Chapter 4

Consolidated Financial Statements

Consolidated Statement of Comprehensive Income

Consolidated Statement of Profit or Loss

in thousand euros	Note No.	1/1-31/12/2024	1/1-31/12/2023
Continuing operations			
Revenue	4.1	1,115,787	1,066,048
Cost of sales	4.2	742,639	695,527
Gross profit		**373,148**	**370,521**
Research and development expenses	4.3	64,023	60,923
Selling expenses		103,416	102,984
General administrative expenses		62,196	65,987
Other operating income	4.5	17,861	18,767
Other operating expenses	4.6	14,800	33,067
EBIT		**146,574**	**126,328**
Financial income	4.7	6,976	6,973
Financial expenses	4.7	23,154	21,925
Financial result		**– 16,179**	**– 14,952**
Earnings before tax from continuing operations		**130,395**	**111,375**
Income taxes	4.8	– 37,798	– 37,563
Earnings after tax from continuing operations		**92,597**	**73,812**
Discontinued operation			
Earnings after tax from discontinued operation	**4.9**	**1,646**	**– 350**
Group			
Earnings after tax		**94,243**	**73,462**
Results from non-controlling interests		1,596	997
Earnings attributable to shareholders	4.10	92,646	72,466
Earnings per share in euros (undiluted = diluted)	**4.10**	**1.62**	**1.27**
Earnings per share from continuing operations in euros (undiluted = diluted)		**1.59**	**1.27**

Consolidated Statement of Comprehensive Income

in thousand euros	Note No.	1/1-31/12/2024	1/1-31/12/2023
Earnings after tax		**94,243**	**73,462**
Items that will never be reclassified to profit or loss		**– 2,229**	**– 660**
Actuarial gains/losses from the valuation of pensions and similar obligations	5.11	– 2,229	– 660
thereof: income taxes		373	202
Items that are or may be reclassified to profit or loss		**– 6,603**	**9,788**
Cash flow hedges	8.2	– 7,265	945
thereof: income taxes		2,871	– 372
Foreign currency exchange difference	2.3	662	8,844
thereof: income taxes		– 834	707
Total other comprehensive income		**– 8,832**	**9,128**
Total comprehensive income		**85,410**	**82,591**
Thereof attributable to:			
Non-controlling interests		1,632	279
Shareholders		83,778	82,312

Consolidated Statement of Financial Position

Assets in thousand euros	Note No.	31/12/2024	31/12/2023
Non-current assets		**1,151,290**	**1,099,825**
Intangible assets	5.1	692,772	712,512
Property, plant and equipment	5.2, 5.3	419,917	365,115
Other non-current assets	5.4	14,820	13,015
Deferred tax assets	4.8	23,780	9,182
Current assets		**588,719**	**567,087**
Inventories	5.5	267,009	269,261
Current trade receivables	5.6	130,820	144,239
Contract assets	5.7	86,835	68,079
Other current financial assets	5.8	3,744	5,347
Other current non-financial assets	5.9	15,414	12,472
Cash and cash equivalents		84,897	67,690
Total assets		**1,740,009**	**1,666,912**

Equity and liabilities in thousand euros	Note No.	31/12/2024	31/12/2023[1]
Equity	**5.10**	**967,196**	**903,313**
Share capital		148,819	148,819
Capital reserve		194,286	194,286
Other reserves		617,232	553,487
Non-controlling interests		6,859	6,720
Non-current liabilities		**511,996**	**496,034**
Pension provisions	5.11	7,121	4,627
Other non-current provisions	5.12	14,545	14,257
Non-current financial debt	8.1, 8.2	463,899	472,323
Other non-current liabilities		3,419	1,936
Deferred tax liabilities	4.8	23,011	2,891
Current liabilities		**260,817**	**267,565**
Income tax payables		8,294	6,305
Other current provisions	5.12	37,358	37,815
Current financial debt	8.1, 8.2	17,217	18,437
Current trade payables		105,595	108,810
Contract liabilities	5.7	60,308	68,400
Other current financial liabilities	5.14	10,884	8,058
Other current non-financial liabilities	5.15	21,160	19,741
Total equity and liabilities		**1,740,009**	**1,666,912**

[1] Adjusted due to amendment to IAS 1 (classification of liabilities as current or non-current, see section 1.2)

Consolidated Statement of Cash Flows[1]

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Earnings before tax from continuing operations	130,395	111,375
Earnings before tax from discontinued operation	1,646	– 350
Earnings before tax	**132,041**	**111,026**
Financial income and expenses	16,179	14,952
Depreciation and amortization	74,912	70,870
Impairment and reversals of impairments from non-current assets	53	12,394
Profit/loss from disposals of non-current assets, subsidiaries and other business units	– 1,095	4,415
Other non-cash income/expenses	– 70	– 514
Dividends received	0	95
Change in provisions	– 1,150	– 7,026
Change in working capital	– 22,705	– 17,447
Change in other assets and liabilities	– 5,188	4,891
Cash flows from operating activities before income tax payments	**192,978**	**193,656**
Income tax payments	– 25,858	– 26,665
Cash flows from operating activities	**167,120**	**166,991**
Capital expenditure for intangible assets	– 9,878	– 9,044
Proceeds from sale of property, plant and equipment	3,069	21,368
Capital expenditure for property, plant and equipment	– 83,235	– 78,636
Sale of subsidiaries and other business units, net of cash disposed of	2,031	2,013
Acquisition of subsidiaries, net of cash acquired	0	3,761
Proceeds from sale of investments accounted for using the equity method	0	8,480
Proceeds from other financial investments	248	3,967
Capital expenditure for other financial investments	– 887	– 1,377
Interest and similar income received	623	988
Cash flows from investing activities	**– 88,029**	**– 48,481**
Dividend to shareholders of the parent company	– 20,033	– 17,171
Dividend to non-controlling interests	– 1,483	– 4,083
Proceeds from additions of financial liabilities	13,980	13,187
Repayments of loans	– 23,468	– 68,076
Payments for leases	– 15,254	– 14,242
Change in group financing	320	1,142
Interest and similar expenses paid	– 16,447	– 15,697
Cash flows from financing activities	**– 62,385**	**– 104,940**
Cash-effective change in cash and cash equivalents	**16,706**	**13,570**
Change in cash and cash equivalents from foreign currency effects	409	– 2,518
Change of loss allowcance and consolidation-related changes in cash and in cash equivalents	92	– 120
Cash and cash equivalents at the beginning of the period	67,690	56,758
Cash and cash equivalents at the end of the period	**84,897**	**67,690**

[1] For further information see section 6 "Disclosures on Consolidated Statement of Cash Flows"

Consolidated Statement of Changes in Equity

in thousand euros	Note No.	Share capital	Capital reserve	Retained earnings	Cash flow hedges	Cumulative exchange differences	Actuarial effects	Equity attributable to shareholders of JENOPTIK AG	Non-controlling interests	Total
Balance at 1/1/2023		**148,819**	**194,286**	**455,858**	**570**	**28,605**	**3,813**	**831,951**	**11,356**	**843,307**
Net profit for the period	4.10			72,466				72,466	997	73,462
Other comprehensive income after tax	2.3, 5.10, 5.11, 8.2				945	9,562	– 660	9,846	– 718	9,128
Total comprehensive income				**72,466**	**945**	**9,562**	**– 660**	**82,312**	**279**	**82,591**
Acquisition of non-controlling interests				– 436		– 64		– 500	– 831	– 1,331
Transactions with owners (dividend)	6			– 17,171				– 17,171	– 4,083	– 21,255
Balance at 31/12/2023		**148,819**	**194,286**	**510,717**	**1,514**	**38,103**	**3,153**	**896,592**	**6,720**	**903,313**
Balance at 1/1/2024		**148,819**	**194,286**	**510,717**	**1,514**	**38,103**	**3,153**	**896,592**	**6,720**	**903,313**
Net profit for the period	4.10			92,646				92,646	1,596	94,243
Other comprehensive income after tax	2.3, 5.10, 5.11, 8.2				– 7,265	626	– 2,229	– 8,868	36	– 8,832
Total comprehensive income				**92,646**	**– 7,265**	**626**	**– 2,229**	**83,778**	**1,632**	**85,410**
Transactions with owners (dividend)	6			– 20,033				– 20,033	– 1,494	– 21,527
Balance at 31/12/2024		**148,819**	**194,286**	**583,330**	**– 5,751**	**38,728**	**924**	**960,337**	**6,859**	**967,196**

Notes

1. Presentation of the Group Structure

1.1 Parent company

The parent company is JENOPTIK Aktiengesellschaft (hereinafter: JENOPTIK AG), Jena, Germany, and is registered in the Commercial Register of the official district court of Jena in Department B under the number 200146. JENOPTIK AG is listed on the German Stock Exchange in Frankfurt and traded, among others, on the TecDax and the MDax.

The list of shareholdings is published in the company register in accordance with § 313 (2) Nos. 1 to 4 of the German Commercial Code (Handelsgesetzbuch [HGB]) and is disclosed in the Notes under the heading “List of Shareholdings of the Jenoptik Group”. The entities to which the simplification relief regulations were applied as specified in § 264 (3) HGB are disclosed in the section “Other Required and Supplementary Disclosures under HGB”.

1.2 Accounting principles

Jenoptik is a international technology group. For the fiscal year 2024, the consolidated financial statements of JENOPTIK AG were prepared in accordance with the IFRS Accounting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) mandatory to be applied at the reporting date in the European Union, and the regulations under commercial law in accordance with § 315e (1) HGB that apply as a supplement.

The consolidated financial statements were prepared in euros. Unless otherwise specified, all amounts are presented in thousand euros. Please note that there may be rounding differences compared to the mathematically exact amounts (monetary units, percentages, etc.). The consolidated statement of profit or loss was prepared in accordance with the cost of sales method.

The fiscal year of JENOPTIK AG and of the subsidiaries included in the consolidated financial statements corresponds to the calendar year.

For materiality reasons, individual items are aggregated in the statement of comprehensive income and the statement of financial position. The classifications for these items are shown in the Notes.

Change in accounting principles

The following IFRS were applied in the consolidated financial statements for the first time in the fiscal year 2024:

Standard/Interpretation		Effects
IAS 1	Classification of liabilities as current or non-current with covenants (2020/2022)	Reclassification of current to non-current financial debt
IFRS 16	Lease liabilities in a sale-and-leaseback	No effects
IAS 7, IFRS 7	Supplier finance arrangements	No effects

Amendment to IAS 1. As part of the syndicated loan agreement, Jenoptik utilizes bilateral credit lines or overdrafts; prior to the amendment to IAS 1, these were classified as current financial debt due to the intention to repay them in the short term. Since Jenoptik has the right to postpone settlement until the end of the term of the syndicated loan (December 2028), in the fiscal year 2024 this is reported as non-current financial debt. As a result of the first-time application, as of December 31, 2024, utilizations under the syndicated loan in the sum of 171 thousand euros (retrospective restatement prior year: 5,836 thousand euros) are shown in non-current financial debt, having been classified as current financial debt prior to the first-time application of the amendment to IAS 1.

Standards that have been published but not yet adopted as mandatory

The following new or amended standards and interpretations have already been adopted by the IASB but have not yet become mandatory or not yet been incorporated into European law. Jenoptik did not take these into account in the consolidated financial statements as of December 31, 2024 and does not intend to make use of the early adoption of these standards.

Standard/interpretation		Application mandatory	EU endorsement	Expected effects
IAS 21	Lack of exchangeability	1/1/2025	Done	No effects
Improvements to IFRS 1, 7, 9, and 10, as well as IAS 7	Annual improvements to the IFRS: Volume 11	1/1/2026	Open	No significant effects
IFRS 9, IFRS 7	Amendments to the classification and measurement of financial instruments	1/1/2026	Open	No significant effects
IFRS 9, IFRS 7	Contracts Referencing Nature-dependent Electricity	1/1/2026	Open	Under the current power purchase agreements, no effects
IFRS 18	Presentation and disclosures in the financial statements	1/1/2027	Open	Effects being examined

IFRS 18 "Presentation and Disclosures in Financial Statements." IFRS 18 contains requirements for the presentation and disclosure of information in the financial statements and replaces IAS 1 "Presentation of Financial Statements." In particular, IFRS 18 requires the presentation of certain categories and additional subtotals in the statement of profit or loss, the disclosure in the notes of profit-oriented, company-specific performance indicators and introduces new guidelines on the grouping of information (aggregation and disaggregation). Additionally, numerous disclosure options in the statement of cash flows will be eliminated.

The new standard is to be applied for fiscal years commencing on or after January 1, 2027.

The effects of the first-time application of IFRS 18 on the consolidated financial statements is currently being assessed, in particular with regard to the structure of the statement of profit or loss, and the associated allocation of income and expenses, the statement of cash flows and the additional disclosure requirements.

1.3 Assumptions and estimates

Preparing EU-compliant IFRS consolidated financial statements requires making assumptions about certain items, which affects their recognition in the balance sheet or income statement, and disclosure of contingent assets and liabilities. All assumptions and estimates are made to the best knowledge and belief and aim to provide a true and fair view of the Group's asset, financial, and earnings position.

The underlying assumptions and estimates are continuously reviewed. This results in certain discretionary leeways for the preparer of the consolidated financial statements. Against the backdrop of the macroeconomic and geopolitical conditions, such as the tensions between China on the one hand and partners Taiwan and the USA on the other, and increased trade restrictions, there are currently increased uncertainties regarding estimates and forecasts and thus risks regarding significant adjustments to carrying values in the future. This particularly affects:

- further US tariffs on non-American products with implications for production and price adjustments,
- risks in Advanced Photonics Solutions on the sales and procurement side in the event of an escalation of the conflict between China and Taiwan and the associated impact on the global semiconductor market,
- indirect risks to the supply and price development of energy and other raw materials as well as logistics services due to the Russian war against Ukraine.

Significant climate-related risks for the Group's business activities do not exist. The assumptions and estimates underlying the consolidated financial statements take into account, as necessary, potential climate-related impacts and the impact of the company-specific sustainability targets, which are published on the JENOPTIK AG website at www.jenoptik.com in the sustainability section. This particularly affects the forecast of future revenue for the Non-Photonic Portfolio Companies segment, driven by the shift towards e-mobility, as well as planned expenditures for sustainable investments, such as in buildings or increasing the share of green electricity.

The assumptions and estimates made for the preparation of these consolidated financial statements relate mainly to:

- the assumptions and forecasts for assessing the impairment of goodwill and the capitalized development costs (see sections "Intangible assets" and "Impairment of property, plant, and equipment and intangible assets"),
- the realizability of future tax benefits in the valuation of deferred tax assets (see section "Income tax payables"),
- the actuarial parameters used to measure provisions for pensions and similar obligations for the Swiss pension system (see section "Pension provisions") and
- the measurement of economically retained risks from business disposals (see sections "Discontinued operation" and "Contingent liabilities and commitments").

2. Consolidation Principles

2.1 Group of consolidated entities

Along with JENOPTIK AG, all significant subsidiaries over which Jenoptik has control are included in full in the consolidated financial statements. This is in general the case if Jenoptik holds more than half of the voting rights of a company.

The list of shareholdings is shown in the Notes in the section “List of Shareholdings of the Jenoptik Group.”

The consolidated financial statements of JENOPTIK AG include 34 (prior year: 37) fully consolidated subsidiaries, of which 5 (prior year: 5) have their legal seat in Germany and 29 (prior year: 32) have theirs abroad. The reduction arises from the deconsolidation of entities that are no longer operational. One entity (prior year: 1) will continue to be included in the consolidated financial statements based on the equity method.

The subsidiaries in the table below have material investments held by non-controlling shareholders. Additional entities have insignificant investments held by non-controlling shareholders. The corresponding non-controlling interest can be seen in the List of Shareholdings.

Name	Registered office of the entity	Non-controlling interests in %
Beijing TRIOPTICS Optical Test Instruments (China) Ltd.	China	49.00
TRIOPTICS Hong Kong Limited	Hong Kong	49.00

The following table summarizes the financial information of these subsidiaries, based on their respective IFRS individual financial statements including the impacts from the purchase price allocation. Impacts from the consolidation of Beijing TRIOPTICS Optical Test Instruments (China) Ltd. with its subsidiary TRIOPTICS Hong Kong Limited were taken into account.

in thousand euros	TRIOPTICS China + Hong Kong
Revenue	31,446 (28,895)
Earnings after tax	3,320 (2,026)
Other comprehensive income	319 (– 749)
Total comprehensive income	3,639 (1,276)
Non-current assets	1,562 (2,610)
Current assets	15,771 (16,710)
Non-current liabilities	265 (606)
Current liabilities	9,256 (11,977)
Net assets	7,811 (6,738)
Cash flows from operating activities	5,664 (– 1,850)
Cash flows from financing activities	– 2,777 (– 9,043)

The figures in brackets relate to the prior year

2.2 Consolidation procedures

The assets and liabilities of the domestic and foreign entities included in full in the consolidated financial statements are recognized in accordance with the uniform accounting policies and valuation methods applicable for Jenoptik.

Capital consolidation is carried out in accordance with the acquisition method on the date of acquisition. The assets and liabilities of the subsidiaries are recognized at the fair values. Furthermore, identifiable intangible assets are capitalized and specific contingent liabilities classified as liabilities. The remaining difference between the consideration transferred, including the fair value of contingent considerations and the net assets acquired, corresponds to the goodwill.

Intra-group assets and liabilities, income and expenses, and cash flows from transactions between consolidated companies are eliminated. Assets from intra-group deliveries included in inventories, intangible assets and property, plant and equipment are adjusted by intra-group results. Consolidation transactions recognized as profit or loss are subject to the accrual of deferred taxes.

In the event of loss of control of a subsidiary, the assets and liabilities of the subsidiary are derecognized (deconsolidation) and any resulting gain or loss taken into account in the statement of profit or loss.

The consolidation methods applied were not changed compared to the prior year.

2.3 Foreign currency conversion

Annual financial statements of the consolidated entities prepared in foreign currencies are converted based on the functional currency concept as defined in IAS 21, using the modified reporting date exchange rate method. Since the subsidiaries conduct their business activities independently of the financial, economic, and organizational aspects, the functional currency is identical to the currency of their respective countries.

Assets and liabilities are consequently converted at the exchange rate on the reporting date, whereas expenses and income are converted at the average rate which is determined on a monthly basis. The resulting difference from the currency conversion is offset outside of profit or loss and shown separately in equity under “Cumulative exchange differences.”

If group companies leave the group of consolidation, the relevant currency translation difference is released through profit or loss.

