transportation costs	15.5	16.8
Energy	13.3	12.6
Legal and advisory costs	6.5	5.5
Expenses for temporary workers	8.5	5.7
Maintenance	5.6	4.8
Total expenditures on purchased services	1.8	1.8
Insurance	0.8	0.7
Change in inventories	0.4	-2.9
Other expenses	20.0	18.1
Total	374.3	362.9

Personnel expenses

in EUR million	2024	2023
Wages and salaries	57.9	50.7
Social security	13.1	11.5
Post-employment costs	1.8	1.8
Other personnel expenses	1.0	1.1
Total	73.8	65.1

In the reporting year, contributions to the statutory pension insurance system amounted to approximately EUR 7.3 million (2023: EUR 6.5 million).

The average number of employees during the reporting year was as follows:

	2024	2023
Blue-collar workers	717	656
Salaried employees	358	318
Other	22	24
Total	1,097	998

- In the financial year 2024, total expenses for severance payments amounted to EUR 0.8 million (2023: EUR 0.2 million).

Auditor's fees

The following fees paid to the auditor of the consolidated financial statements were recognised as expenses incurred by the Group:

in EUR million	2024	2023
Fees for audit services	0.5	0.5
Tax consultancy services	0.0	0.1
Other services	0.0	0.0
Total	0.5	0.6

Of this amount, EUR 0.2 million of the audit services were attributable to foreign subsidiaries in the scope of consolidation.

7.3 Other operating result

Other operating income

in EUR million	2024	2023
Income from the reversal of provisions	1.6	0.5
Other	5.4	7.9
Total	7.0	8.4

This line item mainly comprises income relating to prior periods. In addition to income from the reversal of provisions, it also includes income from a legal case that was decided in the Group's favor.

Other operating expenses

in EUR million	2024	2023
Other taxes	0.1	0.1
Other	0.2	0.3
Total	0.3	0.4

7.4 Financial result

Financial expenses

in EUR million	2024	2023
Interest expenses corporate bond	7.8	6.5
Interest expenses banks	4.2	3.6
Loss participation at-equity investments	0.0	0.7
Interest expenses – leasing	0.2	0.2
Interest expenses hire purchases	0.3	0.2
Other	0.7	0.8
Total	13.2	12.0

The expense from the unwinding of discount on lease liabilities in accordance with IFRS 16 amounted to EUR 0.2 million in the reporting year.

Finance income mainly includes income from the share of profit of at-equity investments (EUR 1.3 million), income from invested funds amounting to EUR 0.2 million, as well as income from loans granted to related parties (EUR 0.1 million; previous year: EUR 0.1 million).

► 7.5 Income Taxes

in EUR million	2024	2023
Current tax expense/(income):		
Germany	2.7	4.2
Other countries	0.6	0.2
	3.3	4.4
Deferred tax expense/(income):		
Germany	7.5	-3.1
Other countries	-0.6	-0.4
	6.9	-3.5
<i>of which temporary differences</i>	<i>-0.1</i>	<i>-0.5</i>
Total	10.2	0.9

The effective tax burden is as follows:

in EUR million	2024	2023
Earnings before income taxes	13.4	11.1
Income taxes 12.94% (2023: 12.37%)	1.7	1.4
Differences at the group tax rate	-0.4	2.0
Non-taxable expenses	0.6	0.5
Non-taxable income	-0.3	-1.3
Tax rate changes	6.9	-2.6
Tax losses carried forward not recognized	0.7	0.7
Trade tax deduction items	0.4	0.3
Other	0.6	-0.1
Tax expense/(income):	10.2	0.9

The expected tax rate of 12.9% (2023: 12.4%) corresponds to the average tax rate of the German parent company.

Due to the option to be taxed as a corporation effective January 1, 2025, the tax rate expected to apply in the future was already used for the calculation of deferred taxes as of December 31, 2024.