Receivables and payables in the individual financial statements of consolidated entities prepared in a local currency that differs from the subsidiary’s functional currency are converted at the exchange rate on the reporting date. Foreign currency exchange differences are recognized under other operating income or other operating expenses in the statement of profit or loss and, those result from financial transactions are recognized in the financial result. This excludes foreign currency exchange differences from loan receivables that constitute a part of the net investment in a foreign operation. These foreign currency exchange differences are recognized in other comprehensive income and shown in equity under “Cumulative exchange differences” until the sale of the net investment; at the time of their disposal that the cumulative amount is reclassified into the statement of profit or loss.

The exchange rates used for the conversion are shown in the table below:

		Annual average exchange rate		Exchange rate on the reporting date	
	1 euro =	1/1 -31/12/2024	1/1 -31/12/2023	31/12/2024	31/12/2023
Australia	AUD	1.6398	1.6285	1.6772	1.6263
Canada	CAD	1.4817	1.4596	1.4948	1.4642
Switzerland	CHF	0.9523	0.9717	0.9412	0.9260
China	CNY	7.7854	7.6591	7.5833	7.8509
Great Britain	GBP	0.8465	0.8699	0.8292	0.8691
Hong Kong	HKD	8.4409	8.4676	8.0686	8.6314
India	INR	90.5146	89.3249	88.9335	91.9045
Japan	JPY	163.7216	151.9421	163.0600	156.3300
Korea	KRW	1,474.9433	1,413.2644	1,532.1500	1,433.6600
Singapore	SGD	1.4455	1.4523	1.4164	1.4591
Taiwan	TWD	34.6981	33.6738	33.9423	33.8607
USA	USD	1.0818	1.0816	1.0389	1.1050

3 Accounting Policies and Valuation Methods

3.1 Intangible assets

Goodwill

Goodwill is recognized as an asset and subject to an impairment test at least once a year on a defined date or whenever there is an indication that the (group of) cash-generating unit(s) could be impaired (see section "Impairment of property, plant, and equipment and intangible assets"). Goodwill is not amortized.

Upon gaining control, non-controlling interests are recognized based on their proportionate share of the acquired entity's identifiable net assets.

Acquired intangible assets

Intangible assets acquired for consideration primarily comprise licenses, software, and similar rights, as well as technologies and customer relationships obtained through business combinations. They are capitalized at cost and amortized on a straight-line basis over their useful economic lives. The useful life typically ranges from 4 to 7 years. Acquired technologies from business combinations are amortized over a term of 7 years, while customer relationships from individual acquisitions are amortized over a term of up to 15 years.

Amortization of intangible assets is allocated to the corresponding functional areas of the statement of profit or loss where they arise.

Internally generated intangible assets – development costs

Development costs are capitalized if the recognition criteria of IAS 38.57 are met. In principle, the achievement of these criteria is aligned with the milestones of the internal innovation process. Capitalized development costs are measured at cost, net of cumulative amortization and impairments. In this context, the cost covers all the costs directly attributable to the development process, as well as a fair share of related overheads. Capitalized development costs are amortized over the expected sales period of the products – in principle no longer than five years.

Development projects not yet completed are subject to impairment tests at least on an annual basis (see section "Impairment of property, plant, and equipment and intangible assets").

Amortization on capitalized development costs is recognized in cost of sales. In accordance with IAS 38, research costs and development costs that cannot be capitalized are expensed under research and development expenses.

3.2 Property, plant, and equipment

Property, plant, and equipment are measured at cost, less scheduled, straight-line depreciation. If the acquisition cost of individual components of an asset is material (particularly in the case of buildings), the depreciation is applied separately for each part of the property, plant, and equipment. Where necessary, impairments reduce the amortized cost. Production costs are calculated based on directly attributable specific costs as well as proportionate, directly attributable cost of materials and production overheads.

Costs for the repair of property, plant, and equipment are generally treated as an expense. Subsequent costs for components of property, plant, and equipment that are renewed at regular intervals are capitalized insofar as a future economic benefit is likely and the corresponding costs can be reliably measured.

As in the prior year, depreciation is generally based on the following useful lives:

	Useful life
Buildings (depending on components)	12-80 years
Machinery and technical equipment	5-15 years
Other equipment, operating, and office equipment	3-15 years

Upon decommissioning, sale, or relinquishment of property, plant, and equipment, any resulting gain or loss, calculated as the difference between the sale proceeds and the net carrying amount, is recognized under other operating income or expenses.

3.3 Impairment of property, plant, and equipment and intangible assets

At each reporting date, property, plant, and equipment, as well as intangible assets, are reviewed for potential impairment indicators in accordance with IAS 36, "Impairment of Assets". If any such indications for individual assets, or a group of cash-generating unit(s), are identified, these will be subject to an impairment test.

The cash-generating unit for the impairment test is generally the reporting unit.

The goodwill impairment test is conducted at the level of a group of cash-generating units represented by the Advanced Photonic Solutions or Smart Mobility Solutions segments, or, for the Non-Photonic Portfolio Companies, by the HOMMEL ETAMIC and Prodomax operations under the existing segment. Jenoptik conducted the mandatory annual impairment test for goodwill as of December 31.

As part of the impairment test, the recoverable amount of an asset or (group of) cash generating unit(s) is first determined and then compared with the corresponding carrying amount in order to identify if there is any need for impairment.

The recoverable amount is the higher of the fair value less costs to sell and value in use of an asset or of a (group of) cash-generating unit(s).

The value in use, which involves assumptions and estimates, is determined by discounting expected future cash inflows. This is based on a fair market interest rate, before taxes, that reflects the risks associated with the assets not yet captured in the estimated future cash inflows.

If the recoverable amount of an asset is estimated to be less than the carrying amount, the asset is impaired to the recoverable amount. The impairments are immediately recognized in other operating expenses, through profit or loss.

If an impairment is reversed in a subsequent period, the carrying amount of the asset is adjusted to reflect the recoverable amount assessed. The maximum limit for the reversal of an impairment is determined by the amount that would have been recorded if an impairment had not been recognized in prior periods. The impairment reversal is immediately shown in other operating income, through profit or loss. There is no reversal of an impairment for goodwill.

3.4 Leases

On commencement of the contract, the Group assesses whether a contract constitutes or contains a lease. This is the case if the contract provides the right to control the use of an identified asset for a period of time in exchange for consideration. As a lessee, Jenoptik generally recognizes the rights of use of leased assets and corresponding lease liabilities in accordance with IFRS 16.

Rights of use are measured at cost less all accumulated depreciation. The cost includes the recognized lease liabilities, the initial direct costs incurred, as well as lease payments made at or before commencement. Rights of use are depreciated on a straight-line basis over the shorter of the lease term or the asset's useful life, which ranges from 1 to 22 years for real estate and from 1 to 5 years for machinery, technical equipment, and other operating and office equipment. The rights of use are shown in the balance sheet item under which the underlying asset would be recognized if it were the property of the Group.

Lease liabilities are recognized at present value. They include fixed payments, variable lease payments that are linked to an index or interest rate, and payments from the exercising of extension or purchase options that are considered to be reasonably certain.

When calculating the present value of the lease payments, the Group applies its incremental borrowing rate on the date of provision if the underlying interest rate for the lease cannot be readily determined. The Group's lease liabilities are shown in the items "Non-current financial debt" and "Current financial debt".

The Group makes use of the practical exemptions offered by IFRS 16 and recognizes the lease payments for short-term leases (excluding property) as well as low-value leased assets as expenses on a straight-line basis over the term of the lease.

3.5 Financial instruments

General

Financial instruments are contracts that result in a financial asset for one entity and a corresponding financial liability or equity instrument for another.

Financial assets and financial liabilities are recognized in the consolidated statement of financial position from the date on which the Group becomes a contractual party in the financial instrument.

Depending upon the Group's business model for managing assets and the question as to whether the contractual cash flows of the financial instruments exclusively constitute repayments and interest payments on the outstanding nominal amount, the existing financial instruments are categorized in accordance with IFRS 9 either as "at amortized cost," "at fair value through other comprehensive income," or "at fair value through profit or loss" and recognized accordingly.

Financial assets

These include trade receivables, cash and cash equivalents, shares in companies, short-term investments, and derivative financial instruments.

Trade receivables are recognized for the first time in the statement of financial position at the transaction price, while other financial assets are recognized for the first time at fair value, which generally corresponds to the market value. If there is no active market, the fair value using financial mathematical methods, such as discounting estimated future cash flows at market interest rate or applying standard option price models.

At Jenoptik, all long-term shareholdings in companies are classified as "at fair value through other comprehensive income", exercising the accounting option under IFRS 9.

Trade receivables, cash and cash equivalents, cash deposits and other financial assets are classified as “at amortized cost” in accordance with IFRS 9 and measured accordingly. Default risks are accounted for by considering the expected credit losses. Jenoptik applies the simplified impairment model, taking into account the expected credit losses on trade receivables over the entire term.

Financial liabilities

These include liabilities to banks, such as interest-bearing bank loans and bilateral credit lines or overdrafts, trade payables, derivative financial instruments, and other financial liabilities.

In principle – except for derivative financial instruments – financial liabilities are measured at amortized cost by applying the effective interest method.

Liabilities to banks are recognized at the amount received, net of direct emission costs. Financing costs, including premiums payable on repayment or redemption, are recognized in accordance with the accruals principle, using the effective interest method. Amortization via the effective interest method is included in the statement of profit or loss as part of the financial expenses.

Derivative financial instruments

Derivative financial instruments are to be categorized as “at fair value through profit or loss” in accordance with IFRS 9 unless these form part of a hedging relationship.

Jenoptik uses derivative financial instruments as hedging transactions to reduce volatilities in earnings from interest and foreign currency exchange rates. The use of derivative financial instruments is regulated in a group guideline. They are not used for speculative purposes.

The fair values were determined based on the market conditions existing at the balance sheet date – interest rates, exchange rates – and using generally accepted valuation methods. If the fair value is positive, it is recognized as a financial asset, otherwise as a financial liability.

Jenoptik uses cash flow hedges in order to hedge against risks from changes in foreign currency exchange and interest rates. If the hedging relationships are classified as effective, the changes in fair value are recognized outside of profit or loss in other comprehensive income (hedge accounting).

Reclassifications from equity to profit or loss are made in the period when the hedged underlying transaction is recognized in profit or loss. Fluctuations in value from derivative financial instruments that are not part of a hedging relationship, as well as financial instruments that are not classified as effective, are recognized immediately through profit or loss.

3.6 Inventories

Inventories are measured at the lower of cost and their net realizable value.

The net realizable value is the estimated proceeds from sale less the estimated costs of completion and any further costs that will still be incurred up to sale. For determining the net realizable value, devaluation routines are applied in addition to case-by-case assessment. The range, market price (based on existing orders), and marketability serve as indicators of lower net sales proceeds.

The cost includes all costs associated with the acquisition as well as other costs incurred in bringing the inventories to their present condition. These are net of any reductions, including rebates, bonuses, and trade discounts.

Cost includes full production-related costs determined based on normal capacity utilization. This takes into account, in particular, the costs incurred at the specific cost centers. Administrative costs are also considered insofar as they are attributable to production.

In principle, the valuation of similar inventory assets is based on the average method.

If fair values at the reporting date have decreased owing to lower prices on the sales market, the decrease is recognized. If the reasons for the write-down of inventories no longer exist and the net realizable value has increased accordingly, the reversal of the write-down is recognized as a reduction in cost of materials in the period in which the reversal occurs.

3.7 Contract assets and contract liabilities

A contract asset is the conditional right to receive consideration in return for goods or services transferred to a customer. Contract assets arise from the difference between revenue realized from the respective order and the payments received, net of trade receivables from invoices issued. Trade receivables are recognized when the right to receive consideration is no longer subject to any conditions.

If the requested payments, received and due, as well as the additional invoices issued exceed the realized revenue, a contract liability will be shown. A contract liability therefore constitutes the obligation of the group to transfer goods or services to a customer for which it has received a consideration from the customer or for which a requested payment is due. Contract liabilities are recognized as revenues as soon as the Group fulfills its contractual obligations.

The contract liabilities additionally include obligations from contractual penalties that must be taken into account as a variable consideration, reducing revenue.

Contract assets recognized in accordance with IFRS 15 are measured at the nominal value, taking into account impairments in the amount of the expected credit losses over the entire term.

Contract assets and contract liabilities are recorded overall as current, as they were incurred in the ordinary course of business.

3.8 Deferred taxes

Deferred tax assets and liabilities are calculated based on the expected tax burden or tax relief for future years, using the tax rate applicable at the time of realization. The effects of changes in tax rates on deferred taxes are recognized in the reporting period in which the legislative procedure underlying the change in tax rate is completed.

When calculating the recognition of deferred tax assets and liabilities, tax effects that may result from the future application of the global minimum taxation rules (Pillar II) are not considered.

Deferred tax assets and deferred tax liabilities are offset against each other insofar as taxes are levied by the same authority and relate to the same tax period.

3.9 Pension provisions

Defined benefit plans

Pension provisions for defined benefit retirement schemes are measured in accordance with IAS 19 using the projected unit credit method. This involves measuring future obligations based on benefit entitlements accrued pro rata as of the balance sheet date, considering trend assumptions for valuation parameters that impact benefit amounts. An actuarial expert opinion for this procedure is obtained at least once a year.

Assets that meet the requirements for plan assets under IAS 19.8 are recognized at their fair value and offset against the pension provisions.

Service costs of the pension provisions are recognized as personnel expenses within the respective functional costs. The net interest expense is reported in the financial result and calculated by multiplying the net liability at the beginning of the period by the discount rate used to value the pension provision at the beginning of the period.

Actuarial gains and losses due to adjustments and changes in assumptions in associated with the valuation of pension provisions and plan assets (including the difference between the actual return on plan assets realized and the return assumed at the beginning of the period) as well as from the adjustment to the asset ceiling, are recognized in other comprehensive income.

Defined contribution plans

For defined contribution pension schemes, the contributions payable are recognized directly as an expense.

3.10 Income tax payables

Income tax payables include obligations from current income taxes, including uncertain tax items. Claims for tax refunds are recognized under other current non-financial assets. Deferred taxes are disclosed in separate items in the statement of financial position.

Tax provisions for corporate income tax and trade tax or similar income tax expenses are determined based on the respective taxable income of the consolidated entities, net of any prepayments made.

3.11 Other provisions

In accordance with IAS 37, provisions are set aside to the extent that there is a current legal or de facto obligation to third parties from a past event that is likely to lead to an outflow of resources in the future and the amount of which can be reliably estimated. No provisions are set aside for expenses that are inherently linked to future operating activities.

Provisions are recognized at their settlement value discounted at the balance sheet date, provided that the interest effect is significant. The settlement value also includes the expected increases in prices and costs. The discounting is based on non-negative interest rates before taxes that reflect current market expectations with regard to the interest effect and that are dependent upon the corresponding term of the liability. The interest portion from the compounding of the provision, as well as any effects of changes in interest rates, are recognized in the financial result.

Provisions are measured based on empirical values, considering the circumstances at the balance sheet date.

Provisions for guarantees and warranties are made on a case-by-case basis and in aggregate. The provision amount is determined based on the historical development of warranties as well as a consideration of all currently known and potential future warranty claims, weighted with their probability of occurrence.

Claims to the right of recourse are only considered if these are as good as certain.

3.12 Share-based payments

The members of the Executive Board and some senior management personnel of Jenoptik receive multi-year variable remuneration (Long Term Incentives – LTI) in the form of virtual shares or (virtual) performance shares. "Both types of virtual shares are accounted for as share-based payments with cash settlement in accordance with IFRS 2. At the balance sheet date and depending upon the contractual provisions, a provision is set aside in the amount of the earned fair value of the payment obligation according to IFRS 2 and recognized through profit or loss.

3.13 Contingent liabilities

Contingent liabilities are potential obligations that are based on past events and the existence of which is only clarified by the occurrence or non-occurrence of one or more uncertain future events, which are, however, not fully within the control of Jenoptik. Moreover, current obligations can constitute contingent liabilities if there is insufficient certainty regarding the likelihood of outflows of resources to set aside a provision and/or the amount of the obligation cannot be estimated to sufficiently reliable extent. Contingent liabilities are not recognized but are explained in the section “Contingent liabilities” providing an outflow of resources is considered extremely unlikely.

3.14 Revenue

Revenue from contracts with customers is recognized in accordance with IFRS 15 when control of the goods or services is transferred to the customer. These are recognized at the amount of consideration expected to be received by the Group in exchange for these goods or services. For sales transactions with multiple performance obligations, revenues are allocated based on the stand-alone selling prices.

Revenue from the sale of goods is generally realized at the time when control of the good passes to the customer. The determination of this timing takes into account, among other things, the transfer of the legal ownership, the physical transfer of possession and any potentially agreed acceptance of the products by the customer.

In certain cases, the goods produced by Jenoptik as part of a specific order process represent assets with no alternative use to the Group. Subject to the additional requirement of an enforceable right to payment for the performance completed to date, the revenue is recognized over time, whereby the percentage of completion is generally determined in accordance with the input-oriented cost-to-cost method. This applies both to the production of individual assets as well as to development projects with subsequent volume production (customer-specific volume production).

Revenue from the provision of services that constitute separate performance obligations within the framework of IFRS 15 and from which the customer can benefit at the same time as the service is provided is recognized over time in accordance with the progress of completion on the balance sheet date. The percentage of completion is determined in accordance with the input-oriented cost-to-cost method.

Rental income from property, derived from the entities within normal business activities, as well as from embedded operating lease agreements in connection with Traffic Service Provision contracts, are recognized on a straight-line basis over the term of the corresponding contracts and reported in revenue. Under Traffic Service Provision contracts, Jenoptik provides integrated services within the context of traffic monitoring, such as supply of the equipment, operation, data preparation and analysis, as well as services.

If a contract contains a number of distinct components (multi-component contracts), these are recorded separately in accordance with the above principles.

In determining the amount of consideration in return that Jenoptik receives for fulfilling a customer order, agreed variable components are estimated at the beginning of the contract and then included in the transaction price when it is highly likely that the elimination of the uncertainty associated with the variable components of the consideration in return will not lead to a cancellation of revenue that has already been recognized. At Jenoptik, this applies to both agreed discounts and bonuses as well as to possible contractual penalties.

Since advances received from the customer are generally current, Jenoptik refrains from taking a financing component into account when determining the consideration in return.

3.15 Functional costs

Personnel and material costs as well as the depreciation/amortization of intangible assets and property, plant, and equipment are recognized in the respective functional costs where they arise.