The development in the reporting year is therefore mainly attributable to the one-off effect resulting from the exercise of the so-called corporation tax option and the associated change in the tax rate.

No deferred taxes were recognized as of December 31, 2024, for taxable temporary differences relating to investments in subsidiaries in the amount of EUR 671.1 million (2023: EUR 654.2 million), as the company is able to control the timing of the reversal of these differences and no reversals are expected in the foreseeable future.

8. SEGMENT REPORTING

Katjes International, through its subsidiaries, is a manufacturer and supplier of confectionery and body care products, which are classified as fast-moving consumer goods (FMCG). Sales are primarily generated through food retailers and drugstores. The Group focuses on the distribution of strong and well-known brands – such as Sperlari, Treets – The Peanut Company, Dallmann's and Bübchen, as well as brands from the oral care segment, including N.A.E., Barnängen and Candy Kittens – with a regional focus on Europe. Segment reporting in accordance with IFRS 8 is based on the Group's internal organizational and reporting structure. The general partner of Katjes International GmbH & Co. KG acts as the chief operating decision maker across the Group, allocating resources and assessing performance at Group level. The key performance indicator used for performance measurement and management is primarily operating profit (EBITDA). Internal reporting and management are ba-

sed on the single segment "FMCG". The measurement principles applied in segment reporting are based on the IFRS Accounting Standards.

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Group revenue by region:

	in EUR million	2024	2023
Italy	122.8	115.5	
Germany	106.8	104.4	
UK	18.7	15.1	
Netherlands	16.1	16.5	
Other EU countries + Switzerland	107.4	107.8	
Non-EU countries	20.8	18.1	
Total	392.6	377.4	

Our approximately 23% stake in CPK, the number two in the French sugar confectionery market, is consolidated using the equity method. As a result, its revenue in France, Belgium, the UK and other export markets is not shown here.

- ▶ The group's non-current assets comprise property, plant and equipment, intangible assets and other financial assets, as well as financial investments.

Non-current assets of the Group:

in EUR million	2024	2023
Germany	141.4	132.4
Italy	95.6	94.9
Netherlands	72.3	71.1
UK	11.4	10.3
Total	320.7	308.8

Non-current assets (Netherlands) include an investment of EUR 65.0 million that is accounted for using the equity method.

For more detailed information, please refer to section 3.

9. OBLIGATIONS FROM LEASES

The Company has entered into rental and lease agreements (leases within the meaning of IFRS 16). These are mainly for land and buildings, vehicles, technical equipment and office equipment. The payments expected under these leases are as follows:

in EUR million	2024	2023
Due within one year	3.7	2.9
Due between one and five years	9.1	3.8
Due after five or more years	0.4	0.1
Total	13.2	6.8

10. LEGAL DISPUTES

Katjes International GmbH & Co. KG or its group companies are not involved as a defendant in current or foreseeable legal or arbitration proceedings that could have a significant influence on the economic situation or have had such an influence within the last two years. Appropriate provisions have been set up at the relevant group company for any financial burdens arising from other legal or arbitration proceedings.

11. TRANSACTIONS WITH RELATED PARTIES

Related parties within the meaning of IAS 24 are persons or entities that can be influenced by the reporting entity or that can influence the reporting entity.

The parent company is managed by the general partner Xaver Fassin International GmbH, whose shareholders are Mr Bastian Fassin and Mr Tobias Bachmüller. These individuals are also the limited partners of the parent company.

The following transactions were conducted with related parties:

in EUR million	2024	2023
Trade payable for goods and services to Katjes Germany	2.7	2.0
Interest-bearing clearing accounts of the limited partners	0.0	0.5
Sale of goods to Katjes Germany	0.0	0.3
Purchase of goods and services from Katjes Germany	13.1	14.7
Total remuneration paid to the management*	0.3	0.3
Loans to related companies	4.2	1.8
Interest income from loans to related parties	0.1	0.1
Other income	0.0	7.7

**Remuneration paid to the general partner.*

All business relationships are conducted at arm's length and are not collateralised.

The interest-bearing clearing accounts of the limited partners bear interest at a rate of 5.0% (2023: 5.0%).

With reference to the protective clause set out in section 286 (4) of the German Commercial Code (HGB) (in conjunction with section 315e (3) in conjunction with (1)), the remuneration paid to the executive bodies beyond the remuneration paid to the general partner is not disclosed.

12. EVENTS AFTER THE BALANCE SHEET DATE

No events of particular significance or with a material impact on the financial position, cash flows or results of operations of Katjes International have occurred after the reporting date of 31 December 2024, to the knowledge of the management.

13. DISCLOSURES REGARDING SECTION 264 (3) (HGB)

The domestic subsidiaries listed below, which have the legal form of a corporation, make use of the exemption from certain regulations on the preparation, auditing and publication of the annual financial statements/management report pursuant to section 264 (3) HGB:

- Piasten GmbH
- Dallmann's Pharma Candy GmbH
- Katjes 24 GmbH
- Bübchen Skincare GmbH
- Bübchen-Werk Ewald Hermes Pharmazeutische Fabrik GmbH

These consolidated financial statements were approved for publication by the management on 9 April 2025.

Emmerich, 9 April 2025

Katjes International GmbH & Co. KG
The management

V. APPENDICES

(TRANSLATION FROM THE GERMAN LANGUAGE)

Information on shareholdings

Statement of changes in fixed assets

Information on shareholdings

in %	2024		2023	
Germany				
Katjes France GmbH, Emmerich am Rhein	100	A	100	A
Katjes Nederland GmbH, Emmerich am Rhein	100	A	100	A
Katjes 21 GmbH, Emmerich am Rhein	100	A	100	A
Dallmann's Pharma Candy GmbH, Hofheim am Taunus	100	A	100	A
Candy Pharma GmbH, Hofheim am Taunus	100	A	100	A
Piasten GmbH, Forchheim	100	A	100	A
Treets GmbH, Forchheim	100	A	100	A
CCV-Vertriebs-GmbH, Forchheim	100	A	100	A
Katjes 24 GmbH, Emmerich	100	A	100	A
Katjes Italy GmbH, Emmerich	100	A	100	A
Bübchen Skincare GmbH (previous: Dallmann's Pharma GmbH), Hofheim am Taunus	100	A	100	A
Bübchen-Werk Ewald Hermes Pharmazeutische Fabrik GmbH, Soest	100	A	100	A
Bübchen Bodycare GmbH, Dusseldorf	100	A	100	A
Candy Kittens EU GmbH, Emmerich	100	A	100	A
Pharma Candy Management GmbH, Emmerich	100	A	100	A
Pharma Candy GmbH & Co. KG, Emmerich	99.9	A	99.9	A
Theramed GmbH, Dusseldorf	100	A	100	A

in %	2024		2023	
Smile Cosmetics GmbH, Dusseldorf	100	A	100	A
Antica Erboristeria GmbH, Dusseldorf	100	A	100	A
Laboratoires Vademecum GmbH, Dusseldorf	100	A	100	A
Licor del Polo GmbH, Dusseldorf	100	A	100	A
Barnängen GmbH, Dusseldorf	100	A	100	A
Shirin Beauty GmbH, Dusseldorf	50	B	—	—
Blaue Helden GmbH i.L., Bad Homburg	11.1	—	11.1	—
Other countries				
Heel Veel Snoepjes B.V., Nijkerk, Netherlands	100	A	100	A
Harlekijntjes B.V., Nijkerk, Netherlands	100	A	100	A
ÖZW Österreichische Zuckerwaren GmbH, Vienna, Austria	100	A	100	A
Sperlari S.r.l., Cremona, Italy	100	A	100	A
Dulcioliva S.r.l., Borgo San Dalmazzo, Italy	75	A	75	A
Paluani 1921 S.r.l., Verona, Italy	100	A	100	A
Candy Kittens Ltd., London, UK	88	A	56.5	A
Longaim Ltd, London, UK	88	A	56.5	A
Tuckshop Ltd, London, UK	75	A	75	A
CPK S.A.S., Paris, France	23	B	23	B
Nuud Snacks Ltd, London ,UK	8	—	10	—