3.16 Cost of sales

The costs incurred to achieve the revenue are recognized under cost of sales. This also includes the costs from the allocation of warranty provisions as well as additions to and reversal of provisions for onerous contracts in connection with customer orders. Research and development expenses on behalf of customers are also recognized in the cost of sales.

3.17 Selling expenses

Selling expenses also include the costs of obtaining a contract, which are immediately recognized as an expense, since the period of depreciation/amortization for the asset that the Group would otherwise have recognized does not exceed one year. Amortization of customer relationships and order backlogs acquired as part of business combinations are also recognized in the selling expenses.

3.18 Other operating income and expenses

Impairments and reversals of impairments on trade receivables and contract assets in accordance with IFRS 9 are included in other operating income and expenses. Income from the reversal of provisions is recognized in the functional costs, insofar as the provision was also set aside via the corresponding functional costs. If the provision was recognized under other operating expenses, the reversal of the provision is also recognized under other operating expenses. In addition, other operating income and expenses include currency exchange gains and losses from operating receivables and liabilities, as well as effects from the currency exchange hedging of net risk positions. Earnings contributions from investments accounted for using the equity method as well as gains or losses associated with their disposal and other taxes are also recognized in these items.

3.19 Financial income and financial expenses

The financial income and financial expenses of the Group mainly comprise interest income and interest expenses. In addition, the financial result includes currency exchange gains and losses from financial assets and liabilities as well as net gains and losses from hedging instruments for these financial assets and liabilities. Impairments and reversals of impairments on financial assets (other than those on trade receivables) are also recognized in financial income and expenses.

4 Disclosures on the Statement of Profit or Loss

4.1 Revenue

Detailed disclosures on revenue by division and region are shown in section "Segment report".

A breakdown of the timing of the transfer of goods or services (recognition of revenue over time and at a point in time) is shown below:

in thousand euros	Advanced Photonic Solutions	Smart Mobility Solutions	Non-Photonic Portfolio Companies	Other	Total
External revenue	**866,806**	**119,536**	**125,929**	**3,517**	**1,115,787**
	(821,192)	**(118,784)**	**(121,104)**	**(4,968)**	**(1,066,048)**
of which, recognized over time	323,086	58,576	79,029	3,517	464,208
	(309,911)	(54,794)	(69,939)	(4,968)	(439,612)
of which, recognized at a point in time	543,720	60,960	46,899	0	651,579
	(511,281)	(63,990)	(51,164)	(0)	(626,436)

The figures in brackets relate to the prior year

The revenue recognized over time includes revenue from customer-specific volume production in the sum of 277,071 thousand euros (prior year: 261,172 thousand euros). In addition, revenue for customer-specific individual production, services provided and from the Traffic Service Provision contracts were recognized over time.

The revenue recognized over time includes revenue of the Smart Mobility Solutions division from embedded operating lease contracts within the context of Traffic Service Provision contracts in the sum of 14,942 euros (prior year: 11,726 thousand euros) as well as rental revenue generated by the Corporate Center in the sum of 3,002 thousand euros (prior year: 3,523 thousand euros).

Revenue in the sum of 1,201 thousand euros (prior year: 60 thousand euros) for performance obligations that had already been fulfilled in previous years was realized in the fiscal year just passed, in particular because of variable components of consideration in return.

4.2 Cost of sales

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Cost of materials and services purchased	411,173	393,619
Personnel expenses	239,279	220,552
Depreciation and amortization	46,047	41,447
Other cost of sales	46,140	39,909
Total	**742,639**	**695,527**

4.3 Research and development expenses

Research and development expenses cover expenses attributable to research and development activities that cannot be capitalized. This item in the statement of profit or loss does not include the expenses in connection with research and development services paid for by customers in the sum of 34,360 thousand euros (prior year: 27,909 thousand euros). These were allocated to cost of sales.

In the fiscal year just past, costs of 7,821 thousand euros for internal development projects (prior year: 5,496 thousand euros) were capitalized in intangible assets.

4.4 Expenses by types of expense

The following main types of expenses are included in cost of sales, selling and administrative expenses, and in research and development expenses:

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Cost of materials and services purchased	438,722	422,267
Personnel expenses	411,379	388,493
Depreciation and amortization	74,912	70,870
Other expenses	47,261	43,791
Total	**972,274**	**925,421**

4.5 Other operating income

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Currency gains	6,690	6,409
Income from reversal of impairments for trade receivables and contract assets	3,568	2,103
Income from services, clearing, rentals, and staff restaurant	2,389	2,693
Income from benefits in kind	1,970	2,283
Income from sale of intangible assets, property, plant, and equipment, and investments accounted for using the equity method	920	1,206
Income from government grants	647	352
Income from compensation/insurance payments	569	1,788
Other income	1,108	1,932
Total	**17,861**	**18,767**

Income from services, clearing, and rentals that does not result from the normal business activity of the entities is recognized under other operating income.

4.6 Other operating expenses

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Currency losses	6,407	8,542
Impairments to trade receivables and contract assets	2,312	3,114
Reorganization and restructuring	1,604	0
Expenses from services, clearing, rentals, and staff restaurant	1,340	937
Other taxes	1,234	1,052
Losses from the sale of intangible assets, property, plant, and equipment, and investments accounted for using the equity method	771	5,271
Impairments to intangible assets and property, plant, and equipment	53	8,714
Impairments to investments accounted for using the equity method	0	3,994
Other expenses	1,081	1,444
Total	**14,800**	**33,067**

In 2024, the net balance of foreign currency gains and losses led to a net gain of 283 thousand euros (prior year: net loss 2,132 thousand euros).

Expenses from impairments and reversals of impairments from trade receivables and contract assets led to a net income in the sum of 1,256 thousand euros (prior year: expense of 1,011 thousand euros).

In the prior year, impairments were recognized to goodwill at HOMMEL ETAMIC in the sum of 8,290 thousand euros and in connection with the sale of TELSTAR-HOMMEL CORPORATION, Ltd., Pyeongtaek, Korea in the sum of 3,994 thousand euros.

4.7 Financial income and financial expenses

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Income from the foreign currency valuation of financial transactions	6,210	6,135
Other interest and similar income	766	764
Investment resut	0	74
Total financial income	**6,976**	**6,973**
Financing costs for syndicated loans and debenture bonds	11.918	12,033
Expenses from the foreign currency valuation of financial transactions	7,085	5,164
Interest expenses for leases	2,378	1,848
Expenses from the compounding/discounting of other provisions and liabilities	383	314
Net interest expenses for pension provisions	148	148
Other interest and similar financial expenses	1.087	2,419
Investment result	155	0
Total financial expenses	**23,154**	**21,925**
Total	**– 16,179**	**– 14,952**

In fiscal year 2024, income from the foreign currency valuation of financial transactions in the sum of 6,210 thousand euros (prior year: 6,135 thousand euros) and the offsetting expenses in the sum of 7,085 thousand euros (prior year: 5,164 thousand euros) led to a net loss of 875 thousand euros (prior year: net gain 972 thousand euros). This result is attributable to currency gains and losses from the group financing.

4.8 Income taxes

Current income taxes (paid or owing), as well as deferred tax assets and deferred tax liabilities in the individual countries, are shown as income taxes. The current income taxes of the Jenoptik Group were calculated by applying the tax rates applicable at the balance sheet date.

The calculation of the deferred taxes for the domestic entities was based on a tax rate of 30.53 percent (prior year: 30.36 percent). In addition to the corporate income tax of 15.00 percent (prior year: 15.00 percent) and the solidarity surcharge of 5.50 percent of the corporate income tax (prior year: 5.50 percent), an effective trade tax rate of 14.70 percent (prior year: 14.54 percent) was taken into account. The calculation of deferred taxes for foreign entities is based on the tax rates that are currently or imminently applicable in the respective country.

Deferred taxes are recognized as either tax expenses or tax income in the consolidated statement of profit or loss, unless these directly relate to items recognized in other comprehensive income. In this case the deferred taxes are also recognized in other comprehensive income.

Uncertainties regarding the treatment of income for tax purposes are subject to continuous analysis. Where there is a probability of the tax authorities not accepting uncertain income tax treatment, an adequate risk provision is made. The amount of the risk provision shall be equal to the amount which represents the most likely value or expected value, taking into account any tax uncertainties. In this context, uncertain tax issues are not considered separately but together.

In various countries in which Jenoptik operates, laws implementing the global minimum taxation (Pillar II) have been passed or have come into force. These laws have been applicable to the Jenoptik Group for the first time from this fiscal year. In this context, Jenoptik has assessed the potential risks associated with Pillar II income taxes. Based on this analysis, it is assumed that minimum taxes will only be levied for Switzerland. Jenoptik's current tax expense includes 85 thousand euros in connection with income taxes under the Pillar II rules.

Tax expenses were classified according to origin as follows:

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Current income taxes		
Germany	16,410	9,419
Abroad	12,657	12,326
Total	**29,067**	**21,745**
Deferred taxes		
Germany	13,593	18,257
Abroad	– 4,862	– 2,438
Total	**8,731**	**15,819**
Total income taxes	**37,798**	**37,563**

In 2024, the current income taxes included an expense in the sum of 606 thousand euros (prior year: income of 1,057 thousand euros) for previous periods. Deferred tax expenses include income relating to a different period in the sum of 255 thousand euros (prior year: expenses in the sum of 1,030 thousand euros).

Deferred tax expenses include an expense resulting from the development of temporary differences in the sum of 1,015 thousand euros (prior year: income 114 thousand euros).

As at the balance sheet date, the Jenoptik Group had the following tax loss carryforwards for offsetting against future profits:

in thousand euros	31/12/2024	31/12/2023
Corporate income tax	20,431	54,815
Trade tax	136,880	191,765

The decrease in tax loss carryforwards mainly resulted from the use in the past fiscal year. Taking into consideration all currently known positive and negative factors influencing the future tax results of the Jenoptik Group, a utilization of the corporate income tax loss carryforwards of 6,085 thousand euros (prior year: 20,424 thousand euros) and the use of trade tax loss carryforwards of 136,161 thousand euros (prior year: 191,046 thousand euros) is probable. A deferred tax asset of 21,372 thousand euros (prior year: 31,316 thousand euros) was recognized for these available tax loss carryforwards, of which 20,023 thousand euros (prior year: 27,769 thousand euros) was attributable to trade tax loss carryforwards.

For the remaining, non-utilizable losses carried forward, no deferred tax assets were recognized for corporate income tax purposes in the sum of 14,346 thousand euros (prior year: 34,391 thousand euros) and for trade tax purposes in the sum of 719 thousand euros (prior year: 719 thousand euros).

A portion of the tax losses with carryforward option is subject to a time limitation:

in thousand euros	31/12/2024	31/12/2023
Up to 1 year	66	262
2 to 5 years	188	250
6 to 9 years	773	563
More than 9 years	1,890	1,548
Total loss carryforwards with subject to a time limitation	**2,917**	**2,623**

No deferred tax assets were shown for deductible temporary differences in the sum of 26 thousand euros (prior year: 192 thousand euros) as these will probably not be realized in the underlying reporting period.

The following recognized deferred tax assets and deferred tax liabilities were attributed to recognition and measurement differences in the individual statement of financial position items and to tax loss carryforwards:

	Deferred tax assets		Deferred tax liabilities	
in thousand euros	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Intangible assets	14,175	13,869	31,553	34,785
Property, plant, and equipment	1,655	898	17,829	17,381
Financial investments	3,890	3,473	6,247	5,036
Inventories	9,389	8,615	2,028	2,305
Receivables and other assets	2,412	2,725	10,139	10,835
Provisions	4,703	5,182	707	1,161
Liabilities	13,576	14,107	2,250	2,391
Tax loss carryforwards and tax credits	21,722	31,316	0	0
Gross amount	**71,522**	**80,185**	**70,753**	**73,894**
Netting out	– 47,742	– 71,003	– 47,742	– 71,003
Recognition in the statement of financial position	**23,780**	**9,182**	**23,011**	**2,891**

The balance of deferred tax assets decreased by 5,523 thousand euros. Taking into consideration the deferred taxes recognized through other comprehensive income (plus 2,410 thousand euros), as well as the currency effects (plus 798 thousand euros) in the reporting year, this gave rise to deferred tax expenses of 8,731 thousand euros included in the statement of profit or loss.

Temporary differences in the sum of 145,795 thousand euros (prior year: 164,993 thousand euros) related to shares in subsidiaries for which no deferred tax liabilities had been recognized due to IAS 12.39. Deferred tax liabilities in the sum of 96 thousand euros (prior year: 145 thousand euros) were recognized on outside basis differences in accordance with IAS 12.40.

The following table shows the tax reconciliation between the tax expense expected in the respective fiscal year and the actual tax expense recognized. To determine the expected tax expense, the group tax rate of 30.53 percent applicable in the fiscal year 2024 (prior year: 30.36 percent) was multiplied by the earnings before tax.

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Earnings before tax from continuing operations	130,395	111,375
Earnings before tax from discontinued operation	1,646	– 350
Earnings before tax	**132,041**	**111,026**
Income tax rate for the Jenoptik Group in %	30.53	30.36
Expected tax expense	**40,312**	**33,707**
The tax implications of the following facts led to a deviation between the actual and expected tax expense:		
Non-deductible expenses, tax-exempt earnings, and permanent differences	593	897
Impairments to goodwill	0	2,517
Change in the realizability of deferred tax assets and tax credits	– 611	1,240
Effects from differences in tax rates	– 2,610	– 1,255
Implications of changes in tax rates	– 55	57
Taxes for prior years	351	– 27
Other tax effects	– 182	427
Total adjustments	**– 2,514**	**3,856**
Actual income taxes	**37,798**	**37,563**
The breakdown of the actual income taxes is as follows:		
Income taxes attributable to the continuing operations	37,798	37,563
Income taxes attributable to the discontinued operation	0	0

4.9 Discontinued operation

On November 25, 2021, Jenoptik signed a contract to sell the segment VINCORION that was classified as a discontinued operation since the conclusion of this contract. The transaction closing and deconsolidation took place on June 30, 2022.

Earnings from discontinued operation

Individual claims on assets as well as limited obligations from indemnification agreements vis-à-vis VINCORION remained with Jenoptik from the commercial aspect. In fiscal year 2024, the majority of these obligations were finally settled, leading to income in the discontinued operation of 1,646 thousand euros (prior year: expense 350 thousand euros). Provisions for outstanding obligations will continue to be recognized at an appropriate level.

Net cash flows from discontinued operation

Cash flows from investing activities include payments received from the settlement of remaining claims and obligations from the sale of VINCORION in the sum of 2,031 thousand euros (prior year: 2,017 thousand euros).

4.10 Earnings of shareholders and earnings per share

Earnings attributable to shareholders include the earnings after tax from continuing operations and earnings after tax from the discontinued operation. Earnings per share equate to the earnings attributable to the shareholders, divided by the weighted average number of shares outstanding during the year.

	1/1-31/12/2024	1/1-31/12/2023
Earnings attributable to shareholders – continuing operations in thousand euros	91,001	72,815
Earnings attributable to shareholders – discontinued operation in thousand euros	1,646	– 350
Earnings after tax attributable to shareholders in thousand euros	**92,646**	**72,466**
Weighted average number of shares outstanding	57,238,115	57,238,115
Earnings per share in euros (undiluted = diluted)	**1.62**	**1.27**

From the earnings after tax from the continuing operations in the sum of 92,597 thousand euros (prior year: 73,812 thousand euros) an amount of 91,001 thousand euros (prior year: 72,815 thousand euros) is attributable to the shareholders of the parent company. The earnings after tax from the discontinued operation are attributable to the shareholders of the parent company in full.

Earnings per share from the discontinued operation (undiluted = diluted) amount to 0.03 euros (prior year: minus 0.01 euros).

5 Disclosures on the Statement of Financial Position

5.1 Intangible assets

in thousand euros	Development costs from internal Development projects	Acquired customer relationships	Acquired licenses, software and similar rights as well as technologies	Internally generated patents, software	Goodwill	Other intangible assets	Total
Cost	**25,048**	**166,525**	**87,319**	**2,830**	**579,630**	**457**	**861,809**
Balance as of 1/1	**(26,512)**	**(164,095)**	**(82,969)**	**(2,364)**	**(581,130)**	**(3,714)**	**(860,785)**
Currencies	5	– 1,833	188	0	– 1,422	0	– 3,062
	(3)	(3,683)	(– 16)	(0)	(7,660)	(2)	(11,332)
Additions	7,821	0	931	333	0	77	9,161
	(5,496)	(0)	(2,584)	(619)	(0)	(519)	(9,218)
Disposals	118	6,353	9,652	57	0	0	16,180
	(6,964)	(1,253)	(833)	(153)	(9,160)	(1,163)	(19,526)
Transfers (+/-)	0	0	399	0	0	– 399	0
	(0)	(0)	(2,615)	(0)	(0)	(– 2,615)	(0)
Cost	**32,755**	**158,339**	**79,184**	**3,107**	**578,208**	**135**	**851,728**
Balance as of 31/12	**(25,048)**	**(166,525)**	**(87,319)**	**(2,830)**	**(579,630)**	**(457)**	**(861,809)**
Amortization	**9,290**	**62,888**	**62,470**	**1,393**	**13,256**	**0**	**149,297**
Balance as of 1/1	**(13,260)**	**(44,881)**	**(56,694)**	**(1,182)**	**(14,126)**	**(0)**	**(130,143)**
Currencies	5	– 755	192	0	0	0	– 558
	(3)	(656)	(– 10)	(0)	(0)	(0)	(649)
Additions	1,859	17,384	6,577	284	0	0	26,103
	(1,058)	(18,604)	(6,598)	(228)	(0)	(0)	(26,489)
Impairments	0	0	28	0	0	0	28
	(0)	(0)	(0)	(0)	(8,290)	(0)	(8,290)
Disposals	0	6,353	9,557	4	0	0	15,915
	(5,032)	(1,253)	(811)	(18)	(9,160)	(0)	(16,274)
Amortization	**11,153**	**73,164**	**59,710**	**1,672**	**13,256**	**0**	**158,956**
Balance as of 31/12	**(9,290)**	**(62,888)**	**(62,470)**	**(1,393)**	**(13,256)**	**(0)**	**(149,297)**
Net carrying amount as of 31/12	**21,602**	**85,175**	**19,474**	**1,434**	**564,952**	**135**	**692,772**
	(15,758)	**(103,637)**	**(24,848)**	**(1,437)**	**(566,374)**	**(457)**	**(712,512)**

The figures in brackets relate to the prior year

Development costs from internal development projects in the sum of 12,897 thousand euros (prior year: 11,493 thousand euros) related to development projects not yet completed.

The acquired customer relationships from the acquisition of BG Medical and the SwissOptic Group contain a carrying amount of 74,950 thousand euros (prior year: 84,144 thousand euros) and a remaining amortization period of up to 12 years.

Assets acquired for consideration and still under development are shown as other intangible assets.

Goodwill and intangible assets with indefinite useful lives

Other than goodwill, there were no intangible assets with an indefinite useful life.

In the fiscal year 2024, goodwill continued to be allocated to the group of cash-generating units Advanced Photonic Solutions, Smart Mobility Solutions, HOMMEL ETAMIC, and Prodomax:

in thousand euros	31/12/2024	31/12/2023
Advanced Photonic Solutions	467,551	469,944
Smart Mobility Solutions	43,220	41,445
Non-Photonic Portfolio Companies		
Prodomax	43,867	44,784
HOMMEL ETAMIC	10,313	10,201
Total	**564,952**	**566,374**

As part of the new group structure from 2025 (see section “Segment reporting”), the groups of cash-generating units will be reorganized and goodwill reallocated according to the ratio of value in use. An impairment test both prior to the reorganization as of December 31, 2024, and immediately after the reorganization at the level of the new groups of cash-generating units did not lead to any impairment.

An impairment is recorded if the carrying amounts exceed the recoverable amount resulting from the higher of the two amounts – the fair value less costs to sell and value in use.

Jenoptik calculated the recoverable amount in the form of the value in use, based on a discounted cash flow method. The basis for this is the five-year corporate plan approved by the management. This took into consideration past experience as well as current operational results and was based on the management’s best estimate of future development. The cash flows in the detailed planning phase were planned based on differentiated growth rates. These took into account the development and dynamics of the relevant sectors and target markets.

The following planning assumptions were used as a basis for the group of cash-generating units:

Advanced Photonic Solutions

After a successful year in 2024, we expect further growth in the Advanced Photonic Solutions division in the future. The division is primarily focused on the areas of Semiconductor & Advanced Manufacturing, Biophotonics, and Optical Test & Measurement. With the commissioning of the new high-tech factory to produce micro-optics and sensors (Fab in Dresden) at the beginning of 2025, we are expanding our capacities for growth in the semiconductor equipment market. Organizational efficiency increases and the growing demand will have a positive impact on the development of the division. The very good positioning in the future markets of semiconductors, medical technology, and optical metrology will enable Jenoptik to grow over a long-term period. Supported by continuous efficiency increases, the EBITDA is expected to continue to rise. An improvement in free cash flow is also expected, which was burdened by the high investment volume until the completion of the Fab Dresden.

Smart Mobility Solutions

The fiscal year 2024 of Smart Mobility Solutions was in line with expectations. The growing demand for public safety, particularly in the regions of the Americas, Middle East/Africa, and European foreign markets, will provide growth potential in the coming years. Due to increasing competition, the initiated structural and process optimizations will be continued and are expected to bring a sustained increase in revenue and profitability in the medium-term period, along with the ongoing development of the product portfolio. In particular, we expect growth in recurring revenues and an improvement in results from the Traffic Service Provision business in the Americas. The current trend towards further applications of traffic monitoring, such as the use of mobile phones and enforcement of seatbelt laws, is expected to open up additional growth opportunities for the division.

HOMMEL ETAMIC

Despite an increasingly gloomy order situation in the automotive market, HOMMEL ETAMIC had a good year in 2024. Despite the current weakness in the automotive market, we expect a rising trend in revenue development in the coming years due to intensified sales efforts and the development of new customer relationships in existing markets (e.g. e-mobility) as well as the development and expansion of new markets. In the medium term, we expect HOMMEL ETAMIC to achieve revenue growth at around market level in industrial metrology. Efficiency-enhancing measures in production, improved project execution, scale effects, and continuous structural and process optimizations will contribute to an increase in profitability in the medium term.

Prodomax

Following a successful 2024 with strong EBITDA margins, we anticipate continued growth in the future. Despite the current weakness in the automotive market, we expect delayed production start-ups from our customers, which may lead to a short-term delay in order intake. Business development over the medium term is anticipated to be positive and, together with the shift in the market towards e-mobility, should contribute to consistently high-quality earnings. Companies' increasing desire for automation is having a positive effect on Prodomax's future development of business.

To determine the free cash flow, the result of the respective planning year is adjusted for non-cash expenses and income, such as amortization and depreciation.

This assumes a perpetuity, the amount of which is determined individually for each cash-generating unit by the management from the fifth year of the planning time frame. The perpetuity includes a growth component in the form of a deduction on the capitalization interest rate of 0.9 to 1.0 percentage points (prior year: between 0.9 and 1.0 percentage point). One-off effects in the last plan year are eliminated prior to calculating the perpetuity.

The weighted average cost of capital after taxes required for impairment tests represents current market estimates with regard to the specific risks attributable respectively to the cash-generating units. These are determined through the use of the Capital Asset Pricing Model for the calculation of the cost of equity. The components for calculating the cost of equity are a risk-free interest rate, the market risk premium, a beta factor customary in our industry determined based on division-specific peer groups, and the average country risk for each division. Borrowing costs were determined by including a risk-free interest rate, the spread customary in our industry, and the typical average tax rate. The weighting of the cost of equity and debt is carried out using the capital structure customary in our industry.

Impairment testing was conducted assuming a weighted average cost of capital after taxes of 7.61 to 9.89 percent (prior year: 7.76 percent and 10.14 percent). This corresponded to the weighted average cost of capital before taxes of between 10.09 and 12.85 percent (prior year: 10.08 percent and 13.07 percent).

The assumptions used to determine the values in use for each cash-generating unit are shown in the following table:

	Growth components in the perpetuity	Weighted average cost of capital after taxes	Weighted average cost of capital before taxes
Advanced Photonic Solutions	1.00	9.89	12.85
	(1.00)	(9.64)	(12.60)
Smart Mobility Solutions	0.90	7.61	10.09
	(1.00)	(7.76)	(10.08)
Non-Photonic Portfolio Companies	0.90	9.85	12.71
(Prodomax and HOMMEL ETAMIC)	(0.90)	(10.14)	(13.07)

The figures in brackets relate to the prior year

Sensitivity analyses were conducted for all cash-generating units to which goodwill was allocated as of December 31, 2024. A 10-percent reduction in cash flows or a one percentage point increase in the weighted average cost of capital (after tax) would not result in an impairment to goodwill.

5.2 Property, plant, and equipment

in thousand euros	Land, buildings	Technical equipment and machinery	Other equipment, operating and office equipment	Equipment under construction	Total
Cost	**286,691**	**248,023**	**104,766**	**52,134**	**691,615**
Balance as of 1/1	**(282,529)**	**(207,779)**	**(97,606)**	**(35,857)**	**(623,771)**
Currencies	328	3,046	447	292	4,113
	(1,499)	(1,989)	(– 110)	(– 51)	(3,327)
Additions	50,335	25,085	10,342	19,655	105,418
	(19,729)	(24,837)	(13,782)	(42,799)	(101,147)
Disposals	2,318	13,718	11,023	354	27,413
	(21,521)	(5,026)	(7,513)	(4,848)	(38,908)
Transfers (+/-)	33,914	8,993	– 2,898	– 40,009	0
	(4,456)	(18,444)	(1,000)	(– 21,623)	(2,277)
Cost	**368,951**	**271,429**	**101,635**	**31,718**	**773,732**
Balance as of 31/12	**(286,691)**	**(248,023)**	**(104,766)**	**(52,134)**	**(691,615)**
Depreciation	**111,485**	**142,005**	**72,689**	**321**	**326,499**
Balance as of 1/1	**(101,659)**	**(123,675)**	**(70,238)**	**(0)**	**(295,572)**
Currencies	330	1,735	295	0	2,359
	(599)	(2,077)	(– 44)	(0)	(2,632)
Additions	15,080	22,907	10,822	0	48,809
	(13,799)	(20,889)	(9,692)	(0)	(44,381)
Impairments	25	0	0	0	25
	(103)	(0)	(0)	(321)	(424)
Impairment reversal	0	0	0	0	0
	(– 68)	(– 91)	(– 154)	(0)	(– 314)
Disposals	1,415	11,544	10,599	321	23,878
	(4,608)	(4,545)	(7,049)	(0)	(16,201)
Transfers (+/-)	0	3,404	– 3,404	0	0
	(0)	(0)	(5)	(0)	(5)
Depreciation	**125,505**	**158,508**	**69,803**	**0**	**353,815**
Balance as of 31/12	**(111,485)**	**(142,005)**	**(72,689)**	**(321)**	**(326,499)**
Net carrying amount as of 31/12	**243,446**	**112,921**	**31,832**	**31,718**	**419,917**
	(175,206)	**(106,019)**	**(32,077)**	**(51,813)**	**(365,115)**

The figures in brackets relate to the prior year

Land and buildings of the Group with a net carrying amount of 243,446 thousand euros (prior year: 175,206 thousand euros) mainly comprised the Group's own production and administrative buildings in Jena, Dresden, Triptis, Villingen-Schwenningen, Wedel, Bayeux (France), Heerbrugg (Switzerland), Huntsville (USA), Shanghai (China), and the leased production and administrative buildings in Berlin, Monheim, Barrie (Canada), Jupiter (US), and Camberley (UK). Investment property in the sum of 2,642 thousand euros (prior year: 3,461 thousand euros) is also included.

The order commitments for property, plant, and equipment in the sum of 13,437 thousand euros (prior year: 62,263 thousand euros) primarily resulted from replacement and new investment in technical equipment and machinery. The year-on-year decline compared to the prior year is due to the progress of construction of the Dresden fab.

As of December 31, 2024 property, plant, and equipment in the sum of 18,251 thousand euros (prior year: 26,787 thousand euros) was used as collateral to secure financial debt.

5.3 Leases

The Group has concluded lease contracts for real estate, technical equipment and machinery and other equipment, motor vehicles, and for operating and office equipment.

The rights of use are shown under the balance sheet item property, plant, and equipment. The development of the rights of use can be seen from the table below.

in thousand euros	Rights of use to land, buildings	Rights of use to technical equipment and machinery	Rights of use to other equipment, operating and office equipment	Total rights of use
Cost	**59,099**	**30,960**	**7,702**	**97,762**
Balance as of 1/1	**(46,190)**	**(27,037)**	**(6,596)**	**(79,822)**
Currencies	490	– 19	30	502
	(– 252)	(362)	(– 11)	(99)
Additions	6,130	3,101	2,306	11,538
	(15,855)	(6,130)	(3,454)	(25,438)
Disposals	874	3,819	1,892	6,586
	(2,694)	(0)	(1,973)	(4,666)
Transfers (+/-)	– 1	– 1,204	0	– 1,205
	(0)	(– 2,568)	(– 364)	(– 2,932)
Cost	**64,845**	**29,019**	**8,146**	**102,010**
balance as of 31/12	**(59,099)**	**(30,960)**	**(7,702)**	**(97,762)**
Depreciation	**22,875**	**4,429**	**3,651**	**30,955**
Balance as of 1/1	**(18,256)**	**(2,609)**	**(3,755)**	**(24,619)**
Currencies	350	– 2	15	363
	(– 197)	(106)	(– 7)	(– 98)
Additions	7,605	5,593	2,309	15,507
	(6,734)	(5,481)	(1,992)	(14,207)
Impairments	25	0	0	25
	(0)	(0)	(0)	(0)
Disposals	874	3,771	1,638	6,284
	(1,917)	(0)	(1,850)	(3,767)
Transfers (+/-)	182	– 781	0	– 599
	(0)	(– 3,768)	(– 238)	(– 4,006)
Depreciation	**30,162**	**5,468**	**4,337**	**39,968**
Balance as of 31/12	**(22,875)**	**(4,429)**	**(3,651)**	**(30,955)**
Net carrying amount as of 31/12	**34,683**	**23,551**	**3,809**	**62,042**
	(36,224)	**(26,531)**	**(4,051)**	**(66,807)**

The figures in brackets relate to the prior year

Lease liabilities are shown under “Non-current financial debt” or “Current financial debt”:

in thousand euros	31/12/2024	31/12/2023
Non-current lease liabilities	46,981	50,479
Current lease liabilities	14,116	14,280

Interest expenses for leases in fiscal year 2024 totaled 2,378 thousand euros (prior year: 1,848 thousand euros).

In addition to depreciation and interest expenses, the following expenses were recognized through profit or loss:

Expenses for lease contracts (in thousand euros)	1/1-31/12/2024	1/1-31/12/2023
From short-term lease contracts	790	1,500
From low-value lease contracts	1,932	1,719
From variable lease payments	1,306	1,045
Total lease expenses	**4,028**	**4,265**

The variable lease payments mainly include payments for non-leasing components of lease contracts that have been accounted for in accordance with IFRS 16.

Payment obligations from fixed lease payments are listed according to their maturity in the table below:

Payment obligations from fixed lease payments (in thousand euros)	31/12/2024	31/12/2023
Up to 1 year	15,929	16,577
1 to 5 years	36,660	38,541
More than 5 years	15,800	18,563
Total	**68,389**	**73,681**

Extension and termination options included in the lease contracts are negotiated by management. The assessment as to whether there is reasonably certainty regarding the exercise of these extension and termination options has been assessed and evaluated accordingly by the management.

Possible cash outflows for extension and termination options, whose exercise is still not considered reasonably certain, as well as contractually agreed but not yet commenced lease agreements are presented in the following table:

Additional details (in thousand euros)	31/12/2024	31/12/2023
Payment obligations for current lease contracts	752	421
Payment obligations for leases not yet commenced	17,249	20,530
Potential cash outflows from extension and termination options not shown in the statement of financial position	6,486	6,575

The total cash outflow from lease contracts in fiscal year 2024 totaled 21,659 thousand euros (prior year: 20,355 thousand euros).

5.4 Other non-current assets

in thousand euros	31/12/2024	31/12/2023
Derivatives	7,435	8,086
Financial investment	971	945
Investments accounted for using the equity method	264	207
Other non-current non-financial assets	4,458	1,575
Other non-current financial assets	1,692	2,203
Total	**14,820**	**13,015**

The aggregated item derivatives are explained in the section “Financial instruments.” Non-current non-financial assets are mainly advance payments made for inventories.

As in the prior year, there were no restrictions on disposals of other non-current assets.

5.5 Inventories

in thousand euros	31/12/2024	31/12/2023
Raw materials, consumables, and supplies	120,015	107,632
Unfinished products, unfinished services	103,514	118,789
Finished products and goods	41,596	40,262
Advance payments for inventories	1,885	2,578
Total	**267,009**	**269,261**

At the end of fiscal year 2024, accumulated impairments in the sum of 49,401 thousand euros (prior year: 38,918 thousand euros) were taken into account in the carrying amount. The net sale value of these inventories was 78,296 thousand euros (prior year: 84,000 thousand euros).

Impairments recognized as expenses in the cost of sales in the fiscal year 2024 amounted to 14,868 thousand euros (prior year: 9,088 thousand euros). Reversals of impairments were recognized in the amount of 1,772 thousand euros (prior year: 2,716 thousand euros) as the need for impairments on inventories in prior years has decreased.

Inventories in the sum of 337,279 thousand euros (prior year: 314,083 thousand euros) were recorded as an expense in the year under review and mainly shown in cost of sales.

As in the prior year, there were no restrictions on the disposal of inventories at the reporting dates.

5.6 Current trade receivables

Trade receivables

in thousand euros	31/12/2024	31/12/2023
Gross value of trade receivables from third parties	132,431	147,152
Gross value of receivables from advance payments requested and due	2,804	3,209
Gross value of trade receivables from non-consolidated associates and investments requested and due	89	135
Total gross value of trade receivables	**135,325**	**150,497**
Accumulated impairments	– 4,505	– 6,257
Carrying amount of trade receivables	**130,820**	**144,239**

The fair values of trade receivables corresponded to their carrying amounts as of the reporting date. These are not interest-bearing and generally have a due date of 30 to 60 days.

Default risks were generally determined by assessing customers' creditworthiness by means of a scorecard, taking into account specific regional and company-specific characteristics. In addition to internal company data, this includes credit assessments through external credit agencies. Based on the rating of customers' creditworthiness, credit lines are granted to ensure the active management of business transactions. This means for example, among other things, that certain payment methods can be agreed with customers according to their creditworthiness. In addition, outstanding receivables against customers are regularly monitored and measures are taken to reduce overdue receivables.

To recognize the expected credit losses, Jenoptik applies the simplified impairment model to all trade receivables. The following table shows the changes in impairments to outstanding trade receivables:

in thousand euros	2024	2023
Impairments as of 1/1	**– 6,257**	**– 7,194**
Addition	– 2,255	– 2,913
Reversal/derecognition	3,568	2,103
Consumption	552	1,650
Currencies	– 112	96
Impairments as of 31/12	**– 4,505**	**– 6,257**

The impairment requirement is analyzed at each closing date to determine the expected credit losses. In addition, receivables are combined in portfolios with similar risk characteristics to determine the expected credit losses. Within the framework of the simplified impairment model, the expected credit losses are initially calculated in level 2 using a value adjustment matrix based on credit default rates per maturity band. If there are objective indications of impairments, the respective receivables are transferred to level 3 of the impairment model and the expected credit loss is determined individually. Trade receivables are considered finally uncollectible when, at the time of preparation, there is insolvency or the insolvency proceedings have been opened.

As in the prior year, as of December 31, 2024 there were no collateral in the form of bank guarantees for unimpaired receivables.

The table below shows the default risk position for trade receivables due from third parties and determined on an individual basis using an impairment matrix:

in thousand euros	Expected credit loss rate	Expected total gross carrying amount at default	Expected credit loss
not due and overdue < 30 days	0.46 %	122,226	558
	(0.45 %)	(130,304)	(585)
overdue 30-60 days	9.19 %	2,147	197
	(8.87 %)	(5,328)	(473)
overdue 61-120 days	21.15 %	2,274	481
	(21.49 %)	(5,865)	(1,260)
overdue 121-240 days	40.15 %	3,145	1,263
	(44.15 %)	(2,514)	(1,110)
overdue 241-360 days	68.30 %	1,530	1,045
	(73.45 %)	(743)	(546)
overdue > 360 days	86.68 %	1,108	960
	(95.19 %)	(2,399)	(2,283)
Total	**3.40 %**	**132,431**	**4,505**
	(4.25 %)	**(147,152)**	**(6,257)**

The figures in brackets relate to the prior year

In the fiscal year 2024 the impairments for level 3 receivables totaled 535 thousand euros (prior year: 893 thousand euros). These primarily related to receivables with an overdue date of more than 360 days.