A: Included in the consolidated financial statements as fully consolidated subsidiaries

B: Included in the consolidated financial statements as an associate accounted for using the equity method

Statement of changes in fixed assets as at 31 December 2024

(in EUR million)

	HISTORICAL COST					DEPRECIATION/AMORTISATION				CARRYING AMOUNTS	
	As at				As at	As at				As at	As at
	1 Jan 2024	Additions	Transfers	Disposals/Currency effects		1 Jan 2024	Additions	Disposals	31 Dec 2024		
INTANGIBLE ASSETS											
1. Purchased concessions, industrial rights and similar rights and assets, and licences in such rights and assets	126.2	4.2	1.5	0.2	132.1	15.8	4.6	0.0	20.4	111.7	110.4
2. Goodwill	0.3	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.3	0.3
3. Assets under construction	1.6	1.0	-1.5	0.0	1.1	0.0	0.0	0.0	0.0	1.1	1.6
	128.1	5.2	0.0	0.2	133.5	15.8	4.6	0.0	20.4	113.1	112.4
PROPERTY, PLANT AND EQUIPMENT											
4. Land, land rights and buildings, including buildings on third-party land	84.7	1.0	0.0	0.0	85.7	14.4	2.7	0.0	17.2	68.5	70.2
5. Technical equipment and machinery, other equipment, operating and office equipment	114.6	5.1	0.5	-1.6	118.6	65.1	7.1	-0.5	71.7	46.9	49.5
6. Prepayments and assets under construction	2.7	7.5	-0.5	0.0	9.7	0.0	0.0	0.0	0.0	9.7	2.7
	202.0	13.6	0.0	-1.6	214.0	79.5	9.8	-0.5	88.9	125.1	122.4
	330.1	18.8	0.0	-1.4	347.5	95.4	14.4	-0.5	109.3	238.2	234.8
Right-of-use assets	17.7	11.2	0.0	0.0	28.8	11.0	4.8	0.0	15.8	13.0	6.7
At-equity investments	63.7	1.3	0.0	0.0	65.0	0.0	0.0	0.0	0.0	65.0	63.7
Participation	2.6	0.0	0.0	0.0	2.6	0.7	1.6	0.0	2.3	0.2	1.9
	414.0	31.3	0.0	-1.4	443.9	107.0	20.8	-0.5	127.4	316.4	307.1

Statement of changes in fixed assets as at 31 December 2023

(in EUR million)