Factoring

As a result of extended payment terms for customers, advance payments for customer-specific projects and changes in invoicing modalities, Jenoptik uses factoring. Within the framework of a genuine and silent factoring program, existing receivables are sold to a factoring company (hereafter referred to as the “Factor”) – together with the transfer of the default or del credere risk – in return for a consideration. The payments received from the original customer to the Group are classified as “Other current financial liabilities” (due to their confidential nature) and then forwarded to the Factor.

In the statement of financial position, trade receivables which have been sold are derecognized on transfer of the economic ownership to the Factor in accordance with IFRS 9 and, until receipt of payment, are recognized as receivables due from the Factor under “Other current financial assets”. The asset is finally derecognized on payment by the Factor.

In the cash flow statement, the Factor's payments to the Group are shown under cash flows from operating activities. The payment received from the original customer and the subsequent payment as a result of the transfer to the Factor, are recognized net under cash flows from financing activities.

As at December 31, 2024, receivables of 25,000 thousand euros (prior year: 25,000 thousand euros) were sold within the framework of the silent factoring. After allowing for a security retention of 5 percent by the Factor, payment receipts totaled 23,750 thousand euros (prior year: 23,750 thousand euros). The security retention is shown under other current financial assets.

5.7 Contract assets and contract liabilities

Contract assets include conditional rights of the Group against customers to receive a consideration in exchange for goods or services.

in thousand euros	31/12/2024	31/12/2023
Contract assets	**86,835**	**68,079**
Realization within one year	86,835	68,079
Realization within more than one year	0	0

As of December 31, 2024, no indications of an impairment were identified. The general default risk was taken into account through an impairment in the amount of the expected credit loss of 125 thousand euros (prior year: 102 thousand euros).

Contract liabilities constitute the obligations of the Group to transfer goods or services to a customer for which it, the Group, has received a consideration in return from the customer.

in thousand euros	31/12/2024	31/12/2023
Contract liabilities	**60,308**	**68,400**
Realization within one year	57,878	63,700
Realization within more than one year	2,431	4,700

Of the contract liabilities recognized at the beginning of the year, 59,311 thousand euros (prior year: 56,703 thousand euros) was realized as revenue in the year under review.

The transaction price for all customer orders that have not yet been completed in full is shown as order backlog. This shows the following due dates:

in thousand euros	31/12/2024	31/12/2023
Transaction price of performance obligations not yet completely fulfilled	**670,079**	**744,992**
Realization within the next fiscal year	548,909	646,113
Realization within the fiscal year after next	83,623	68,612
Realization in subsequent fiscal years	37,547	30,267

The changes in the order backlog in the fiscal year are as follows:

in thousand euros	2024	2023
Transaction price of performance obligations not yet completely fulfilled as of 1/1	**744,992**	**733,656**
Order intake	1,027,686	1,092,159
Revenue	– 1,115,787	– 1,066,048
Currencies and other changes	13,189	– 14,774
Transaction price of performance obligations not yet completely fulfilled as of 31/12	**670,079**	**744,992**

5.8 Other current financial assets

in thousand euros	31/12/2024	31/12/2023
Receivable from security retention for factoring	1,250	1,250
Current financial investments	676	0
Derivatives	651	1,598
Receivables from disposals of companies	0	450
Other current financial assets	1,168	2,049
Total	**3,744**	**5,347**

Default risks are taken into account through impairments. The composition of the carrying amount of other current financial assets is as follows:

in thousand euros	31/12/2024	31/12/2023
Gross value of other financial assets	4,497	6,659
Accumulated impairments	– 753	– 1,312
Carrying amount of other financial assets	**3,744**	**5,347**

5.9 Other current non-financial assets

in thousand euros	31/12/2024	31/12/2023
Accruals	6,727	6,639
Receivables due from other taxes	6,485	2,609
Receivables due from income taxes	689	1,745
Other current non-financial assets	1,513	1,479
Total	**15,414**	**12,472**

5.10 Equity

The development of the equity of Jenoptik is shown in the consolidated statement of changes in equity.

Share capital

The share capital amounts to 148,819 thousand euros and is divided into 57,238,115 no-par value, registered shares.

Voting right notifications received in accordance with § 160 (1)(8) AktG are included in the section "Equity" of the Annual Financial Statements of JENOPTIK AG. All voting right notifications of the last five years are also published on our website under www.jenoptik.com/investors/share in the section Voting Rights Notifications.

Authorized capital

The "Authorized Capital 2023" was created with the resolution passed by the Annual General Meeting on June 7, 2023 as follows: The Executive Board is authorized through June 6, 2026, with the consent of the Supervisory Board, to increase the nominal capital of the company by up to 29,640 thousand euros through one or multiple issues of new, no-par value registered shares against cash and/or contribution in kind ("Authorized Capital 2023"). The authorization may be exercised in whole or in part, i.e., on a one-off or repeat basis. Shareholders shall in principle be granted subscription rights. The new shares may also be underwritten by credit institutions or enterprises within the meaning of § 186 (5)(1) AktG with the obligation to offer them to shareholders (indirect subscription right).

With the consent of the Supervisory Board, the Executive Board is authorized to exclude the subscription rights of shareholders:

a) for fractional amounts;
b) for capital increases in return for contributions in kind, in particular also within the framework of business combinations or the acquisition of companies, parts of companies, or investments in companies (including increasing existing shareholdings), or other assets eligible for contribution in conjunction with such an intended acquisition, as well as claims against the company or associates in which it holds a majority interest;
c) for capital increases in return for cash contributions, under the condition that the percentage of any new shares of the share capital does not in total exceed 10 percent of the share capital at the time the authorized shares are registered or in total 10 percent of the share capital at the time the new shares are issued, taking into consideration resolutions of the Annual General Meeting or the use of other authorizations to preclude subscription rights in a direct or corresponding application of § 186 (3)(4) AktG since the effective date of this authorization and the issue price of the new shares is not to be substantially lower than the stock market price;
d) for the issue of new shares to employees of the company and/or managers of associates in which the company holds a majority interest, and their employees.

All aforementioned authorizations to exclude subscription rights from the Authorized Capital 2023 are limited to a total of 10 percent of the share capital existing at the time this authorization becomes effective – or, if this value is lower – to 10 percent of the share capital at the time this authorization is exercised. This limit of 10 percent includes shares that (i) are issued for the purpose of servicing warrants and/or convertibles that were or could still be issued during the term of the Authorized Capital 2023 to the exclusion of subscription rights or (ii) are sold by the company as treasury shares during the period of validity of the Authorized Capital 2023 to the exclusion of subscription rights.

Decisions on the details of the issue of new shares, in particular their conditions and the content of rights of the new shares, are taken by the Executive Board, with the consent of the Supervisory Board.

The Authorized Capital 2023 has not yet been utilized.

Conditional capital

The shareholder resolution passed by the Annual General Meeting held on June 9, 2021, to conditionally raise the share capital of the entity by up to 14,950 thousand euros through the issue of up to 5,750,000 new no-par value shares ("conditional capital 2021"). The conditional increase in capital will only be carried out insofar as

- the creditors or holders of option and/or conversion rights from warrants and/or convertible bonds issued by the company, or a domestic and/or foreign corporation in which the company has a direct or indirect majority stake, exercise their option or conversion rights by June 8, 2026, based on the resolution by the Annual General Meeting on June 9, 2021 and/or
- the creditors of the issued convertible bonds who have given their commitment to exercise their conversion rights issued by the company, or a domestic and/or foreign corporation in which the company has a direct or indirect majority stake, fulfill their obligation to convert and/or tender shares by June 8, 2026, based on the resolution of the Annual General Meeting of June 9, 2021

and neither treasury shares are used, nor payment is made in cash. The new shares participate in profits from the start of the fiscal year for which, on the date of their issue, no resolution has yet been passed by the Annual General Meeting in respect of the appropriation of the accumulated profit. To the extent legally permissible, the Executive Board may, with the consent of the Supervisory Board, determine the participation in profit in deviation from this and from § 60 (2) AktG, including for a fiscal year that has already passed.

The Executive Board is authorized, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders to the bonds. Authorization to exclude subscription rights under certain conditions is limited in the sense that the pro rata amount of share capital corresponding to those shares that must be issued after exercising warrant and/or conversion rights - obligations may not account for more than 10 percent of the share capital existing at the time this authorization takes effect or – if the figure is lower – at the time use is made of the authorization. This 10 percent limit also applies to the sale of treasury shares that are excluded from subscription rights during the period of this authorization, and to shares excluded from subscription rights that are issued under authorized capital during the period of this authorization.

The Executive Board is authorized to set out the further details relating to the increase in conditional capital (e.g., terms of the bonds, interest rate, form of interest, specific term, denomination, issue price, option/conversion price, option/conversion period) in the bond terms and conditions.

The conditional capital 2021 has not yet been utilized.

Reserves

Capital reserve. The capital reserve contains the adjustments recognized within the framework of the first-time adoption of IFRS as well as the differences resulting from the capital consolidation being offset against reserves up to December 31, 2002.

Other reserves include retained earnings realized and not paid out in the past by entities included in the Consolidated financial statements, less dividends paid.

Other reserves also include the changes in value to be recognized in other comprehensive income for

- cash flow hedges,
- accumulated foreign currency exchange differences and
- actuarial gains/losses from the valuation of pensions and similar obligations.

In addition to the effective portion of gains and losses from hedging cash flows, the reserve for cash flow hedges also includes changes in the fair value of the interest rate cap and elements of the USD interest rate and currency swap, insofar as this has been excluded from the designation as a hedging instrument (see section "Financial instruments").

Treasury shares

Based on a resolution passed by the Annual General Meeting on June 7, 2023, the Executive Board is authorized up to June 6, 2025 to purchase treasury no-par value shares not exceeding a proportion of ten percent of the nominal capital existing at the time this resolution is adopted or – if this amount is lower – of the nominal capital existing at the time the resolution is utilized for purposes other than trading in treasury shares. The treasury shares acquired in accordance with this authorization, together with other treasury shares already acquired and still held by the company (including the shares to be allocated in accordance with §§ 71d, 71e AktG), may not account for more than 10 percent of the respective share capital.

The authorization may be utilized in whole or in part, once or several times, in pursuit of one or more permitted purposes. The acquisition and use of treasury shares may be carried out by the Company or, for specific, permitted purposes, also by dependent entities or entities majority-owned by the Company, or for its or their account by third parties. At the decision of the Executive Board, an acquisition is by purchase on the stock exchange, subject to compliance with the principle of equal treatment (§ 53a AktG), or by means of a public offering to all shareholders, or a public invitation to the shareholders to submit an offer for sale.

For the purpose of protecting shareholders against a dilution of their shares, the proposed resolution expressly provides for a restriction on the use of acquired treasury shares in such a way that the sum of the acquired shares, together with shares

- issued or sold by the company during the term of this authorization until its utilization under another authorization excluding shareholders' subscription rights, or
- which are to be issued based on rights granted during the term of this authorization until utilized based on another authorization excluding subscription rights and which enable a subscription to shares or makes a subscription obligatory,

do not account for more than ten percent of the nominal capital in total on the date the authorization takes effect or – if the subsequent value is lower – on the date this authorization expires.

Further details regarding the buyback of treasury shares are described in agenda item 7 in the invitation to the 2023 Annual General Meeting which is open to the general public on our website at www.jenoptik.com/investors/annual-general-meeting.

As at December 31, 2024 the company did not own any treasury shares.

5.11 Pension provisions

Provisions for pension obligations are set aside based on pension plans for retirement, disability, and survivor benefit commitments and exist in Germany and Switzerland. There are additional commitments in France to make one-off payments upon retirement.

The benefits provided by the Group vary depending on the legal, tax, and economic circumstances of each country and generally depend on the length of employment and the employees' level of remuneration on the date of retirement.

Within the Group, the occupational pension scheme is provided both based on defined contribution as well as defined benefit plans. In the case of defined contribution plans, the company pays contributions to public or private pension institutions based on statutory or contractual obligations or on a voluntary basis. On payment of the contributions, the company has no further benefit obligations.

Defined benefit plans

The Company is exposed to various risks with defined benefit pension plans. In addition to general actuarial risks such as the longevity risk and interest rate risk, the company is exposed to foreign currency exchange and investment risks.

Obligations under the Swiss pension system are classified as a defined benefit plan due to a potential obligation to make additional contributions in the event of a shortfall. The plan is financed in accordance with the statutory requirements and provides for a risk sharing by the beneficiaries up to retirement. In this context, the pension plan is financed by contributions from both the employer and the employee. The corresponding assets are offset as plan assets against the assumed obligation.

Pension plans in the form of a reinsured group provident fund are categorized and accounted for accordingly as defined benefit plans as a result of the associated risk of a claim from the subsidiary's liability. The existing pension plans in Germany are closed, except for reinsured group provident fund.

The defined benefit obligations of the Group cover 1,017 entitled beneficiaries, including 683 active employees, 108 former employees, and 226 retirees and survivors and have developed as follows:

in thousand euros	2024	2023
Defined benefit obligations (DBO) as of 1/1	**122,901**	**100,160**
Currencies	– 1,771	6,348
Service costs	3,877	3,035
Contributions to the pension plans	3,878	3,422
Thereof by employees	3,878	3,422
Interest expenses	2,088	2,458
Actuarial gains (-) and losses (+)	14,089	8,251
Experience gains and losses	6,070	1,267
Changes in demographic assumptions	0	9
Changes in financial assumptions	8,018	6,975
Pension payments	– 1,863	– 773
Defined benefit obligations (DBO) as of 31/12	**143,198**	**122,901**
of which Switzerland	128,241	108,225
of which Germany	14,386	14,059
of which other countries	572	617

The commitments made through the group provident fund and plans under the Swiss pension system are partially covered by plan assets. The changes in the plan assets are as follows:

in thousand euros	2024	2023
Plan assets as of 1/1	**121,868**	**102,629**
Currencies	– 1,769	6,566
Interest income from the plan assets	1,992	2,456
Income from plan assets less assumed interest (remeasurement)	7,870	3,915
Contribution	7,901	6,942
Employer	4,023	3,521
Employee	3,878	3,422
Administrative expenses	– 142	– 123
Pension payments	– 1,642	– 516
Plan assets as of 31/12	**136,078**	**121,868**
of which Switzerland	125,635	111,819
of which Germany	10,442	10,050

The portfolio structure of the plan assets are primarily managed by the Leica Pension Fund (Switzerland) and AXA Lebensversicherung AG [Life Insurance Company] is as follows:

in thousand euros	31/12/2024	31/12/2023
Insurance contracts	10,138	9,710
Equities, bonds, and other securities	55,728	47,103
Real estate	44,357	43,548
Cash and cash equivalents	4,966	6,041
Other assets and liabilities	20,888	15,467
Total	**136,078**	**121,868**

The insurance company’s investments were mainly in equities and investment assets, bearer bonds, and fixed-interest bearing securities, as well as other loan receivables.

After offsetting defined benefit obligations against plan assets, the net pension obligation as of the balance sheet date was as follows:

in thousand euros	31/12/2024	31/12/2023
Present value of funded plans	139,265	118,853
Plan assets	– 136,078	– 121,868
Net liability (+) / asset (-) of funded plans	3,187	– 3,015
Net liability of unfunded plans	3,934	4,048
Net liability (+) / asset (-) from defined benefit plans	**7,121**	**1,033**
Adjustment as a result of asset ceiling	0	3,594
Total	**7,121**	**4,627**
of which Switzerland	2,605	0
of which Germany	3,944	4,010
of which other countries	572	617

The adjustments resulting from the asset ceiling relate to the obligations under the Swiss pension system and have changed as follows:

in thousand euros	31/12/2024	31/12/2023
Asset ceiling as at 1/1 recognized in equity	**3,594**	**6,730**
Interest expenses	53	146
Changes in the asset ceiling (gains and losses recognized in equity)	– 3,617	– 3,474
Currencies	– 30	192
Asset ceiling as at 31/12 recognized in equity	**0**	**3,594**

The effects of the expense recognized in the statement of profit or loss, are summarized as follows:

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Service costs	3,877	3,035
Net interest expenses	148	148
Total expenses	**4,025**	**3,183**

The key weighted average actuarial assumptions are shown in the following table. Where applicable, the above-mentioned assumptions consider expected inflation.

in percent	2024	2023
Discount rate		
Germany	3.37	3.24
Switzerland	0.95	1.50
France	3.40	3.18
Future increases in salary[1]		
Switzerland	2.00	2.00
France	2.00	3.50
Future increases in pension		
Germany	2.10	2.10
Germany (group provident fund)	1.00	1.00
Switzerland	0.25	0.25

[1] not relevant in Germany

In addition to the long-term pension trend, a one-off pension adjustment amount was also taken into account for pension obligations in Germany, depending on the date of the last pension adjustment and the adjustment cycle.

In Germany, the mortality rates are determined in accordance with the Klaus Heubeck guideline mortality tables 2018 G. The LPP 2020 mortality tables apply in Switzerland, in France the current tables of the INSEE.

Actuarial gains and losses are the result of changes in beneficiaries and deviations from the actual trends (e.g., increases in income or pensions) vis-á-vis accounting assumptions. In accordance with the regulations stated in IAS 19, this amount is offset against other comprehensive income in equity.

A change in the key actuarial assumptions as of the balance sheet date would influence the DBO as follows:

	Change in the DBO	
in thousand euros	Increase	Reduction
Discounting rate – change of 1.0 percentage points	– 18,394 (– 12,403)	19,396 (13,267)
Future increases in salary – change of 1.0 percentage points	2,787 (2,176)	– 2,504 (– 1,960)
Future increases in pension – change of 1.0 percentage points	12,300 (9,802)	– 2,973 (– 2,428)
Mortality rates – change by 1 year	4,006 (3,251)	– 3,929 (– 3,115)

The figures in brackets relate to the prior year

The sensitivity analysis shows the change in a DBO in the event of a change in an assumption. Since the changes do not have a straight-line effect on the calculation of DBO due to actuarial effects, the cumulative change in the DBO resulting from changes in a number of assumptions cannot be directly determined.

The reduction in the pension increase was limited to a level of 0 percent and was applied to the pension obligation in Switzerland.

As of December 31, 2024, the weighted average remaining service period was 9 years, and the weighted average remaining maturity of the obligation was 14 years.

The expected pension payments from the pension plans as of December 31, 2024, for the following fiscal year amount to 6,865 thousand euros (prior year: 6,404 thousand euros) and for the subsequent four fiscal years to 30,216 thousand euros (prior year: 27,753 thousand euros).

Defined contribution plans

Within the framework of the defined contribution plans, expenses for 2024 totaled 23,112 thousand euros (prior year: 21,857 thousand euros); this figure includes contributions to statutory pension insurance providers in the sum of 17,226 thousand euros (prior year: 16,318 thousand euros).

5.12 Other provisions

The development of other provisions is shown in the following table.

in thousand euros	Balance as of 1/1/2024	Currencies	Addition	Compounding	Utilization	Reversals	Balance as of 31/12/2024
Personnel	36,642	183	24,480	177	– 25,377	– 1,515	34,590
Guarantee and warranty obligations	8,380	18	6,234	39	– 1,873	– 2,886	9,912
Others	7,050	125	1,858	39	– 1,291	– 379	7,402
Total	**52,072**	**327**	**32,572**	**255**	**– 28,541**	**– 4,781**	**51,904**

Key items in the personnel provisions relate to performance bonuses, profit sharing, and similar obligations, as well as to the share-based payments for the Executive Board. Personnel provisions also included anniversary of service payments in the sum of 4,998 thousand euros (prior year: 4,791 thousand euros) and partial retirement obligations in the sum of 2,730 thousand euros (prior year: 2,372 thousand euros). Actuarial expert opinions were obtained for the anniversary and partial retirement obligations with the assumption of income increasing in Germany at 3.00 percent (prior year: 3.00 percent).

The provision for guarantee and warranty obligations included expenses for individual warranty cases as well as for lump-sum rate warranty risks. The calculation of the provision for lump-sum rate warranty risks is based on empirical values that were determined as a guarantee cost ratio of revenue on a company or product group-specific basis and applied to revenues which are liable to guarantees. The amounts that were reversed in the fiscal year 2024 mainly comprise guarantee and warranty provisions for specific individual cases for which the underlying obligations no longer existed as a result of agreements with customers for remedial action.

Other provisions include, among others, decommissioning obligations, specifically in the Smart Mobility Solutions division, as well as the remaining obligations under indemnity agreements from the sale of VINCORION. Other provisions also included numerous identifiable specific risks that were accounted for in the amount of the best possible estimate of the settlement sum.

The expected utilization by maturity is shown below:

in thousand euros	Up to 1 year	1 to 5 years	More than 5 years	2024
Personnel	25,683	7,995	912	34,590
Guarantee and warranty obligations	8,299	1,613	0	9,912
Others	3,376	3,841	185	7,402
Total	**37,358**	**13,449**	**1,097**	**51,904**

5.13 Share-based payments

The effects associated with the share-based payments with settlement in cash were as follows:

	Statement of profit or loss		Statement of financial position	
in thousand euros	2024	2023	2024	2023
Virtual shares for the current year	– 927	– 1,186	927	1,186
Virtual shares for prior years	718	– 636	1,752	2,575
Total	**– 209**	**– 1,822**	**2,680**	**3,761**

As of December 31, 2024, the Jenoptik Group had share-based payment schemes in the form of virtual shares for Executive Board members and some senior management personnel. In this context, a distinction must be made between the performance shares in accordance with the Executive Board remuneration system and the virtual shares for some senior management personnel (LTI).

Performance shares

The virtual shares granted to the Executive Board are vested in the year of their provisional allocation and paid out at the end of their four-year, contractually-defined term. However, this only applies if multi-annual targets have been achieved at the end of the performance period. The performance shares provisionally granted for the fiscal years 2021 and 2022 are linked to the development of the Return on Capital Employed (ROCE) with a weighting of 30 percent and the Total Shareholder Return (TSR) of Jenoptik compared with the TecDax with a weighting of 70 percent. Since the fiscal year 2023, ESG targets have also been considered with a weighting of 20 percent. Conversely, the weighting of the TSR has fallen to 50 percent and, since 2023, has no longer been measured exclusively against the TecDax but half also against an individual peer group.

In the event of an exit before the end of the term, performance shares will also only be measured, finally allocated, and then paid out at the end of the respective performance period, depending on whether the targets have been achieved.

The performance shares provisionally allocated for the members of the Executive Board for fiscal years 2021 to 2024 were measured at the fair value and recognized in other provisions. The fair value of the performance shares is determined based on an arbitrage-free valuation according to the Black/Scholes option pricing model.

The development of the Executive Board members' virtual shares is shown in the following table:

in units	Number for 2024	Number for 2023
Executive Board		
1/1	127,774	106,319
Granted for the period	42,923	43,351
Expired[1]	– 5,498	– 18,086
Paid out	– 27,122	– 3,810
31/12	138,077	127,774

[1] Adjustment of provisional allocation to target achievement during the performance period

LTI

Virtual shares (LTI) are also granted to some senior management personnel. The number of LTI to be allocated is determined based on target achievement as well as on the volume-weighted average closing price of the Jenoptik share over the twelve months of the reference year. The vesting period is the four subsequent years. Payment is made on expiry of the vesting period, based on the volume-weighted average closing price of the Jenoptik share in the fourth subsequent year.

If a person leaves the company before the end of the term, the LTI may be forfeit, depending on the reasons for leaving.

The virtual shares granted to the top management are measured at the pro rata fair value already vested and recognized in other provisions. The valuation basis used for determining the fair value of the LTI is the volume-weighted, average share closing price of the Jenoptik share over the last twelve months.

The development of the LTI is shown in the following table:

in units	Number in 2024	Number in 2023
Members of the top management		
1/1	28,724	31,794
Granted for the period	3,097	7,125
Granted for adjustment of target achievement in prior year	– 174	1,160
Paid out	– 25,324	– 11,355
31/12	6,323	28,724

5.14 Other current financial liabilities

in thousand euros	31/12/2024	31/12/2023
Other liabilities to investments	116	0
Liabilities from interest	3,945	4,630
Derivatives	4,868	686
Liabilities from remuneration for the Supervisory Board	954	923
Other current financial liabilities	1,001	1,819
Total	**10,884**	**8,058**

Derivatives are described in more detail in the Notes under “Financial instruments”.

5.15 Other current non-financial liabilities

in thousand euros	31/12/2024	31/12/2023
Liabilities to personnel	10,922	9,419
Liabilities from other taxes	6,054	6,266
Liabilities from social security	2,671	2,690
Liabilities to trade association	1,374	1,228
Other current non-financial Liabilities	140	138
Total	**21,160**	**19,741**

Liabilities to employees included, among others, vacation entitlements and flextime credits.

Liabilities from other taxes essentially comprise liabilities from sales tax.

6 Disclosures on Consolidated Statement of Cash Flows

Cash and cash equivalents are defined as the sum of cash on hand and on-demand deposits at banks with an initial maturity of less than three months.

The statement of cash flows explains the flows of payments, showing separately inflows and outflows of cash from operating, investing, and financing activities. No adjustment was made to the statement of cash flows due to the discontinued operation. Changes in the statement of financial position items used for preparing the statement of cash flows cannot be directly derived from the statement of financial position because the effects from foreign currency conversion and changes in the group of consolidated companies are non-cash transactions and are therefore eliminated. Cash flows from operating activities are indirectly derived from earnings before tax of the continuing as well as the discontinued operations. Earnings before tax are adjusted for non-cash expenses and income. The cash flows from operating activities are determined by considering the changes in working capital, provisions and other operating items in the statement of financial position.

The cash flows from investing activities changed from minus 48,481 to minus 88,029 thousand euros. They were influenced by the increased payments for investments in property, plant, and equipment in the reporting year (83,235 thousand euros; prior year: 78,636 thousand euros), primarily in order to expand production capacities through the construction of the Dresden fab, as well as a reduction in payments received from the sale of property, plant, and equipment (3,069 thousand euros; prior year: 21,368 thousand euros). The prior year also included proceeds from the disposal of a shareholding that had been accounted for using the equity method (8,480 thousand euros).

Compared with prior year, cash outflows for dividends paid to shareholders of the parent company within the cash flows from financing activities increased to 20,033 thousand euros (prior year: 17,171 thousand euros) and 0.35 euros per share (prior year: 0.30 euros per share). In addition, dividends were paid to minority shareholders in the sum of 1,483 thousand euros (prior year: 4,083 thousand euros). Information on receipts from and payments for loans can be found in the section “Financial instruments.”

The changes in financial debt that will lead to cash flows from financing activities in the future are shown in the table below.

			Non cash-effective change				
in thousand euros	Balance as of 1/1/2024[1]	Cash-effective change	Foreign currency exchange effects	Addition/ disposal	Change in fair value	Change in maturity	Balance as of 31/12/2024
Non-current financial debt	466,487	478	3,514	10,215	129	– 16,923	463,899
	(477,729)	(– 12,326)	(– 1,698)	(19,599)	(143)	(– 16,960)	(466,487)
Non-current liabilities to banks	416,008	478	3,397	0	129	– 3,094	416,918
	(435,369)	(– 12,326)	(– 1,835)	(0)	(143)	(– 5,343)	(416,008)
Non-current liabilities from leases	50,479	0	117	10,215	0	– 13,829	46,981
	(42,360)	(0)	(137)	(19,599)	(0)	(– 11,617)	(50,479)
Current financial debt	24,273	– 25,219	73	1,167	0	16,923	17,217
	(59,052)	(– 56,768)	(40)	(4,988)	(0)	(16,960)	(24,273)
Current liabilities to banks	9,993	– 9,966	– 20	0	0	3,094	3,101
	(47,135)	(– 42,525)	(40)	(0)	(0)	(5,343)	(9,993)
Current liabilities from leases	14,280	– 15,254	94	1,167	0	13,829	14,116
	(11,916)	(– 14,242)	(0)	(4,988)	(0)	(11,617)	(14,280)
Total	**490,760**	**– 24,742**	**3,587**	**11,382**	**129**	**0**	**481,116**
	(536,781)	**(– 69,094)**	**(– 1,658)**	**(24,587)**	**(143)**	**(0)**	**(490,760)**

The figures in brackets relate to the prior year
[1] Amended based on IAS 1 (classification of liabilities as current or non-current, see section 1.2)

For information regarding the allocation of the free cash flow to the divisions, we refer to the Segment Report.

7 Disclosures on the Segment Report

IFRS 8, which follows the management approach, forms the basis for the segment reporting. Accordingly, the external reporting is carried out for the attention of the chief operating decision makers based on the intra-group organizational and management structures as well as the internal reporting structure. The Executive Board analyzes the financial information using the key performance indicators that serve as a basis for decisions on allocating resources and assessing performance. The accounting and reporting policies and principles for the segments are essentially the same as those described for the Group in the accounting principles.

Jenoptik has the following reportable segments in fiscal year 2024: the Advanced Photonics Solutions and Smart Mobility Solutions divisions and the Non-Photonic Portfolio Companies.

The Advanced Photonic Solutions division is a global supplier of solutions and systems based on photonic technologies. Jenoptik has a wide range of such technologies here, especially in the fields of optics, micro-optics, digital imaging, optoelectronics, sensor technology, optical test and measurement systems, and laser technology. The core markets in which the division supplies specific market segments are the semiconductor equipment, life science & medical technology, information and communication technology, electronics, automotive, and the security technology industries.

The Smart Mobility Solutions division operates in the smart mobility market, primarily targeting the fields of traffic monitoring (traffic law enforcement/road safety) and civil security. For customers in the public sector (local and central government, police and regulatory agencies), the division develops, produces, and distributes photonics-based components, systems, and services, which are used to monitor compliance with road traffic regulations and thus make roads and cities safer worldwide.

Non-photonic activities, in particular on the automotive market, are managed within the Jenoptik Group by the Non-Photonic Portfolio Companies. In the field of industrial metrology and optical inspection (HOMMEL ETAMIC) and highly flexible, robot-based automation (Prodomax), the Non-Photonic Portfolio Companies develop manufacturing solutions for customers in the automotive and aerospace sectors as well as other manufacturing industries. With its products, automation solutions, and services for industrial customers, Jenoptik is thus primarily addressing the trend towards greater flexibility and efficiency in production processes, particularly in the automotive industry.

The Corporate Center (Holding, Shared Services, Real Estate) is reported under Other.

The “Consolidation” column comprises the business relationships to be consolidated between the segments and Other, as well as the necessary reconciliations.

The business relationships between the entities in the Jenoptik Group segments are generally based on prices that are also agreed with third parties.

With a customer from the Advanced Photonic Solutions division, revenues of approximately 20 percent (prior year: 20 percent) were realized.

The analysis of revenue by region is made according to the country in which the customer has its registered office.

7.1 Segment report

in thousand euros	Advanced Photonic Solutions	Smart Mobility Solutions	Non-Photonic Portfolio Companies	Other	Consolidation	Total
Revenue	879,282	119,536	129,101	60,612	– 72,743	1,115,787
	(833,192)	(118,784)	(125,193)	(63,899)	(– 75,019)	(1,066,048)
of which intra-group revenue	12,476	0	3,172	57,095	– 72,743	0
	(11,999)	(0)	(4,090)	(58,930)	(– 75,019)	(0)
of which external revenue	866,806	119,536	125,929	3,517	0	1,115,787
	(821,192)	(118,784)	(121,104)	(4,968)	(0)	(1,066,048)
Europe	524,937	81,663	41,547	3,517	0	651,664
	(464,477)	(75,299)	(44,592)	(4,968)	(0)	(589,337)
of which Germany	239,810	45,597	29,377	3,517	0	318,302
	(202,644)	(36,538)	(28,194)	(4,968)	(0)	(272,345)
of which the Netherlands	191,522	3,194	46	0	0	194,762
	(176,982)	(3,600)	(47)	(0)	(0)	(180,629)
Americas	152,227	14,173	77,429	0	0	243,830
	(150,075)	(16,859)	(70,267)	(0)	(0)	(237,200)
of which the US	142,306	4,352	38,278	0	0	184,937
	(141,672)	(5,486)	(40,430)	(0)	(0)	(187,589)
Middle East and Africa	27,861	8,911	342	0	0	37,114
	(29,717)	(5,209)	(147)	(0)	(0)	(35,073)
Asia/Pacific	161,781	14,788	6,609	0	0	183,179
	(176,924)	(21,417)	(6,098)	(0)	(0)	(204,438)
EBITDA	191,914	13,641	22,529	– 6,164	– 380	221,539
	(182,563)	(15,321)	(17,636)	(– 5,562)	(– 368)	(209,592)
Depreciation/amortization	– 53,014	– 7,131	– 7,082	– 7,685	0	– 74,912
	(– 49,969)	(– 6,258)	(– 7,097)	(– 7,546)	(0)	(– 70,870)
Impairments	– 53	0	0	0	0	– 53
	(– 321)	(0)	(– 12,387)	(0)	(0)	(– 12,708)
Free cash flow (before income taxes)	96,636	8,136	14,736	– 17,028	452	102,933
	(78,208)	(10,130)	(40,116)	(– 956)	(– 154)	(127,344)
Working capital	257,732	22,728	51,018	– 12,280	– 438	318,760
	(239,442)	(31,363)	(44,437)	(– 11,057)	(184)	(304,369)
Order intake (external)	812,783	122,880	88,506	3,517	0	1,027,686
	(826,487)	(113,577)	(147,126)	(4,968)	(0)	(1,092,159)
Capital expenditure in intangible assets and property, plant, and equipment	86,997	15,784	4,615	7,183	0	114,579
	(83,074)	(12,806)	(6,758)	(7,726)	(0)	(110,365)
Number of employees (full time equivalents/FTE)	2,956	507	527	288	0	4,278
	(3,033)	(485)	(500)	(262)	(0)	(4,280)

The free cash flow (before income taxes) = cash flows from operating activities before income tax payments, less cash inflows and outflows for intangible assets and property, plant, and equipment

The figures in brackets relate to the prior year

Reconciliation of segment result

EBITDA means earnings before interest, taxes, and depreciation, and amortization (including impairments and reversal of impairments). The reconciliation of the EBITDA with the EBIT reported in the consolidated statement of profit or loss is as follows:

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
EBITDA	221,539	209,592
Depreciation and amortization	– 74,912	– 70,870
Impairments	– 53	– 12,708
Reversals of impairments	0	314
EBIT	**146,574**	**126,328**

New structure in 2025

As part of its continued strategic focus, Jenoptik has adjusted its internal organizational structure with effect from 2025. The previous Advanced Photonics Solutions division will be dissolved and, together with the HOMMEL ETAMIC section, will be transferred to the Semiconductor & Advanced Manufacturing, Biophotonics, and Metrology & Production Solutions segments. The Smart Mobility Solutions segment will continue unchanged. From 2025, Prodomax, as a non-reportable segment, will be reported together with the Corporate Center as Other.

7.2 Non-current assets by regions

in thousand euros	31/12/2024	31/12/2023[1]
Europe	956,867	917,257
Americas	101,374	100,631
Asia/Pacific	58,907	61,312
Group	**1,117,148**	**1,079,200**
of which Germany	636,215	590,001
of which outside Germany	480,932	489,199
including Switzerland	272,994	279,663

[1] Allocation of goodwill by region adjusted

The non-current assets recognized here include intangible assets, property, plant, and equipment, as well as other non-current non-financial assets. The assets are fundamentally allocated to the individual regions according to the countries in which the consolidated entities have their registered office. In line with its allocation by currency areas, goodwill is also allocated according to assets by region.

8 Other Disclosures

8.1 Capital management

The aim of Jenoptik's capital management is to maintain a strong capital base to retain the trust of the shareholders, creditors, and capital markets, as well as to ensure the sustained, successful development of the company. As part of its regular management reporting, the Executive Board monitors in particular the order intake, development of revenue, EBITDA margin, capital expenditure development, and cash conversion rate. In the event of a significant deterioration in the key indicators, alternatives for action are developed and the corresponding measures implemented.

As of the balance sheet date December 31, 2024, the key financing of the Jenoptik Group includes a syndicated loan in the sum of 400,000 thousand euros, utilized with 7,270 thousand euros, as well as nine debenture bonds in the total sum of 311,000 thousand euros and one debenture bond in the sum of 59,000 thousand US dollars. Further details on these are shown under "Liquidity risk."

In addition to the syndicated loan and debenture bonds, the Jenoptik Group utilizes to a lesser extent other sources of financing, consisting of bilateral credit lines, subsidized loans, lease and rental financing, and factoring. These instruments are used to actively control cash flow development. Detailed information on the factoring is shown in the section "Current trade receivables". The financial debt as of December 31, 2024 is as follows:

in thousand euros	Up to 1 year	1 to 5 years	More than 5 years	Total
Liabilities to banks	3,101	324,938	91,981	420,019
	(4,156)	(337,490)	(84,354)	(426,001)
Liabilities from leases	14,116	32,918	14,064	61,097
	(14,280)	(33,905)	(16,574)	(64,759)
Total	**17,217**	**357,855**	**106,044**	**481,116**
	(18,437)	**(371,395)**	**(100,928)**	**(490,760)**

The figures in brackets relate to the prior year

8.2 Financial instruments

General

Within the course of its operating activities, Jenoptik is exposed to credit and default risks, liquidity risks, and market risks. The market risks include interest rates and currency risks.