	HISTORICAL COST					DEPRECIATION/AMORTISATION					CARRYING AMOUNTS	
	As at		As at			As at		As at			As at	As at
	1 Jan 2023 ⁽¹⁾	Additions	Transfers	Disposals/ Currency effects	31 Dec 2023	1 Jan 2023 ⁽¹⁾	Additions	Initial consolidation	Disposals	31 Dec 2023	31 Dec 2023	31 Dec 2022 ⁽¹⁾
INTANGIBLE ASSETS												
1. Purchased concessions, industrial rights and similar rights and assets, and licences in such rights and assets	121.2	4.8	0.0	0.2	126.2	11.8	4.1	0.0	0.0	15.8	110.4	109.4
2. Goodwill	0.3	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	0.0	0.3	0.3
3. Assets under construction	0.0	1.6	0.0	0.0	1.6	0.0	0.0	0.0	0.0	0.0	1.6	0.0
	121.5	6.4	0.0	0.2	128.1	11.8	4.1	0.0	0.0	15.8	112.4	109.7
PROPERTY, PLANT AND EQUIPMENT												
4. Land, land rights and buildings, including buildings on third-party land	83.5	1.2	0.0	0.0	84.7	11.9	2.5	0.0	0.0	14.4	70.2	71.6
5. Technical equipment and machinery, other equipment, operating and office equipment	110.3	5.3	0.0	-1.0	114.6	57.7	8.4	0.0	-1.0	65.1	49.5	52.6
6. Prepayments and assets under construction	1.8	1.4	0.0	-0.5	2.7	0.0	0.0	0.0	0.0	0.0	2.7	1.8
	195.5	7.9	0.0	-1.5	202.0	69.6	10.9	0.0	-1.0	79.6	122.4	126.0
	317.0	14.3	0.0	-1.3	330.1	81.3	14.9	0.0	-1.0	95.4	234.8	235.7
Right-of-use assets	14.2	3.5	0.0	0.0	17.7	7.9	3.1	0.0	0.0	11.0	6.7	6.3
At-equity investments	64.4	0.0	0.0	-0.7	63.7	0.0	0.0	0.0	0.0	0.0	63.7	64.4
Participation	2.6	0.0	0.0	0.0	2.6	0.0	0.7	0.0	0.0	0.7	1.9	2.6
	398.2	17.8	0.0	-2.0	414.0	89.2	18.7	0.0	-1.0	107.0	307.1	309.0

(1) The previous year's figures have been adjusted due to the retrospective effects of the purchase price allocation finalised in the reporting year.

VI. INDEPENDENT AUDITORS' REPORT

(TRANSLATION FROM THE GERMAN LANGUAGE)

INDEPENDENT AUDITORS' REPORT

Reproduction of the auditor's report

To Katjes International GmbH & Co. KG

Opinions

We have audited the consolidated financial statements of Katjes International GmbH & Co. KG, Emmerich, and its subsidiaries (the Group), which comprise the consolidated income statement and consolidated statement of other comprehensive income for the fiscal year from 1 January 2024 to 31 December 2024, the consolidated balance sheet as at 31 December 2024, consolidated statement of changes in equity and consolidated statement of cash flows for the fiscal year from 1 January 2024 to 31 December 2024, and notes to the financial statements, including material accounting policy information. In addition, we have audited the group management report of Katjes International GmbH & Co. KG for the fiscal year from 1 January 2024 to 31 December 2024.

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

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards) and adopted by the EU, and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2024 and of its financial performance for the fiscal year from 1 January 2024 to 31 December 2024, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Sec. 322 (3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the opinions

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

Other information

The executive directors are responsible for the other information. The other information comprises the following parts to be included in the annual report, of which we obtained a copy prior to issuing this auditor's report, in particular:

► • the introduction to the annual report, but not the consolidated financial statements, not the group management report disclosures whose content is audited and not our auditor's report thereon. Our opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon. In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive directors for the consolidated financial statements and the group management report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Sec 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

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

realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material re-

► spects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting

from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control and of such arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opin-
- ions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB.
- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the work performed for the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with law, and the view of the Group's position it provides.

- ▶ • Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

Dusseldorf, 9th April 2025

EY GmbH & Co. KG

Wirtschaftsprüfungsgesellschaft

Michael

Ulrich

Wirtschaftsprüfer

Wirtschaftsprüfer

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DISCLAIMER

This report contains forward-looking statements that are based on the current assumptions and estimates of the management of Katjes International GmbH & Co. KG. Forward-looking statements are identified by the use of words such as expect, intend, plan, anticipate, assume, believe, estimate and similar formulations.

These statements are not to be understood as guarantees that these expectations will prove to be correct. The future development and the results actually achieved by Katjes International GmbH & Co. KG and its affiliated companies depend on a number of risks and uncertainties and may therefore differ materially from the forward-looking statements.

Various of these factors are beyond the company's control and cannot be accurately estimated in advance, such as the future economic environment and the behaviour of competitors and other market participants. The company neither plans nor undertakes to update any forward-looking statements.

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