The risks described above impact on the financial assets and liabilities, which are shown below.

Financial assets

in thousand euros	Valuation category in accordance with IFRS 9[1]	Carrying amounts 31/12/2024	Valuation in the statement of financial position in accordance with IFRS 9		
			Amortized costs	Fair value – through other comprehensive income	Fair value – through profit or loss
Financial investment					
Current financial Investments (cash deposits)	AC	676 (0)	676 (0)		
Shares in non-consolidated associates and investments	FVTOCI	692 (632)		692 (632)	
Loans and other financial investments	AC	279 (313)	279 (313)		
Trade receivables	**AC**	**130,820** **(144,239)**	**130,820** **(144,239)**		
Other financial assets					
Derivatives with hedge relations					
– Interest and currency swap	---	6,905 (3,768)		6,905 (3,768)	
– Foreign exchange forward transactions/ foreign exchange swaps	---	339 (3,568)		339 (3,568)	
– Interest cap	---	530 (1,947)		530 (1,947)	
Derivatives without hedge relations					
– Interest and currency swap	FVTPL	0 (290)			(0) (290)
– Foreign currency forward transactions/ foreign exchange swaps	FVTPL	312 (112)			312 (112)
Other financial assets	AC	4,109 (5,952)	4,109 (5,952)		
Cash and cash equivalents	**AC**	**84,897** **(67,690)**	**84,897** **(67,690)**		
Total		**229,560** **(228,511)**	**220,781** **(218,195)**	**8,466** **(9,915)**	**313** **(402)**

The figures in brackets relate to the prior year
[1] AC = Amortized costs
FVTPL = Fair value through profit or loss
FVTOCI = Fair value through other comprehensive income

Financial liabilities

			Valuation in the statement of financial position in accordance with IFRS 9			
in thousand euros	Valuation category in accordance with IFRS 9[1]	Carrying amounts 31/12/2024	Amortized costs	Fair value – through other comprehensive income	Fair value – through profit or loss	Valuation in accordance with IFRS 16
Financial debt						
Liabilities to banks	AC	420,019 (426,001)	420,019 (426,001)			
Lease liabilities	---[2]	61,097 (64,759)				61,097 (64,759)
Trade payables	**AC**	**105,595 (108,810)**	**105,595 (108,810)**			
Other financial liabilities						
Derivatives with hedge relations						
– Foreign exchange forward transactions/ foreign exchange swaps	---	5,332 (557)		5,332 (557)		
– Interest swap		1,173 (0)		1,173 (0)		
Derivatives without hedge relations						
– Foreign exchange forward transactions/foreign exchange swaps	FVTPL	642 (382)			642 (382)	
Other financial liabilities	AC	7,156 (9,055)	7,156 (9,055)			
Total		**601,014 (609,564)**	**532,770 (543,866)**	**6,505 (557)**	**642 (382)**	**61,097 (64,759)**

The figures in brackets relate to the prior year

[1] AC = Amortized costs

FVTPL = Fair value through profit or loss

FVTOCI = Fair value through other comprehensive income

[2] Valuation in accordance with IFRS 16

The classification of the fair values for the financial assets and financial liabilities can be seen in the following table:

in thousand euros	Carrying amounts 31/12/2024	Level 1	Level 2	Level 3
Shares in non-consolidated associates and investments	692 (632)	0 (0)	0 (0)	692 (632)
Derivatives with hedge relations (assets)	7,774 (9,282)	0 (0)	7,774 (9,282)	0 (0)
Derivatives without hedge relations (assets)	312 (401)	0 (0)	312 (401)	0 (0)
Derivatives with hedge relations (liabilities)	6,505 (557)	0 (0)	6,505 (557)	0 (0)
Derivatives without hedge relations (liabilities)	642 (382)	0 (0)	642 (382)	0 (0)

The figures in brackets relate to the prior year

Fair values available as quoted market prices at all times are allocated to level 1. Fair values determined based on direct or indirect observable parameters are allocated to level 2. Level 3 is based on valuation parameters that are not derived from observed market data.

The fair values of all derivatives are determined using generally accepted present value methods. In this context, the future cash flows determined via the agreed forward rate or interest rate are discounted using current market data. The market data used in this context is taken from leading financial information systems, for example Refinitiv. If interpolation of market data is applied, this is done on a linear basis.

Credit and default risk

The credit and default risk is the risk of a customer or contractual partner of Jenoptik failing to meet its contractual obligations. On the one hand, this results in the risk of creditworthiness-related impairments of financial instruments and, on the other, the risk of partial or complete default on contractually agreed payments.

Credit and default risks primarily exist for trade receivables. These risks are countered by pursuing active receivables management and recognizing impairments. In addition, Jenoptik is exposed to credit and default risks for cash and cash equivalents as well as current cash deposits. These risks are considered through constant monitoring of the creditworthiness of our business partners. To this end, business partner credit ratings and Credit Default Swaps (CDS) are subject to regular evaluation. For risk management purposes, liquid funds, among other things, are spread between a number of banks within fixed limits.

The maximum default risk corresponds to the carrying amount of the financial assets and as at the reporting date totaled 229,560 thousand euros (prior year: 228,511 thousand euros).

The following impairments on financial assets were recognized through profit or loss in the fiscal year:

in thousand euros	2024	2023
Trade receivables and contract assets	2,312	3,114
Financial investments and other financial assets	240	64
Cash and cash equivalents	0	120
Total	**2,552**	**3,298**

These impairments were offset against the following reversals of impairments for financial assets:

in thousand euros	2024	2023
Trade receivables and contract assets	3,568	2,103
Cash and cash equivalents	119	0
Financial investments	10	0
Total	**3,696**	**2,103**

Liquidity and financing risk

The liquidity risk entails the possibility of the Group being unable to meet its financial obligations. In order to ensure solvency and financial flexibility at all times, cash and cash equivalents, as well as credit lines and level of utilization are planned once a year by means of a five-year financial plan as well as three times a year by means of a quarterly forecast of the statement of financial position, earnings, and cash flow. The liquidity risk is also mitigated by effective cash and working capital management.

As of the balance sheet date, the liquidity reserves in the form of cash and cash equivalents totaled 84,897 thousand euros (prior year: 67,690 thousand euros).

In addition, the Group has a guaranteed and unused credit line at its disposal in the sum of 399,521 thousand euros (prior year: 393,661 thousand euros). This is primarily attributable to the syndicated loan of 400,000 thousand euros concluded in December 2021. As of the balance sheet date of December 31, 2024, the syndicated loan was utilized in the form of guarantees in the sum of 7,363 thousand euros and through overdraft facilities in the sum of 171 thousand euros. On conclusion, the term of the syndicated loan agreement was set for a period up to December 2026. As a result of the utilization of the first of two extension options in fiscal year 2022, the term of the agreement was extended by one year up to December 2027. The second extension option was requested in the fiscal year 2023. In this context, six out of seven of the syndicate banks have agreed to the extension of the loan for another year. The term of the syndicated loan agreement has therefore been extended until December 2028 for a portion of the loan in the sum of 349,875 thousand euros.

In March 2024, a tranche of the variable interest-bearing debenture bond, in the sum of 13,500 thousand euros, payable in March 2028, was repaid prematurely. As a result, as of December 31, 2024, a total of ten remaining debenture bond tranches amounted to 311,000 thousand euros and 59,000 thousand US dollars.

No financial covenants were agreed for either the syndicated loan or the debenture bonds. However, the terms of the financings are geared towards the Group's ESG targets of increasing diversity, reducing CO_2 emissions, and increasing transparency in the supply chain. Jenoptik achieved the latter two targets in fiscal year 2023, but narrowly missed the target of increasing diversity for both financing instruments. In accordance with the loan terms, this was verified and confirmed by Jenoptik's internal audit department in fiscal year 2024. As a result, Jenoptik no longer benefited from a slightly reduced credit margin in fiscal year 2024.

The debenture bonds maturing in 2026, 2028, or 2031 provide Jenoptik with a long-term financing base. With its flexible utilization options and extended term, the syndicated loan is another key financing component. This very solid financing mix, the maturity structure, which is shown in the table below, provides the financial basis for further growth.

			Cash outflow			
in thousand euros	Interest rates (Bandwidth in %)	Carrying amounts 31/12/2024	Total	Up to 1 year	1 to 5 years	More than 5 years
Variable, interest-bearing liabilities to banks	4.01- 4.41	205,891	230,948	8,054	184,433	38,461
	(4.14- 5.39)	(225,054)	(271,548)	(22,182)	(209,265)	(40,101)
Fixed interest bearing liabilities to banks	0.60- 5.54	214,128	222,297	13,573	186,010	22,714
	(0.60- 1.97)	(200,947)	(206,064)	(9,987)	(170,526)	(25,551)
Lease liabilities	0.56- 8.97	61,097	68,389	15,929	36,660	15,800
	(0.56- 6.91)	(64,759)	(73,681)	(16,577)	(38,541)	(18,563)
Total		**481,116**	**521,634**	**37,556**	**407,103**	**76,975**
		(490,760)	**(551,294)**	**(48,746)**	**(418,333)**	**(84,215)**

The figures in brackets relate to the prior year

The cash outflows within one year essentially include interest payments for the debenture bonds as well as interest and principal payments for real estate financings in Germany. This item also includes repayments of lease liabilities.

The cash outflows in the time frame of between one to five years mainly comprise the repayments of the debenture bonds with original terms of four and a half, five, six and a half, and seven years. This item also includes interest and principal payments for real estate financing in Germany with an original ten-year term, as well as lease liabilities.

Cash outflows over five years mainly comprise repayments for debenture bond tranches with original maturities of nine-and-a-half years, as well as interest and principal payments for real estate financing in Germany and leases.

Risk of changes in interest rates

Jenoptik is fundamentally exposed to the risks of fluctuations in market interest rates for all interest-bearing financial assets and liabilities. In fiscal year 2024, this mainly related to the debenture bonds raised in the sum of 311,000 thousand euros (prior year: 324,500 thousand euros) and 59,000 thousand US dollars (prior year: 59,000 thousand US dollars) as well as the utilization of the syndicated loan contract through overdraft facilities in the sum of 171 thousand euros (prior year: 11,303 thousand euros) at the respective balance sheet date.

	Carrying amounts	
in thousand euros	31/12/2024	31/12/2023
Interest bearing financial assets	60,788	30,256
Variable interest	32,604	9,197
Fixed interest	28,184	21,058
Interest bearing financial liabilities	482,256	492,443
Variable interest	206,854	231,442
Fixed interest	275,403	261,002

The calculated gains and losses from a change in the market interest rate as of December 31, 2024, within a bandwidth of 100 basis points, are shown in the following table:

in thousand euros	31/12/2024	31/12/2023
Increase by 100 base points		
Interest bearing financial assets	326	92
Interest bearing financial liabilities	– 2,069	– 2,314
Impact on earnings before tax	**– 1,742**	**– 2,222**
Reduction of 100 base points		
Interest bearing financial assets	– 326	– 92
Interest bearing financial liabilities	2,069	2,314
Impact on earnings before tax	**1,742**	**2,222**

As part of the management of interest rate risks, Jenoptik relies on a mix of fixed and variable interest-bearing assets and liabilities, as well as on various interest rate hedging transactions. These include, for example, interest swaps, interest caps and floors, as well as combined interest and currency swaps. As of the balance sheet date on December 31, 2024, there was an interest swap, newly concluded in 2024, a combined interest rate and currency swap, and one interest cap in place, with the following structure:

Interest swap euro	
Nominal volume	36,500 thousand euros
Term	September 30, 2024 to March 31, 2031
Fixed interest rate to be paid in euros	2.88 percent p. a.
Variable interest rate to be received in euros	6-month Euribor
Interest and currency swap US dollar	
Nominal volume	59,000 thousand US dollars
Term	March 31, 2021 to March 31, 2026
Fixed interest rate to be received in US dollars	2.024 percent p. a.
Fixed interest rate to be paid in euros	0.645 percent p. a.
Interest cap euro	
Nominal volume	107,000 thousand euros
Term	September 30, 2022 to March 31, 2028
Interest rate cap	3.00 percent p. a.
Reference interest rate	6-month Euribor

The euro interest swap is used to limit the risk of a change in the interest rate of a tranche of a debenture bond issued in 2021 in the sum of 36,500 thousand euros. As of December 31, 2024, the negative market value of 1,173 thousand euros was recognized in the cash flow hedge reserve at minus 1,199 thousand euros, and 26 thousand euros though profit or loss in the financial result, in accordance with the pro rata accrual of the compensation payment for the current interest period.

The interest and currency swap in US dollars is used as a hedge for the risk of foreign currency exchange differences for the debenture bond tranche issued in 2021, in the sum of 59,000 thousand US dollars. The future cash flows to be expected were fixed for the entire term on conclusion of the contract. The market value is sub-divided into an interest and a currency component. As of December 31, 2024, the interest component had a market value of minus 600 thousand euros, which was recognized in the cash flow hedge reserve in other comprehensive income. Explanations of the foreign currency component follow in the next section “Foreign currency exchange risk”.

The interest cap is used as a hedge against the risk of a change in the interest rate of a variable, interest-bearing tranche of a debenture bond issued in 2021 in the sum of 107,000 thousand euros. The hedging effect of the cap comes into force as soon as the 6-month Euribor exceeds the 3.0 percent p.a. threshold. In this event, the counterparty pays Jenoptik the difference between the money market rate applicable at that time and 3.0 percent. Any compensation payments received are recognized in the financial result through profit or loss over the respective interest period. The original fair value of the interest rate cap on conclusion of the contract is amortized over the 7-year term. Changes in fair value are recognized through other comprehensive income. As of December 31, 2024, the amount recognized in the cash flow hedge reserve was minus 1,268 thousand euros (prior year: minus 653 thousand euros).

The following deposits and payments made are expected from the aforementioned hedging instruments:

in thousand euros	Up to 1 year	1 to 5 years	More than 5 years	Total
Interest swap euro				
Expected payments to bank	1,051 (0)	4,219 (0)	1,586 (0)	6,856 (0)
Expected payments receipts from bank	985 (0)	3,179 (0)	1,300 (0)	5,464 (0)
Interest and currency swap US dollar				
Expected payments to bank	322 (322)	322 (644)	0 (0)	644 (966)
Expected payments from bank	1,010 (1,010)	1,010 (2,020)	0 (0)	2,020 (3,030)
Interest cap euro				
Expected payments from bank	88 (828)	0 (0)	0 (0)	88 (828)

The figures in brackets relate to the prior year

Additionally, at the maturity of the interest and currency swap, the nominal amounts will be exchanged from euros to US dollars.

Foreign currency exchange risk

Foreign currency exchange risks include two types: conversion risk and transaction risk.

The conversion risk arises from fluctuations in value caused by changes in exchange rates from the conversion of financial assets and liabilities in foreign currencies into the currency of the statement of financial position. Since this is normally not associated with any cash flows, in most cases hedging is not carried out.

The transaction risk arises from the fluctuation in value of cash flows in foreign currencies caused by changes in currency exchange rates. Derivative financial instruments are used to hedge this risk. These are mainly currency forward transactions and currency swaps and, to a lesser extent, currency options.

Hedging is provided for significant cash flows in foreign currencies from the operational business, generally revenues. Contractually agreed cash flows are hedged 1:1 via so-called micro-hedges. Planned cash flows are secured proportionally as part of the anticipatory hedging.

Jenoptik also hedges the expected cash flows from intra-group loans in foreign currencies which have not been declared as a "Net Investment in a Foreign Operation," using derivative financial instruments. Derivatives used to hedge intra-group loans are not designated as a hedging instrument. As of December 31, 2024, intra-group loans in foreign currencies were hedged as follows:

Borrowers of intra-group loans	Outstanding amount of intra-group loans (excluding "Net Investment in a foreign operation")	Hedging volume
Prodomax Automation Ltd., Canada	32,000 thousand CAD	32,000 thousand CAD
Prodomax Automation Ltd., Canada	1,000 thousand USD	0 thousand USD
SwissOptic AG, Switzerland	10,507 thousand CHF	5,000 thousand CHF
JENOPTIK UK Ltd., Great Britain	7,828 thousand GBP	7,000 thousand GBP
JENOPTIK North America Inc.	937 thousand USD	4,000 thousand USD

There were various foreign currency forward transactions and foreign exchange swaps in place as at the balance sheet date. A so-called cash flow hedge relation with the respective underlying transaction was documented for the vast majority of these transactions. Where this is proven effective, its changes in value did not have to be recognized through profit or loss but through other comprehensive income in the cash flow hedge reserve. To measure the effectiveness, a prospective, quality-related effectiveness test was conducted, on the designation date as well as on a continuous basis, normally as of the balance sheet date.

The interest rate and currency swap in US dollar, already mentioned in the previous section "Risk of changes in interest rates", is used to hedge the foreign exchange currency risk for the tranche of a debenture bond in the sum of 59,000 thousand US dollars. The positive market value of its currency components totaled 6,884 thousand euros as of the qualifying date December 31, 2024. The change in the market value of the currency component is reflected in the statement of profit or loss. This creates the targeted offsetting effect with the countervailing change in the value of the underlying transaction (valuation of the foreign currency liability in euros).

The breakdown of currency forward transactions, foreign exchange swaps, and foreign exchange options, as well as the interest rate and currency swaps according to currency sales and purchases, is as follows:

in thousand euros	31/12/2024	31/12/2023
USD – sale for EUR	85,518	139,535
USD – purchase for EUR	57,173	57,173
GBP – sale for EUR	7,760	7,760
USD – sale for CHF	20,912	3,382
USD – sale for CAD	9,486	2,735
CNY – sale for EUR	4,133	10,661
JPY – sale for EUR	395	395
JPY – purchase for EUR	311	0
CAD – sale for EUR	21,597	35,763
CAD – purchase for EUR	0	5,445
CHF – sale for EUR	5,318	6,468
Total foreign currency sales	**155,119**	**206,700**
Total foreign currency purchases	**57,484**	**62,618**

The existing foreign currency forward transactions, currency swaps, and currency options, as well as the interest and currency swaps and the interest rate cap, had the following market values as of the balance sheet date:

in thousand euros	31/12/2024	31/12/2023
Positive market values		
Derivatives with hedge relations		
Non-current	7,435	7,726
Current	339	1,556
Derivatives without hedge relations		
Non-current	0	360
Current	312	42
Total positive market values	**8,086**	**9,684**
Negative market values		
Derivatives with hedge relations		
Non-current	1,932	252
Current	4,572	304
Derivatives without hedge relations		
Non-current	346	0
Current	296	382
Total negative market values	**7,147**	**939**
Balance	**939**	**8,745**

The market values for hedging transactions for intra-group loans are included in the derivatives without hedge relations as the underlying transaction comprising intra-group receivables and liabilities is eliminated. The positive market values of these derivatives as of the balance sheet date totaled 312 thousand euros (prior year: 87 thousand euros), while the negative market values totaled 642 thousand euros (prior year: 382 thousand euros). The change led to an overall loss of 35 thousand euros (prior year: loss of 301 thousand euros) that was recognized in the financial result through profit or loss.

As at December 31, 2024 cumulative losses in hedged currency forward transactions and currency swaps were recognized in the sum of 8,026 thousand euros (prior year: cumulative profit in the sum of 2,110 thousand euros). As of the balance sheet date the change in the sum of minus 10,136 thousand euros comprises changes in the value of the derivatives held in the portfolio in the sum of minus 5,979 thousand euros (prior year: loss of 1,750 thousand euros) as well as the market values in the sum of 4,157 thousand euros (prior year: 433 thousand euros), reclassified in the statement of profit or loss in the reporting year. This type of reclassification is normally associated with the recognition of the underlying transaction through profit or loss (for example, recognition of revenue) so the offsetting effect intended when concluding the hedge transaction is achieved.

The foreign exchange hedging transactions for operating activities (excluding interest rate and currency swaps as well as hedging transactions on intra-group loans) hedge against foreign currency risks in the amount of 111,306 thousand euros with a time frame up to the end of 2025. Foreign currency risks with a time frame up to the end of 2026 were hedged in the sum of 12,469 thousand euros.

The main foreign currency risks of Jenoptik involve the US dollar. The table below shows a list of the financial assets and liabilities in US dollars and the resultant net risk item for the statement of financial position:

in thousand euros	31/12/2024	31/12/2023
Financial assets	44,850	27,031
Financial debts	59,795	71,482
Net risk item for the statement of financial position	**– 14,945**	**– 44,451**

As of the balance sheet date, a US dollar-based net risk item was accounted for in the sum of minus 14,945 thousand euros (prior year: minus 44,451 thousand euros). The increase of 17,819 thousand euros in financial assets as of December 31, 2024 was mainly attributable to the increase in trade receivables. The reduction in financial liabilities is mainly attributable to the repayment of current liabilities to banks and the decrease in current trade payables.

A change in the US dollar exchange rate would have the following consequences:

	EUR/USD rate	Change in the net risk item (in thousand euros)
Rate on the reporting date 31/12/2024	1.0389 (1.1050)	
Increase by 5 percent	1.0908 (1.1603)	– 712 (– 2,117)
Reduction by 5 percent	0.9870 (1.0498)	787 (2,340)
Increase by 10 percent	1.1428 (1.2155)	– 1,359 (– 4,041)
Reduction by 10 percent	0.9350 (0.9945)	1,661 (4,939)

The figures in brackets relate to the prior year

In addition to the risks to the statement of financial position, the US dollar entails additional risks in terms of expected cash flows. These are estimated and hedged on a proportional basis as part of the annual medium-term planning. As of December 31, 2024, cash flows in US dollars for operating activities hedged by derivatives (excluding interest rate and currency swaps) in US dollars amounted to the equivalent of 105,110 thousand euros (prior year: 138,386 thousand euros).

8.3 Contingent liabilities and commitments

As of December 31, 2024, there were time-limited external contract performance guarantees in the sum of 10,000 thousand euros (prior year: 10,000 thousand euros) to a customer of VINCORION. The risk of a future claim is currently considered to be low.

In addition, a financing commitment was given to a non-consolidated associate in liquidation with respect to an orderly winding-up of the liquidation.

8.4 Legal disputes

Jenoptik is involved in a few court or arbitration proceedings. Provisions for litigation risks, respectively litigation expenses, were set aside in the appropriate amount to meet potential financial burdens resulting from ongoing court or arbitration proceedings. Further disclosure is not provided due to materiality considerations.

8.5 Related party disclosures in accordance with IAS 24

Related parties according to IAS 24 are entities or persons that have control over or are controlled by Jenoptik if they have not already been included in the consolidated financials statements as consolidated entities as well as entities or persons that, based on the articles of association or by contractual agreements, are able to significantly influence the financial and corporate policies of the management of JENOPTIK AG or participate in the joint management of JENOPTIK AG. Control is deemed to exist if a shareholder holds more than half of the voting rights in JENOPTIK AG. The largest single shareholder in JENOPTIK AG is Thüringer Industriebeteiligungs GmbH & Co. KG, Erfurt, which directly holds a total of 11 percent of the voting rights.

The following table shows the composition of the business relationships with non-consolidated associates, associated entities and investments.

		of which	
in thousand euros	Total	non-consolidated associates	associated entities and investments
Revenue	1,213	7	1,206
	(1,858)	(0)	(1,858)
Purchased services	1,008	82	926
	(1,173)	(59)	(1,114)
Receivables from operating activities	89	0	89
	(135)	(0)	(135)
Liabilities from operating activities	156	0	156
	(151)	(0)	(151)
Financial assets, loans granted	195	0	195
	(222)	(0)	(222)
Financial liabilities	116	116	0
	(0)	(0)	(0)

The figures in brackets relate to the prior year

Remuneration of the Executive Board and Supervisory Board

Members of the Executive Board and of the Supervisory Board of JENOPTIK AG and their close family members are also considered to be related parties.

The breakdown of the total remuneration of the members of the management in key positions (Executive Board and Supervisory Board), recorded in 2024 through profit or loss, is shown in the following table.

in thousand euros	1/1 -31/12/2024	1/1 -31/12/2023
Executive Board remuneration		
Short-term employee benefits[1]	2,282	2,338
Post-employment benefits	400	423
Share-based payment	89	1,410
Executive Board remuneration	**2,772**	**4,171**
Supervisory Board remuneration[2]	**1,026**	**960**
Total	**3,797**	**5,131**

[1] Fixed compensation, one-year variable compensation, and fringe benefits (contributions to accident and liability insurance, as well as the provision of company cars or mobility allowances)
[2] Fixed remuneration and committee remuneration including attendance fees, net

Individualized details on the remuneration of the Executive Board and Supervisory Board of JENOPTIK AG are shown in the Remuneration Report.

The expenses shown in the table for the share-based payment for the Executive Board are derived from the continuous measurement of all performance shares provisionally granted as of the balance sheet date, at the respective fair value at the balance sheet date.

The fair value of the 42,923 performance shares provisionally granted in fiscal year 2024 (prior year: 43,351) was 1,078 thousand euros at grant date (prior year: 1,244 thousand euros). The total remuneration paid to the members of the Executive Board in accordance with Section 314 (6) HGB in fiscal year 2024 therefore totaled 3,760 thousand euros (prior year: 4,006 thousand euros).

As of the balance sheet date, there were outstanding balances to members of management in key positions in the total sum of 4,222 thousand euros (prior year: 4,771 thousand euros) consisting of one and multi-year variable remuneration components of the Executive Board and the remuneration of the Supervisory Board.

Retirement benefits paid to former Executive Board members, or their survivors amounted to 71 thousand euros (prior year: 71 thousand euros). As of the balance sheet date, the pension provisions for former Executive Board members totaled 1,701 thousand euros (prior year: 1,749 thousand euros). In the fiscal year 2024, the interest expenses recorded for these existing provisions totaled 54 thousand euros (prior year: 57 thousand euros).

As in the prior year, there was no exchange of goods or services between the company and members of these two boards in fiscal year 2024.

In the fiscal year 2024 – as in the preceding years – no loans or advances were granted to members of either the Executive Board or the Supervisory Board. Consequently, there were no loan redemption payments.

9 Events After the Balance Sheet Date

The JENOPTIK AG Executive Board approved the submission of these consolidated financial statements to the Supervisory Board on March 19, 2025. The Supervisory Board is responsible for reviewing and approving the consolidated financial statements at its meeting on March 24, 2025.

Dividends. According to the Stock Corporation Act, the amount available for a dividend payment to the shareholders is based on the accumulated profit of the parent company JENOPTIK AG, which is determined in accordance with the regulations of the HGB. For fiscal year 2024, the accumulated profit of JENOPTIK AG totaled 49,862,423.26 euros, comprising the net profit for the year 2024 in the sum of 29,862,423.26 euros, plus retained profits of 20,000,000.00 euros.

The Executive Board recommends to the Supervisory Board that for the fiscal year 2024 past a dividend of 0.38 euros per qualifying no-par value share be proposed at the 2025 Annual General Meeting, representing an increase on the prior-year level (prior year: 0.35 euros). This means that an amount of 21,750,483.70 of JENOPTIK AG’s accumulated profit in the fiscal year 2024 is to be distributed. From the remaining accumulated profits of JENOPTIK AG, a sum of 8,111,939.56 euros should be allocated to other revenue reserves and a sum of 20,000,000.00 euros be carried forward to the new account.

No further events of significant importance occurred after December 31, 2024.

10 Other Required Disclosures and Supplementary Information under HGB

10.1 Disclosures in accordance with § 315e HGB and § 264 (3) HGB

The consolidated financial statements of JENOPTIK AG were prepared in accordance with § 315e HGB, exempting an entity from preparing consolidated financial statements under HGB. The consolidated financial statements and combined management report are simultaneously in conformity with the European Union Directive (2013/34/EU) on consolidated financial statements. To achieve comparability with consolidated financial statements prepared in accordance with the regulations under commercial law, mandatory disclosures and explanations under commercial law over and above those required to comply with the IFRS, are published.

The following fully consolidated German entities are included in the consolidated financial statements of JENOPTIK AG and have made use of the simplification measures provided in § 264 (3) HGB:

- JENOPTIK Automatisierungstechnik GmbH, Jena
- JENOPTIK Industrial Metrology Germany GmbH, Villingen-Schwenningen
- JENOPTIK Optical Systems GmbH, Jena
- JENOPTIK Robot GmbH, Monheim am Rhein
- TRIOPTICS GmbH, Wedel

10.2 Number of employees and personnel expenses

The breakdown of the average number of employees is as follows:

	2024	2023
Advanced Photonic Solutions	3,152	3,112
Smart Mobility Solutions	529	499
Non-Photonic Portfolio Companies	525	517
Other	311	287
Total	**4,517**	**4,415**

The average was determined in accordance with the requirements of § 267 (5) HGB for the description of the size categories.

The breakdown of the personnel expenses pursuant to § 275 (2) no. 6 HGB is as follows:

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Wages and salaries	341,125	323,097
Social security contributions and expenses for support	53,770	49,548
Expenses for pensions	4,752	4,476
Total	**399,648**	**377,121**

10.3 Auditor fees

The fees for the services rendered by our auditor, as well as by its associates resp. network companies, amounted to:

in thousand euros	1/1-31/12/2024	1/1-31/12/2023
Financial statement audit services	1,679	1,582
Other services	10	17
Other audit-related services	19	9
Tax consulting services	5	8
Total	**1,714**	**1,616**

The fees for the financial statement audit services relate to expenses for the audit of the annual and consolidated financial statements of JENOPTIK AG as well as the statutory and voluntary audits of the financial statements of the subsidiaries included in the consolidated financial statements.

In 2024, other services were rendered as part of a tender process as well as other audit-related services in accordance with the European Market Infrastructure Regulation (EMIR) as well as the examination of the remuneration report under Section 162 (3) AktG. Tax consulting service relates to providing support services in connection with tax returns from one subsidiary not based in the EU.

Of the total expenses, financial statement audit services in the sum of 999 thousand euros (prior year: 954 thousand euros), other services in the sum of 10 thousand euros (prior year: 17 thousand euros), and other assurance services in the sum of 19 thousand euros (prior year: 9 thousand euros) were attributable to the auditors of the consolidated financial statements, EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Stuttgart.

10.4 German Corporate Governance Code

In December 2024, the Executive Board and Supervisory Board of JENOPTIK AG submitted a declaration of conformity in accordance with § 161 AktG as required by the recommendations of the Government Commission's German Corporate Governance Code in the version dated April 28, 2022. The declaration of conformity was made permanently available to shareholders on the JENOPTIK AG website at www.jenoptik.com in the section Investors/Corporate Governance. The declaration can also be viewed in the offices of JENOPTIK AG (Carl-Zeiss-Strasse 1, 07743 Jena, Germany).

11 List of Shareholdings of the Jenoptik Group as at December 31, 2024 in accordance with § 313 (2) HGB

No.	Name and registered office of the entity	Share of Jenoptik or the direct shareholder in % of	Equity 31/12/2024 thousand euros[1]	Result 2024 thousand euros[1]
	1.1 Consolidated entities			
	– direct investments			
1	JENOPTIK Asia-Pacific Pte. Ltd., Singapore, Singapore	100		
2	JENOPTIK Automatisierungstechnik GmbH, Jena, Germany	100		
3	JENOPTIK Industrial Metrology Germany GmbH, Villingen-Schwenningen, Germany	100		
4	JENOPTIK North America, Inc., Jupiter (FL), USA	100		
5	JENOPTIK Optical Systems GmbH, Jena, Germany	100		
6	JENOPTIK Robot GmbH, Monheim am Rhein, Germany	100		
	– indirect investments			
7	Berliner Glas Wuhan Trading Co., Ltd., Wuhan, China	100		
8	JENOPTIK (Shanghai) International Trading Co., Ltd., Shanghai, China	100		
9	JENOPTIK (Shanghai) Precision Instrument and Equipment Co., Ltd., Shanghai, China	100		
10	JENOPTIK Australia Pty Ltd, Sydney, Australia	100		
11	JENOPTIK Automotive North America, LLC, Rochester Hills (MI), USA	100		
12	Jenoptik Benelux B.V., Drunen, The Netherlands	100		
13	JENOPTIK India Private Limited, Bengalure, India	100		
14	JENOPTIK INDUSTRIAL METROLOGY DE MEXICO, S. DE R.L. DE C.V., Saltillo, Mexico	98		
15	JENOPTIK Industrial Metrology France S.A., Bayeux Cedex, France	100		
16	JENOPTIK JAPAN Co. Ltd., Yokohama, Japan	100		
17	JENOPTIK Korea Corporation, Ltd., Suwon, Korea	100		
18	JENOPTIK Optical Systems, LLC, Jupiter (FL), USA	100		
19	JENOPTIK SMART MOBILITY SOLUTIONS LLC , Jupiter (FL), USA	100		
20	JENOPTIK Traffic Solutions Switzerland AG, Uster, Switzerland	100		
21	JENOPTIK Traffic Solutions UK Ltd., Camberley, Great Britain	100		
22	JENOPTIK UK Ltd., Camberley, Great Britain	100		
23	Prodomax Automation Ltd., Barrie, Canada	100		
24	SwissOptic (Wuhan) Co., Ltd., Wuhan, China	100		
25	SwissOptic AG, Heerbrugg, Switzerland	100		
26	TRIOPTICS GmbH, Wedel, Germany	100		
27	TRIOPTICS Hong Kong Limited, Hong Kong	100[9]		
28	TRIOPTICS Japan Co., Ltd., Shizuoka, Japan	61.25		
29	TRIOPTICS Korea Co., Ltd., Suwon, Korea	60		
30	Beijing TRIOPTICS Optical Test Instruments (China) Ltd., Beijing, China	51		
31	TRIOPTICS Scandinavia OY, Tampere, Finland i.L.[2]	100		
32	TRIOPTICS SINGAPORE PTE. LTD. Singapore, Singapore	100		
33	TRIOPTICS TAIWAN LTD. Taoyuan, Taiwan	51		
34	TRIOPTCS LLC Rancho Cucamonga (CA), USA	100		
	1.2 Non-consolidated associates			
	– direct investments			
35	KORBEN Verwaltungsgesellschaft mbH, Grünwald, Germany, i.L.[2]	100	34[4]	1[4]
	– indirect investments			
36	JENOPTIK do Brasil Instrumentos de Precisão e Equipamentos Ltda., Sao Paulo, Brazil. i.L.[2]	100	102[10]	352[10]
37	JENOPTIK Saudi Arabia, LLC, Jeddah, Saudi-Arabia, i.L.[2]	100	9[5]	-37[5]
38	JENOPTIK Robot Algérie SARL, Algiers, Algeria	74.5	260[4]	1[4]

No.	Name and registered office of the entity	Share of Jenoptik or the direct shareholder in % of	Equity 31/12/2024 thousand euros[1]	Result 2024 thousand euros[1]
39	Hörsel GmbH, Jena, Germany, i.L.[2]	100	-541[8]	0
40	BROXBURN, S.L., Madrid, Spain	100	116[4]	1[4]
41	INTEROB RESEARCH & SUPPLY, S.L., Valladolid, Spain	100	-94[4]	-324[4]
42	INTEROB, S.L., Valladolid, Spain	100	-8,294[4]	-2,386[4]
43	JENOPTIK France, SASU, Bordeaux, France	100	10	0
	2. Investments accounted for using the equity method			
44	TRIOPTICS France S.A.R.L., Villeurbanne, France	50	527[4]	217[4]
	3. Investments **– direct investments**			
45	JENAER BILDUNGSZENTRUM GmbH SCHOTT CARL ZEISS JENOPTIK, Jena, Germany	33.33	1,591[4]	23[4]
	– indirect investments			
46	HOMMEL CS s.r.o., Teplice, Czech Republic	40	1,127[4]	8[4]
47	JT Optical Engine GmbH + Co. KG, Jena, Germany, i.L.[2]	50[7]	55	-1
48	JT Optical Engine Verwaltungs GmbH, Jena, Germany, i.L.[2]	50[7]	23	0
49	Zenteris GmbH, Jena, Germany, i.I.[3]	24.9[7]	[6]	[6]

[1] Details from annual financial statements in foreign currency converted at the closing rate or at the average rate of the respective year

[2] i.L. = in liquidation

[3] i.I. = in insolvency

[4] Details for 2023 annual financial statements

[5] Details as of 31/03/2018

[6] Details not available

[7] Deviating fiscal year as of 30/06

[8] Liquidation closing statement of financial position as at 31/01/2023

[9] Direct investment through Beijing TRIOPTICS Optical Test Instruments (China) Ltd.

[10] Details for 2022 annual financial statements

Jena, March 19, 2025

JENOPTIK AG

Dr. Stefan Traeger
President & CEO

Dr. Prisca Havranek-Kosicek
Chief Financial Officer

Dr. Ralf Kuschnereit
Member of the Executive Board